

2023 – 2024 BUDGET FIRST READING

AIKEN COUNTY PUBLIC SCHOOL DISTRICT

APRIL 18, 2023

A-5 Attachment #1

FIRST READING OVERVIEW

- **General Fund Revenue:**
 - Increase in property tax revenue from growth in tax base only; operating millage remained at 134.2
 - Increase payment in lieu of tax revenue based on recent history
 - Additional State Aid to Classrooms – State General Fund and State EIA (transfer into General Fund) portions
 - Increase in State retirement allocation
 - Additional funding for bus driver salaries covering the State minimum scale increase
 - Increased Act 388 funding - SC Revenue & Fiscal Affairs Office
 - Unavailability of flex funding to balance the budget

**FUND #1 - GENERAL FUND
FOR THE 2023 - 2024 SCHOOL YEAR
REVENUE BUDGET
FIRST READING**

	<u>2022 - 2023 Budget</u>	<u>2023 - 2024 Budget - First Reading</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
Local:				
Levies For Current Operations	\$ 65,500,000	\$ 68,509,100	\$ 3,009,100 ⁽¹⁾	4.59%
Delinquent Taxes - Operations	2,500,000	2,500,000	-	0.00%
Payment/Fee In Lieu Of Taxes	6,750,000	7,150,000	400,000	5.93%
Tuition - Out of District/Out of State/Age Requirements	35,000	35,000	-	0.00%
Interest On Investments	150,000	250,000	100,000	66.67%
Other Local - Miscellaneous	150,000	150,000	-	0.00%
Total Local Revenue	<u>75,085,000</u>	<u>78,594,100</u>	<u>3,509,100</u>	4.67%
State:				
State Aid to Classrooms - State General Fund	90,459,550	95,868,007 ⁽²⁾	5,408,457	5.98%
School Bus Drivers	2,186,826	2,853,478	666,652	30.48%
Retiree Insurance	6,936,609	7,932,818 ⁽²⁾	996,209	14.36%
Tier 1 - Property Tax Relief	8,147,500	8,147,500	-	0.00%
Tier 2 - Homestead Exemption	2,659,778	2,659,778	-	0.00%
Tier 3A - Act 388	24,643,835	27,544,637 ⁽³⁾	2,900,802	11.77%
Tier 3B - Saluda	50,000	40,000	(10,000)	-20.00%
Retirement Credit	1,293,418	1,293,418	-	0.00%
Total State Revenue	<u>136,377,516</u>	<u>146,339,636</u>	<u>9,962,120</u>	7.30%
Federal:				
Impact Aid	70,000	-	(70,000)	100.00%
Total Federal Revenue	<u>70,000</u>	<u>-</u>	<u>(70,000)</u>	100.00%

	<u>2022 - 2023 Budget</u>	<u>2023- - 2024 Budget - First Reading</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
Transfers and Non-Revenue Items:				
Transfer From Fund #3 - State Aid to Classrooms - EIA	15,645,933	19,187,191 [▼] (2)	3,541,258	22.63%
Transfer from Funds #3 and Fund #9 - Flex Available Current and Prior Year Carryover Allocations	1,838,638	- [▼] (4)	(1,838,638)	100.00%
Indirect Costs - Fund #2 and Fund #6	<u>700,000</u>	<u>700,000</u>	<u>-</u>	0.00%
Total Transfers and Non-Revenue Items	<u>18,184,571</u>	<u>19,887,191</u>	<u>1,702,620</u>	9.36%
Total - General Fund Revenue	\$ <u>229,717,087</u>	\$ <u>244,820,927</u>	\$ <u>15,103,840</u>	6.57%

(1) increased revenue results from growth in tax base only; does not reflect a millage rate increase

(2) based on House version of budget, most recent allocations received to date

(3) estimated 2023 - 2024 allocation per SC Office of Revenue & Fiscal Affairs

(4) the District has limited ability to flex funds to help balance the budget as result of State's elimination of At-Risk Funding and Aid to Districts Funding from the EIA Funding streams

