



**AIKEN** COUNTY  
PUBLIC SCHOOLS

# 2019 – 2020 BUDGET KICKOFF: BUDGET 101

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AIKEN COUNTY PUBLIC SCHOOL DISTRICT    JANUARY 15, 2019

# GENERAL INFO

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# DISTRICT FACTS

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- District spans 1,178 square miles
- Crosses Aiken County line into Saluda County
- Nearly same size as Rhode Island
- 8th largest district in State based on 2018-19 45<sup>th</sup> day ADM
- Serve more than 25,000 students preschool through Adult Ed
- Approximately 3,200 FTE employees
- 2<sup>nd</sup> largest employer in Aiken County
- Operate on July 1 – June 30 fiscal year

# SCHOOLS

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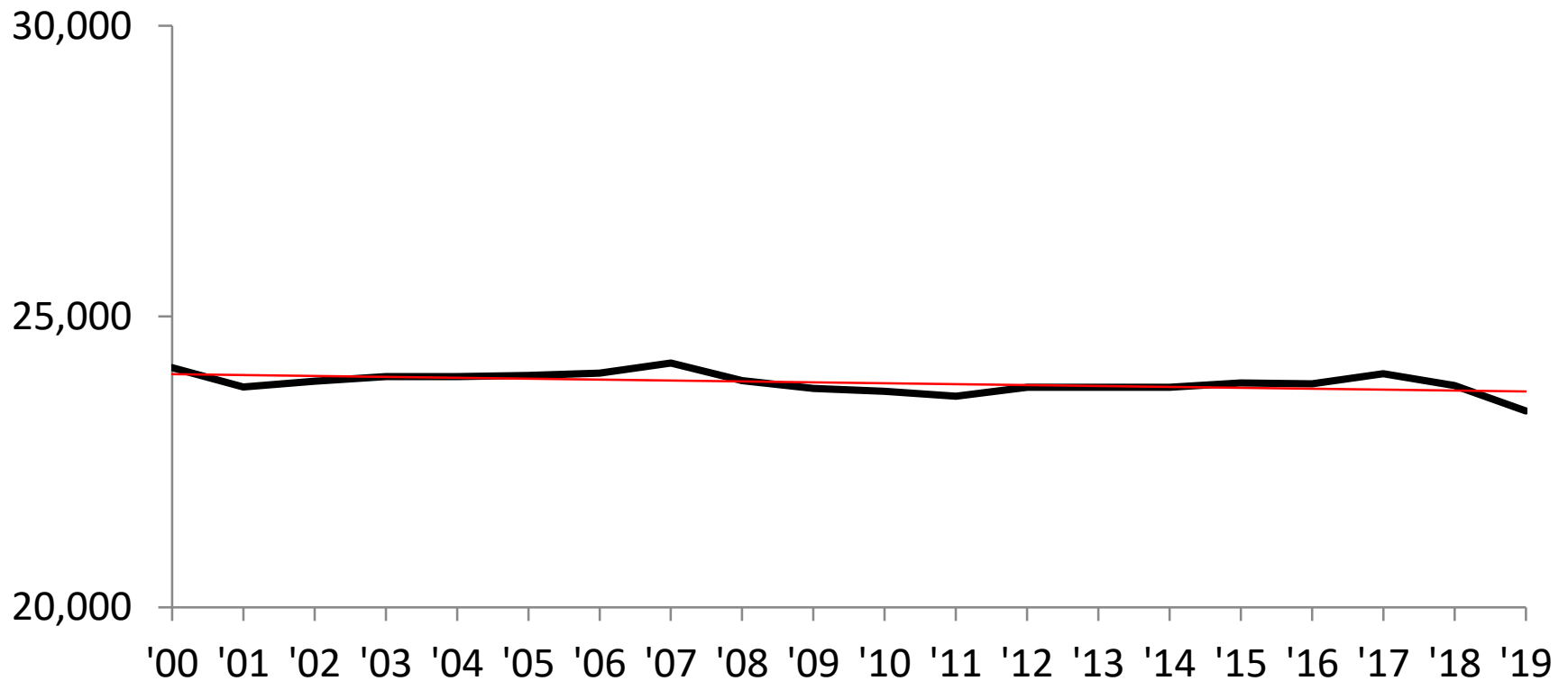
## Schools

