



RICHLAND SCHOOL DISTRICT TWO

General Fund Budget

Fiscal Year 2018-2019

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**RICHLAND SCHOOL DISTRICT TWO
PROPOSED GENERAL FUND BUDGET HIGHLIGHTS
FY 2018-2019**

Revenue Highlights

The Proposed General Fund Budget includes additional revenues that total \$10,703,801 and include:

- State estimates include EFA funding at a projected base student cost of \$2,485. This budget reflects projections for State EIA teacher salary supplements, projections for State Property Tax Relief, as well as other State revenue projections.
- The local revenue projections are based on a proposed millage rate of 331.6, which includes an increase to cap of 10.4 mills. The millage cap of 10.4 mills is based on a prior year population growth percentage of 1.11% and CPI of 2.13%.

Expenditure Highlights

The Proposed General Fund Budget also includes expenditures that total \$284,616,391. So that we can strive to accommodate the needs of every child within our District, the budget projections have an emphasis on providing high level academic offerings through teaching and learning and student engagement, effective leadership, and providing effective fiscal management.

The proposed budget strives to meet district priorities by including the following additions:

- Funding for 6.0 positions for classroom teachers to help manage growth.
- Continuing to maintain, recruit and support quality personnel by providing a 1% salary schedule increase, in addition to a step increase for all eligible employees (of approx. range of 1-2% step based on current salary schedules), which is in-line with the teacher salary schedule increase mandated by the State.
- Honoring the commitment to National Board Certified teachers by maintaining the local supplement.
- Funding for the reauthorization of IB Schools.
- Funding to cover annual contractual increase for School Resource Officers (SROs) to maintain current SRO staffing. Funding to reorganize security staff to provide additional coverage to schools without SROs.
- Some of the other items that are included in the proposed budget are:
 - Anticipated State increase for the employer portion of State Retirement
 - Anticipated State increase for the employer portion of State Health Insurance
 - Anticipated increases in utilities
 - Anticipated increases in annual recurring operating contracts
 - Funding for 1st Grade reading curriculum
 - Funding of TE 21 / Case Benchmark Exams based on SC College and Career Ready Standards

FINAL READING - 5/22/18

RICHLAND SCHOOL DISTRICT TWO

FY 2018 - 2019

General Fund Budget Increases Estimated with a Projected 10.4 CAP Mill Increase

REVENUES

REVENUE SOURCE	2017-18 Budget	2018-2019 Projections	Increase (Decrease) over 2017-18 Budget	% Change*
Local Property Tax	\$97,869,013	\$101,893,890	\$4,024,877	4.11%
Property Tax Relief (Includes Act 388)	49,485,340	50,392,895	\$907,555	1.83%
Education Finance Act	75,850,912	77,726,361	\$1,875,449	2.47%
State Revenue for Fringe Benefits (PEBA Credit is included in separate line)	38,145,204	40,023,461	\$1,878,257	4.92%
State Revenue for Pupil Transportation	1,479,743	1,300,139	\$(179,604)	-12.14%
EIA Transfer for TSS (Teacher Salary Schedule Supplement)	6,338,524	8,235,791	\$1,897,267	29.93%
Interest Income	150,000	400,000	\$250,000	166.67%
Federal Impact Aid	250,000	250,000	\$0	0.00%
Indirect Cost	950,000	900,000	\$(50,000)	-5.26%
Administrative Fee from Charter High School	150,000	250,000	\$100,000	66.67%
Other State Revenue - PEBA Credit	1,790,696	1,790,696	\$0	0.00%
Revenue from Other Sources	1,453,158	1,453,158	\$0	0.00%
TOTAL REVENUE - GENERAL FUND	\$273,912,590	\$284,616,391	\$10,703,801	3.91%

EXPENDITURES

PROJECTED EXPENDITURES	2017-18 Budget	2018-2019 Projections	Increase (Decrease) over 2017-18 Budget	% Change*
Salaries	\$173,161,320	\$177,758,362	\$4,597,042	2.65%
<i>Salaries Category includes all expenditures paid to employees of the district for wages.</i>				
Benefits	65,928,364	70,926,147	\$4,997,783	7.58%
<i>Benefits Category includes all employer's costs associated with employee benefits, such as, health insurance, retirement, social security match, etc.</i>				
Utilities	11,138,192	11,222,828	\$84,636	0.76%
<i>Utilities Category includes costs associated with Energy, Gas, Electric, Water, Sewer & Phone</i>				
Property and Operation Contracts	9,786,395	10,087,802	\$301,407	3.08%
<i>Property and Operation Contracts Category includes costs associated with custodial services, landscaping, pest control, energy management, Property & Casualty Insurance, garbage, etc.</i>				
Maintenance and Repairs	1,165,764	1,165,764	\$0	0.00%
<i>Maintenance and Repairs Category includes costs associated with general Maintenance, repairs and upkeep of the district facilities and equipment.</i>				
Purchased Services	4,205,519	4,347,328	\$141,809	3.37%
<i>Purchased Services Category includes student transportation, staff travel, mileage reimbursements, professional services (legal, audit, etc.), printing/binding, copier rentals, annual subscriptions and all other contracted services</i>				
Supplies and Equipment	6,242,712	6,823,836	\$581,124	9.31%
<i>Supplies and Equipment Category includes Instructional supplies used in the classroom, technology equipment and supplies, periodicals, textbooks/library books, technology software, office supplies and equipment, etc.</i>				
Other Expenditures	2,284,324	2,284,324	\$0	0.00%
<i>Other Expenditures includes items not broken out in the above categories. Some examples are organization membership, other insurance costs (including costs associated with workers' compensation), and transfers to other funds</i>				
TOTAL EXPENDITURES - GENERAL FUND	\$273,912,590	\$284,616,391	\$10,703,801	3.91%