FIRST READING OVERVIEW

- **General Fund Expenditures:**
 - Step increase for all eligible employees
 - \$2,500 per cell increase on teacher, JROTC, nurse, OT/PT and psychologist pay scale
 - Increase in bus driver pay scale as required by State (as of 4/11/2023)
 - **1% COLA for other groups of employees**
 - State retirement increase (24.81% employer contributions)
 - State health increase (3.70% employer increase, effective 1/1/2024)
 - Shifts of expenditures from “rolled-up”/eliminated State funds
 - Changes in school staffing allocations, including elementary caps and block scheduling
 - Positions to meet new unencumbered time requirements

FIRST READING OVERVIEW

- General Fund Expenditures – continued:
 - Costs related to Highland Springs
 - Absorption of funding shortfalls for CERDEP/4K and reading coaches
 - Increased janitorial supplies by \$106,380.
 - Increased General Fund debt service (ABM project)
 - Various other changes based on trend
 - Many Board and Administration priorities and various school, department, and program requests not addressed based on current funding levels

Current balance budget, pending discussions/decisions = \$244,820,927

**FUND #1 - GENERAL FUND
FOR THE 2023 - 2024 SCHOOL YEAR
EXPENDITURES BUDGET
FIRST READING**

	2022 - 2023 Budget	2023 - 2024 Budget - First Reading	Increase/ (Decrease)	Percent Change
Regular Salaries	\$ 142,837,604	\$ 149,922,046 ▼	\$ 7,084,442 ▲ ⁽¹⁾	4.96%
Extra Duty and Overtime Salaries	1,074,282	1,559,315	485,033	45.15%
Fringe Benefits and Payroll Taxes	61,716,722	69,043,166	7,326,444 ▲ ⁽²⁾	11.87%
Unemployment Compensation	33,000	33,000	-	0.00%
Workers Compensation Insurance	1,654,332	1,737,049	82,717	5.00%
Purchased Services - Instructional	2,733,461	2,614,335	(119,126) ▲ ⁽³⁾	-4.36%
Purchased Services - Security	578,400	566,942	(11,458)	-1.98%
Management Services	27,000	27,000	-	0.00%
Data Processing Services	217,629	217,629	-	0.00%
Audit Fees	125,500	125,500	-	0.00%
Legal Fees	150,000	175,000	25,000	16.67%
Water, Sewer And Garbage	850,957	844,085	(6,872)	-0.81%
Repairs/Maintenance Services	1,622,087	1,572,887	(49,200)	-3.03%
Property/Liability Insurance	1,339,398	1,453,175	113,777	8.49%
Rentals	81,618	81,618	-	0.00%
Equipment Repairs	348,879	348,879	-	0.00%
Other Property Services	2,475	2,475	-	0.00%
Student Transportation	75,000	75,000	-	0.00%
Travel	427,586	437,832	10,246	2.40%
Athletics Transportation	56,118	56,166	48	0.09%
Telephone	414,380	414,380	-	0.00%
Purchased Services - Technology	2,006,719	1,912,694	(94,025) ▲ ⁽⁴⁾	-4.69%
Advertising	13,472	13,472	-	0.00%
Printing and Binding	48,131	48,131	-	0.00%
Purchased Services - Other	411,304	506,744 ▼	95,440 ▲ ⁽⁵⁾	23.20%

	2022 - 2023	2023 - 2024		
	Budget	Budget - First Reading	Increase/ (Decrease)	Percent Change
Supplies - General	383,630	376,220	(7,410)	-1.93%
Supplies - Recruitment/Retention	20,000	20,000	-	0.00%
Supplies - Instructional	1,072,428	1,063,432	(8,996)	-0.84%
Supplies - Vocational	47,901	47,901	-	0.00%
Supplies - Robotics	9,000	9,000	-	0.00%
Supplies - STEM/STEAM Instructional Materials	5,000	5,000	-	0.00%
Supplies - Office and Postage	161,716	160,821	(895)	-0.55%
Supplies - Custodial	409,519	515,899	106,380	25.98%
Supplies - Maintenance	22,438	22,438	-	0.00%
Supplies - Maintenance Repairs	613,518	613,518	-	0.00%
Supplies - Tools	24,143	24,143	-	0.00%
Supplies - Gasoline/Lubricants	140,024	140,024	-	0.00%
Supplies - Vehicle Repairs	60,000	60,000	-	0.00%
Supplies - Electronic Repairs	45,000	45,000	-	0.00%
Supplies - Landscaping	100,000	100,000	-	0.00%
Supplies - Uniforms	60,000	60,000	-	0.00%
Supplies - Health	22,219	22,230	11	0.05%
Supplies - Library	216,478	217,860	1,382	0.64%
Supplies - Technology	476,294	471,696	(4,598)	-0.97%
Energy	4,650,000	4,650,000	-	0.00%
Equipment	18,900	18,900	-	0.00%
Technology and Software	47,700	47,700	-	0.00%
Debt Service	1,971,475	2,061,475	90,000 ⁽⁶⁾	4.57%
Dues and Fees	112,650	116,150	3,500	3.11%
Transfer to Other Funds - Activity Funds	95,000	77,000	(18,000)	-18.95%
Transfer to Other Governments	86,000	86,000	-	0.00%
Total - General Fund Expenditures	\$ 229,717,087	\$ 244,820,927	\$ 15,103,840	6.57%