- 20 elementary (+1 for 2019-20)
- 11 middle
- 8 high
- Career & technology center
- Adult education center
- Center for Innovative Learning (CIL)
- Freedman Parenting Center
- 3 district-sponsored charter schools

# ENROLLMENT

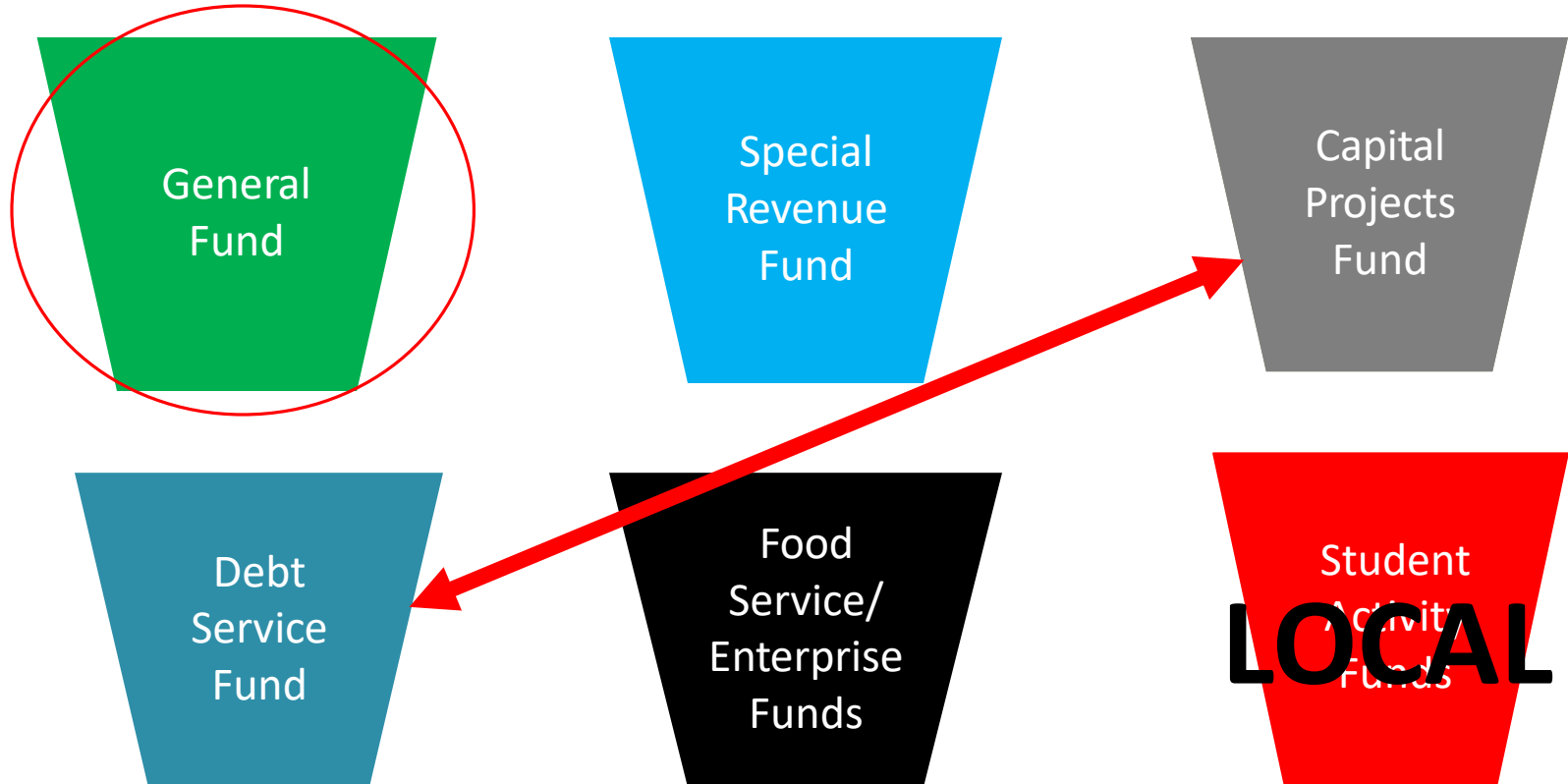
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K-12 Enrollment – Since 2000