*Percent change is the percentage increase from 2017-2018 to 2018-2019 for each category. In the case of salaries it does not reflect individual salary increase, but the overall increase in salaries due to step increase and added positions.

RICHLAND SCHOOL DISTRICT TWO
General Fund Budget Increases Estimated with a Projected 10.4 Mill CAP Increase

FY 2018 - 2019

Description	FTE's	Estimated Increase	Remaining
Estimated Total Revenue Increase over Prior Year Budget		\$ 10,703,801	
Estimated Increase in Employer's Share of Health Insurance (Estimated 7.4% Increase)		1,326,931	\$ 9,376,870
Estimated Increase in Employer's Share of State Retirement (Estimated 1.15% increase)		2,031,182	\$ 7,345,688
Certified Salary Step increase (for eligible employees)		2,982,600	\$ 4,363,088
Certified Salary Schedule 1% increase per SDE (for eligible employees)		1,177,497	\$ 3,185,591
Classified Salary Step increase (for eligible employees)		1,038,647	\$ 2,146,944
Classified Salary Schedule 1% increase (for eligible employees)		554,116	\$ 1,592,828
Increase in Utilities		84,636	\$ 1,508,192
Increase in other operating contracts (includes custodial, grounds, security equip. etc.)		301,407	\$ 1,206,785
SRO Contract Increase		119,309	\$ 1,087,476
Cost of 10 Additional NBC teachers (including related benefits)		63,515	\$ 1,023,961
6.0 Teacher FTEs for growth	6.0	375,432	\$ 648,529
New Reading Curriculum based on Open Court for 1st Grade		336,624	\$ 311,905
Repurpose existing RTI Specialist position and align days to 210 for the the positions	(1.0)	(45,563)	\$ 357,468
TE 21/Case Bench mark Exams based on SC College and Career Ready Standards		244,500	\$ 112,968
Reassign part-time 2nd & 3rd shift security officers to full time 1st shift to cover schools with no SRO		90,468	\$ 22,500
Reauthorization of IB schools (RNE, ELW, WES)		22,500	\$ -
			\$ -
			\$ -
Estimated Total Expenditures Increase Over Prior Year Budget	5.0	\$ 10,703,801	
Estimated Excess Revenues over Expenditures		\$ -	

**Richland School District Two
Estimated General Operating Value of a Mill
Budget 2018-2019**

Based on Information from the SC Revenue and Fiscal Affairs Office 3/22/2018

Calculation of Mill Cap

Population Growth		1.11%
CPI		2.13%
Percent Millage can increase		3.24%
FY 2018-2019		
Current Millage Rate		321.20
Plus: Millage Cap Increase		10.4
Total Allowable Mills based on Cap for FY 2018-19		331.60

Based on Estimates Provided by County Auditor's Office on 4/2/2018

	10.4 Mill CAP Increase
Projected Mill Value for FY 18-19 (Based on Estimated Value of a Mill from County Auditor)	300,000
Millage Rate	331.6
Projected Net Local Property Tax Revenue	99,480,000
State Property Tax Relief:	
Tier I	8,759,334
Tier II	1,894,248
Tier III	39,739,313
	50,392,895
Estimated Other State Reimbursements	1,395,439
Estimated Carry-Forward <i>(1) Final amount to be determined by County</i>	1,018,451
Total Revenue from Local Tax and State Tax Reimbursements that Flow through Richland County	152,286,785

(1) The District anticipates possible Carry-Forward funds from FY 2017-2018; however, actual dollar amounts will not be available until Year End. The District may request to utilize any Carry-Forward funds from FY 2017-2018 in the FY 2018-2019 General Fund Budget.

RICHLAND SCHOOL DISTRICT TWO FY 2018-19 Education Finance Act Formula		
Projected Base Student Cost		\$2,485
Estimated District Weighted Units		37,310
BSC X DISTRICT_WPU		\$92,715,350
Projected Base Student Cost	\$2,485	
Projected Statewide Weighted Units	991,907	
Local %	30%	
Estimated Index of Tax Paying Ability	0.02027	
Subtotal		14,988,989
Projected EFA Funds		\$77,726,361