BUS DRIVER PAY - UPDATE

- Based on 4/17/2023 guidance, must apply 25% increase to State minimum scale
- Still has a retention component, but simplifies vs. the “20% + \$2,500” handling discussed on 4/11/2023
- Unlike teacher scale, must increase even if exceed State minimum
- Bus drivers also receive step, if eligible
 - Eligibility based on driving a minimum amount of days per year
- Aiken scale – 0 through 25 steps

State Minimum - **REVISED**

Step	2022-2023	2023-2024	Increase
0	9.12	11.40	\$ 2.28
1	9.14	11.43	\$ 2.29
2	9.16	11.45	\$ 2.29
3	9.19	11.49	\$ 2.30
4	9.40	11.75	\$ 2.35
5	9.56	11.95	\$ 2.39
6	9.75	12.19	\$ 2.44
7	9.96	12.45	\$ 2.49
8	10.18	12.73	\$ 2.55
9	10.39	12.99	\$ 2.60
10	10.59	13.24	\$ 2.65
11	10.81	13.51	\$ 2.70
12	11.03	13.79	\$ 2.76
13	11.24	14.05	\$ 2.81
14	11.45	14.31	\$ 2.86
15	11.67	14.59	\$ 2.92
16	11.92	14.90	\$ 2.98
17	12.16	15.20	\$ 3.04
18	12.40	15.50	\$ 3.10
19	12.66	15.83	\$ 3.17
20	12.90	16.13	\$ 3.23
21	13.15	16.44	\$ 3.29
22	13.41	16.76	\$ 3.35
23	13.41	16.76	\$ 3.35
24	13.41	16.76	\$ 3.35
25	13.41	16.76	\$ 3.35