# FUNDS

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# FUNDS

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## General Fund

- Largest of all funds
- Day-to-day operations
- Activity that doesn't fit elsewhere
- Revenues: property tax for operations, Education Finance Act (EFA) allocation, etc.
- Expenditures: salaries, payroll taxes, utilities, etc.
- No subfunds
- Commonly referred to as "Fund 1"



# FUNDS

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## Special Revenue Fund

- Special Projects funds (funds 2, 8, 9)
  - various federal, state grants, local funds
  - Examples: Title I, IDEA, elementary nurse, donations
- Education Improvement Act (EIA) funds (fund 3)– State
  - Examples: At-Risk, teacher supply, Aid to Districts



# FUNDS

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## Capital Projects Fund

- Construction (including sales tax) and cyclic maintenance projects
- Subfunds for various projects

## Debt Service Fund

- Principal and interest on debt issued to fund capital projects

## School Food Service Fund

- Food service operations/enterprise fund
- Community eligibility provision (CEP) – new in 2018-19

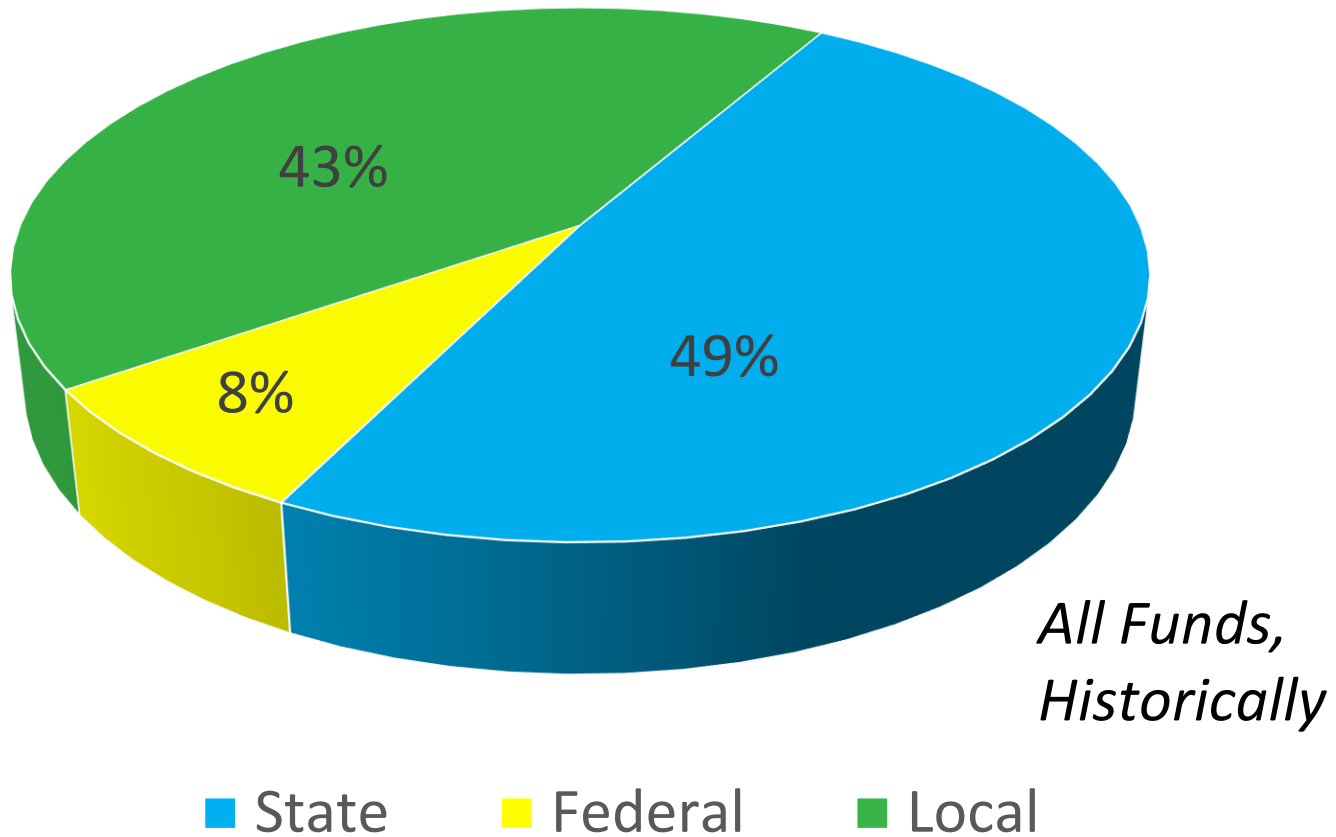
# BUDGET TYPES

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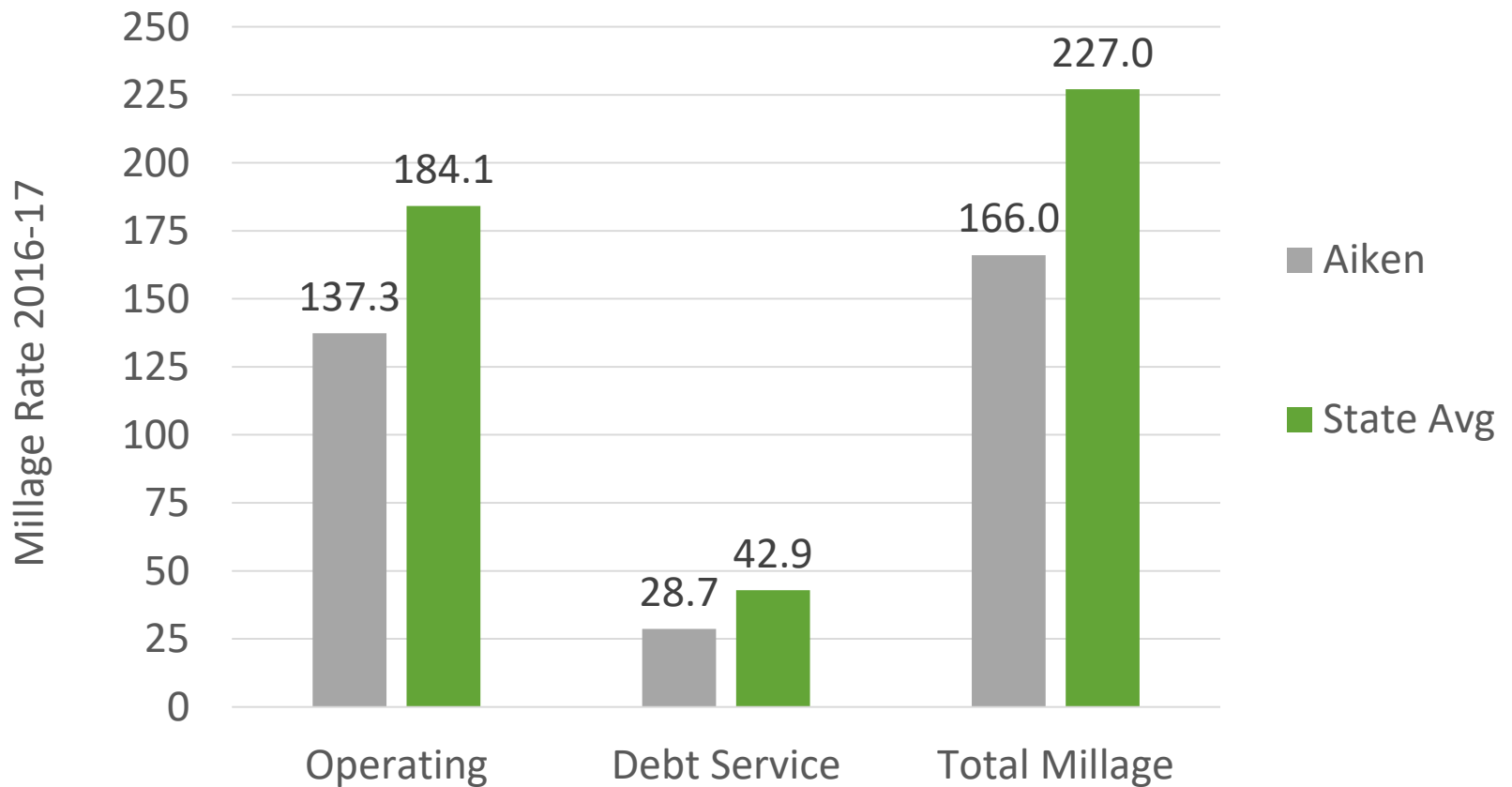
- Classified as operating or non-operating
- Operating budgets
  - Day-to-day operations
  - General, Special Revenue, EIA, School Food Service
- Non-operating budget
  - Long-term scope
  - School Building, Debt Service

