

BOARD AGENDA ITEM

May 24, 2022

SUBJECT:

2022 – 2023 Budget Recommendation

BACKGROUND INFORMATION:

The Second/Final Reading of the budget is currently scheduled for June 14, 2022.

ADMINISTRATIVE CONSIDERATION:

As shared during the May 10, 2022, budget update, a decrease of \$2,486,771 exists between the funding Aiken would receive under the House version of the budget and the Senate version of the budget. [The SC Department of Education released districts' allocations under the "House II" version on Friday, May 20. House II provides an additional \$50 million in funding for school districts. Aiken's allocation under this revised, House II version grew by \$1,386,058 compared to the original House version. Even with the possibility of additional funding, this is still a situation where the two legislative bodies have differences that must be resolved.]

The District is dealing with a number of unknowns due to the State's budget delays. The Second/Final Reading of the budget was pushed back by one meeting to allow additional time to monitor the State process. Recent legislative updates indicate that legislators will not return to Columbia until June 15, 2022. When legislators might finish the State budget and whether districts will have final allocations from the SC Department of Education by the June 30, 2022, fiscal year end remain unknown.

Due to the unknowns, the budget focus is on the worst-case scenario (Senate version funding). The Administration shared two budget scenarios, utilizing Senate funding, for possible Board consideration at the last meeting:

- **Increasing all pay scales by 3.25%.** This would provide a sense of fairness (compared to a fixed dollar amount increase per cell) for those paid on the teacher scale because it takes degree and years of experience into account. It would also provide consistency between teachers and non-teachers, something that had been a practice until recently.
- **Increasing teacher pay by \$2,000 per cell and increasing all other cells by 2.50%.** In this scenario, teacher pay would mirror the increase proposed by the Senate version of the budget. While variations exist and with final decisions still to be made, it appears that many districts are considering and planning for a \$2,000 teacher scale increase. Because the total costs associated with a \$2,000 increase are higher than costs

associated with the 3.25% teacher scale increase described in the previous scenario, the COLA for non-teachers would drop to 2.50% to keep things in balance.

The above would be in addition to step increases for eligible employees. Furthermore, either scenario excludes bus drivers since the State will require a bus driver pay increase that approximates a 4.65% COLA.

Each scenario differs from our First Reading of the budget (based on the original House version funding, the only information available at that time) and would require a significant amount of behind-the-scenes work. The Administration requests guidance for a more-narrowed focus as preparations are made for the June 14, 2022, Second/Final Reading.

RECOMMENDATION:

The Administration recommends utilizing the first scenario, increasing teacher and non-teacher pay scales by 3.25%.

PREPARED BY:

King Laurence
M. O. Traxler III