Step	Regular 2022-2023	Regular 2023 - 2024	Regular Increase	Regular Increase %	SPED 2022 - 2023	SPED 2023 - 2024	SPED Increase	SPED Increase %
0	\$ 15.54	\$ 17.82	\$ 2.28	14.67%	\$ 16.54	\$ 18.82	\$ 2.28	13.78%
1	\$ 15.80	\$ 18.09	\$ 2.29	14.46%	\$ 16.80	\$ 19.09	\$ 2.29	13.60%
2	\$ 16.09	\$ 18.38	\$ 2.29	14.23%	\$ 17.09	\$ 19.38	\$ 2.29	13.40%
3	\$ 16.37	\$ 18.67	\$ 2.30	14.03%	\$ 17.37	\$ 19.67	\$ 2.30	13.23%
4	\$ 16.68	\$ 19.03	\$ 2.35	14.09%	\$ 17.68	\$ 20.03	\$ 2.35	13.29%
5	\$ 16.98	\$ 19.37	\$ 2.39	14.08%	\$ 17.98	\$ 20.37	\$ 2.39	13.29%
6	\$ 17.30	\$ 19.74	\$ 2.44	14.09%	\$ 18.30	\$ 20.74	\$ 2.44	13.32%
7	\$ 17.63	\$ 20.12	\$ 2.49	14.12%	\$ 18.63	\$ 21.12	\$ 2.49	13.37%
8	\$ 17.96	\$ 20.51	\$ 2.55	14.17%	\$ 18.96	\$ 21.51	\$ 2.55	13.42%
9	\$ 18.30	\$ 20.90	\$ 2.60	14.19%	\$ 19.30	\$ 21.90	\$ 2.60	13.46%
10	\$ 18.67	\$ 21.32	\$ 2.65	14.18%	\$ 19.67	\$ 22.32	\$ 2.65	13.46%
11	\$ 19.01	\$ 21.71	\$ 2.70	14.22%	\$ 20.01	\$ 22.71	\$ 2.70	13.51%
12	\$ 19.37	\$ 22.13	\$ 2.76	14.24%	\$ 20.37	\$ 23.13	\$ 2.76	13.54%
13	\$ 19.73	\$ 22.54	\$ 2.81	14.24%	\$ 20.73	\$ 23.54	\$ 2.81	13.56%
14	\$ 20.10	\$ 22.96	\$ 2.86	14.24%	\$ 21.10	\$ 23.96	\$ 2.86	13.57%
15	\$ 20.48	\$ 23.40	\$ 2.92	14.25%	\$ 21.48	\$ 24.40	\$ 2.92	13.58%
16	\$ 20.86	\$ 23.84	\$ 2.98	14.29%	\$ 21.86	\$ 24.84	\$ 2.98	13.63%
17	\$ 21.28	\$ 24.32	\$ 3.04	14.29%	\$ 22.28	\$ 25.32	\$ 3.04	13.64%
18	\$ 21.68	\$ 24.78	\$ 3.10	14.30%	\$ 22.68	\$ 25.78	\$ 3.10	13.67%
19	\$ 22.09	\$ 25.26	\$ 3.17	14.33%	\$ 23.09	\$ 26.26	\$ 3.17	13.71%
20	\$ 22.52	\$ 25.75	\$ 3.23	14.32%	\$ 23.52	\$ 26.75	\$ 3.23	13.71%
21	\$ 22.94	\$ 26.23	\$ 3.29	14.33%	\$ 23.94	\$ 27.23	\$ 3.29	13.73%
22	\$ 23.37	\$ 26.72	\$ 3.35	14.35%	\$ 24.37	\$ 27.72	\$ 3.35	13.76%
23	\$ 23.79	\$ 27.14	\$ 3.35	14.09%	\$ 24.79	\$ 28.14	\$ 3.35	13.52%
24	\$ 24.21	\$ 27.56	\$ 3.35	13.85%	\$ 25.21	\$ 28.56	\$ 3.35	13.30%
25	\$ 24.66	\$ 28.01	\$ 3.35	13.59%	\$ 25.66	\$ 29.01	\$ 3.35	13.07%

14.20%

13.50%

OPTIONS

- Several options discussed during work study for possibly addressing priorities and requests
 - Budget eliminations, likely resulting in programmatic changes
 - Possibility of additional State fund (appears unlikely)
 - Increase teacher cells by something other than \$2,500
 - Per \$500 decrease saves approximately \$1,145,000
 - Tax increases
 - Last increase 2013 – 2014
 - Current year's increase + three year lookback is available

ANOTHER POSSIBLE OPTION

- Option for districts to build indirect cost into ARP ESSER spending plan
- Aiken's original plan included indirect cost
 - Aiken's ARP ESSER allocation = \$63,386,401; 20% for learning loss
- Indirect cost removed with in subsequent amendment – May 10, 2022
- Could add back with another plan revision:
 - Propose amendment
 - Allow for public comment, if any
 - Board approves amendment
 - Plan amendment submitted to SC Department of Education

ANOTHER POSSIBLE OPTION – CONT'D

- Have identified \$2,290,109 in ARP ESSER budget ESSER for shift to indirect cost
 - Various instructional \$1,122,720
 - Unused dual modality budget 733,854
 - Unused PPE budget 183,835
 - HEPA filter replacement budget* 250,000

**would not exhaust budget; remaining would be sufficient through end of ARP ESSER*
- Possible uses:
 - Increase COLA for non-teachers/non-bus drivers
 - Retention bonus for hourly employees
 - Other priorities/requests
 - Would want to be mindful of ARP ESSER's 9/30/2024 end

OUR BUDGET CALENDAR

January 17	Budget work study
April 11	Budget work study
April 18	First Reading
By April 24	Budget advertisement
May 9	Budget hearing
May 23	Second Reading

- Dates can be added or revised as needed
- Latest for an original budget approval is June 13