# FUNDING – ALL FUNDS

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# LOCAL REVENUE – PROPERTY TAXES



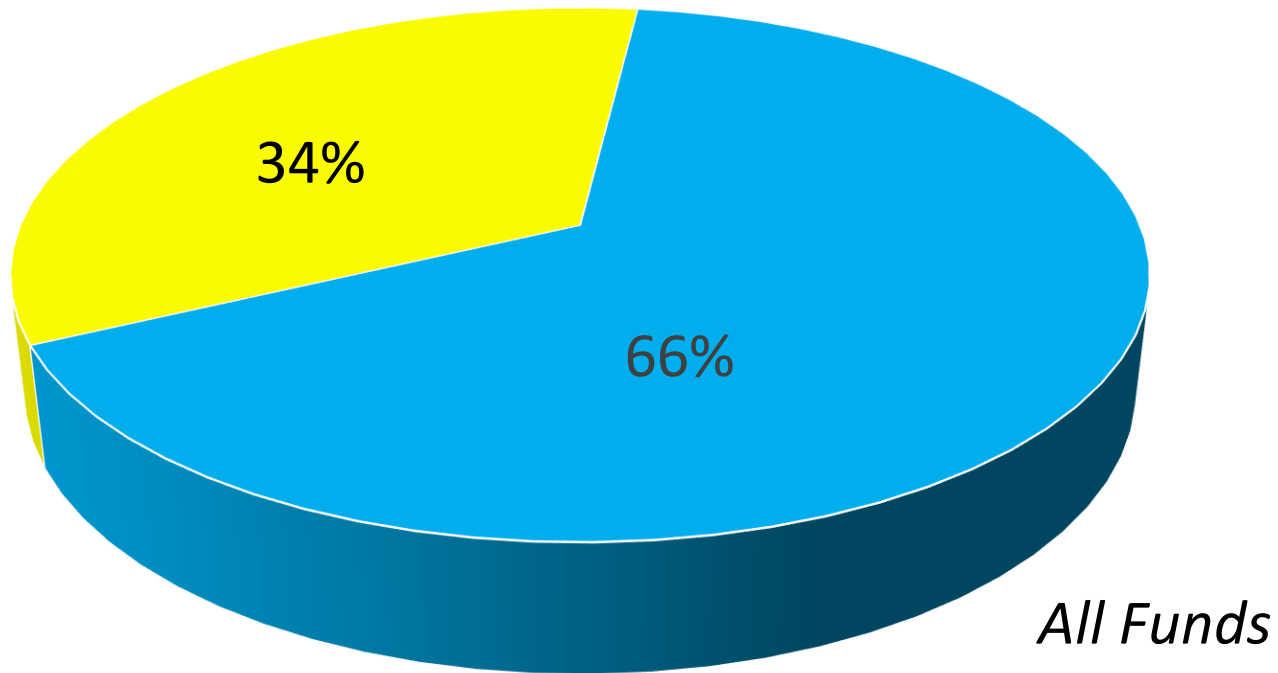
# LOCAL REVENUE – PROPERTY TAXES

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- Operating millage
  - Used for operations (General Fund)
  - Doesn't apply to primary residences/Act 388
  - No increase since 2013-14
  - Annual cap
  - Three year lookback
- Debt Service millage
  - Used for debt service (Debt Service Fund)
  - Displayed amount prior to property tax relief from sales tax
  - Has since increased 5 mills as result of \$90 million referendum

# FUNDING – GENERAL FUND

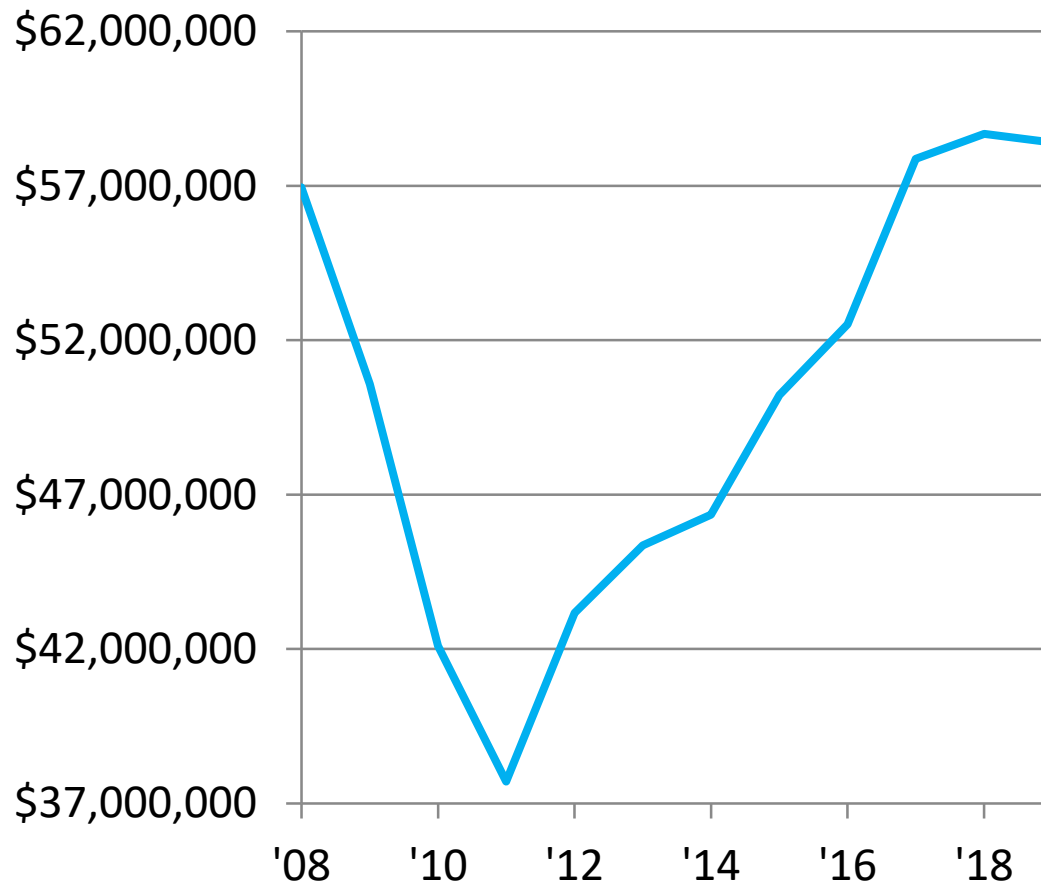
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■ State

■ Local

# STATE REVENUE- EFA ALLOCATION



Formula components:

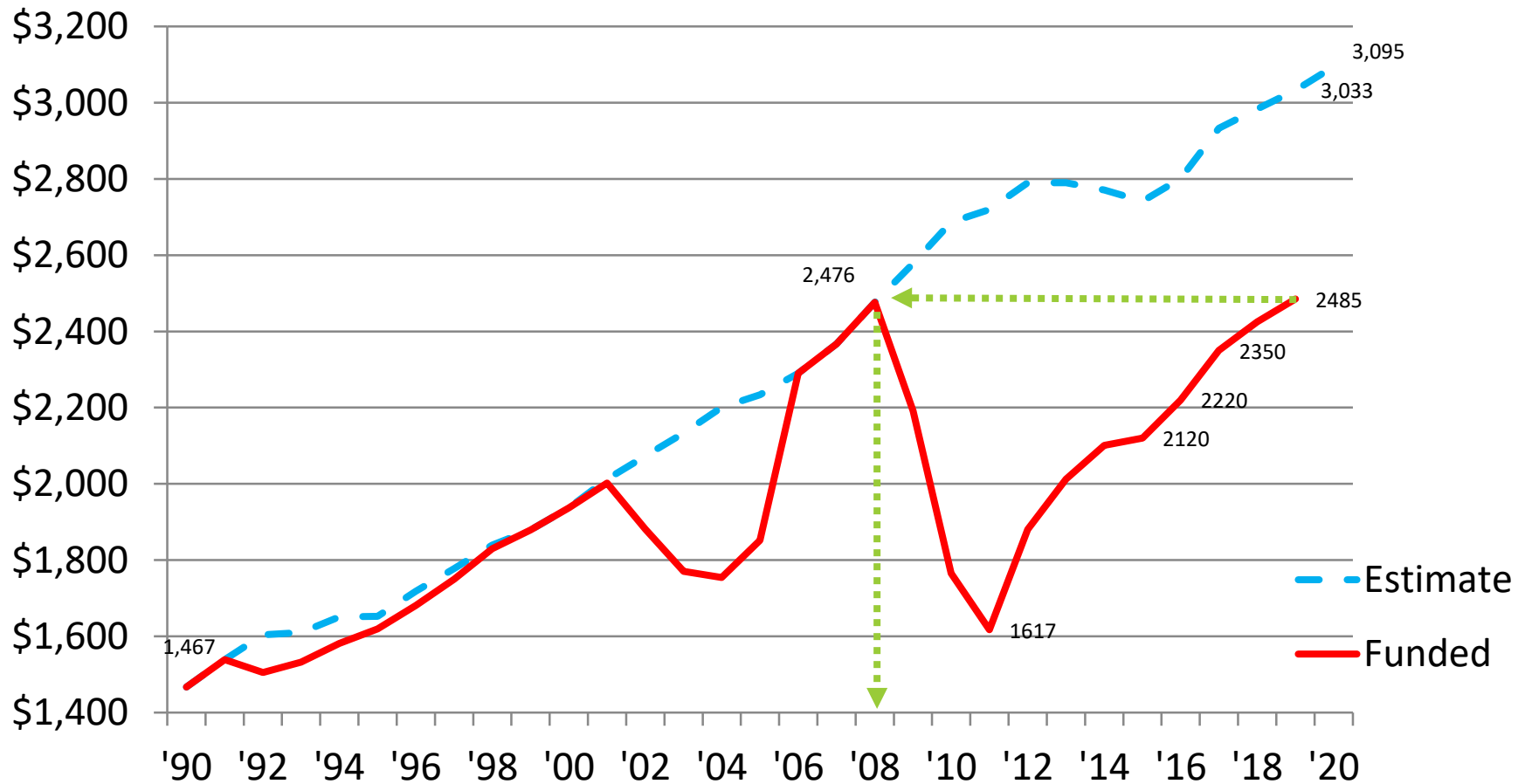
- BSC
- Enrollment
- Index of taxpaying ability

Checkpoints:

- Prior year 135<sup>th</sup> day
- 45<sup>th</sup> day
- 135<sup>th</sup> day



# STATE REVENUE-BASE STUDENT COST



# FUNDING – GENERAL FUND

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- Local
  - Property taxes (current and delinquent)
  - Payments/Fees in lieu of tax
  - Interest
  - Tuition
- State
  - EFA
  - Fringe benefits
  - Retirement credit
  - Tier 1, 2, 3 (1 and 2 are fixed)
  - Bus driver salary contribution

# EXPENDITURES

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- District uses 18 digit account code

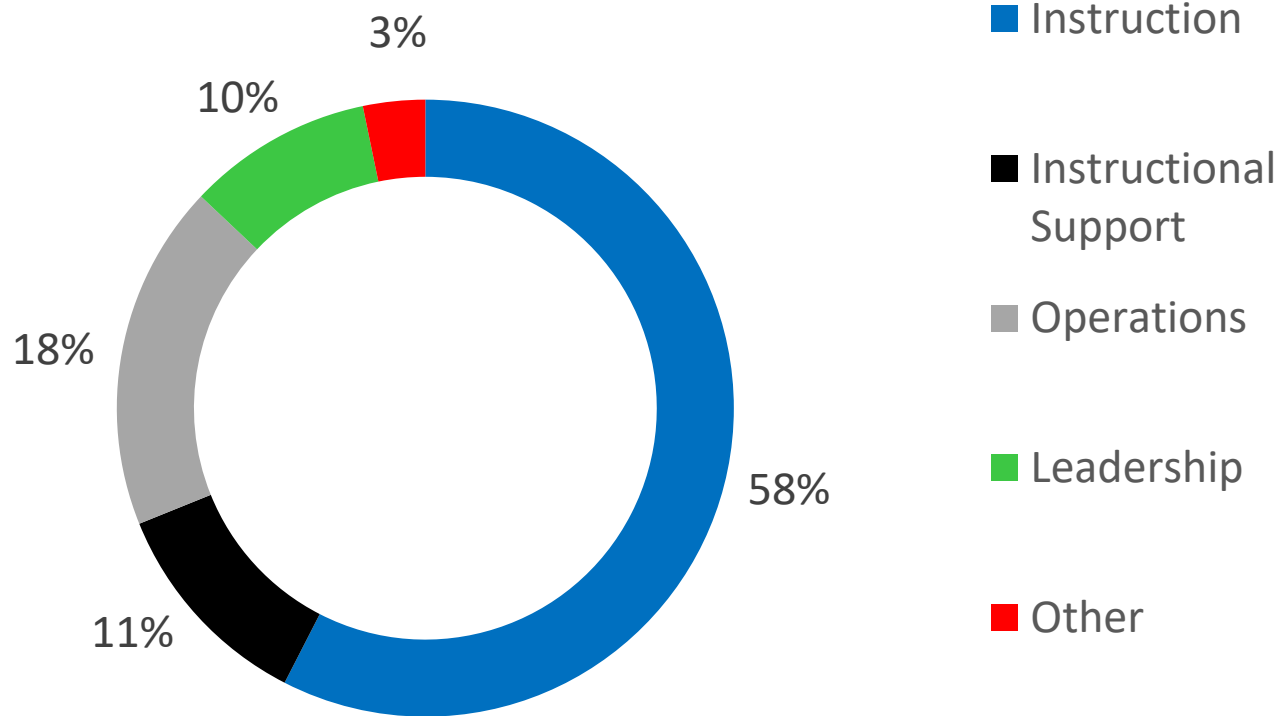
Ex. 100-111-115000-129-000

- Each set has a meaning
- Object
  - The purpose
  - Broad categories
- Function
  - Specific good or service
- SC Department of Education In\$ite data

# EXPENDITURES – GENERAL FUND

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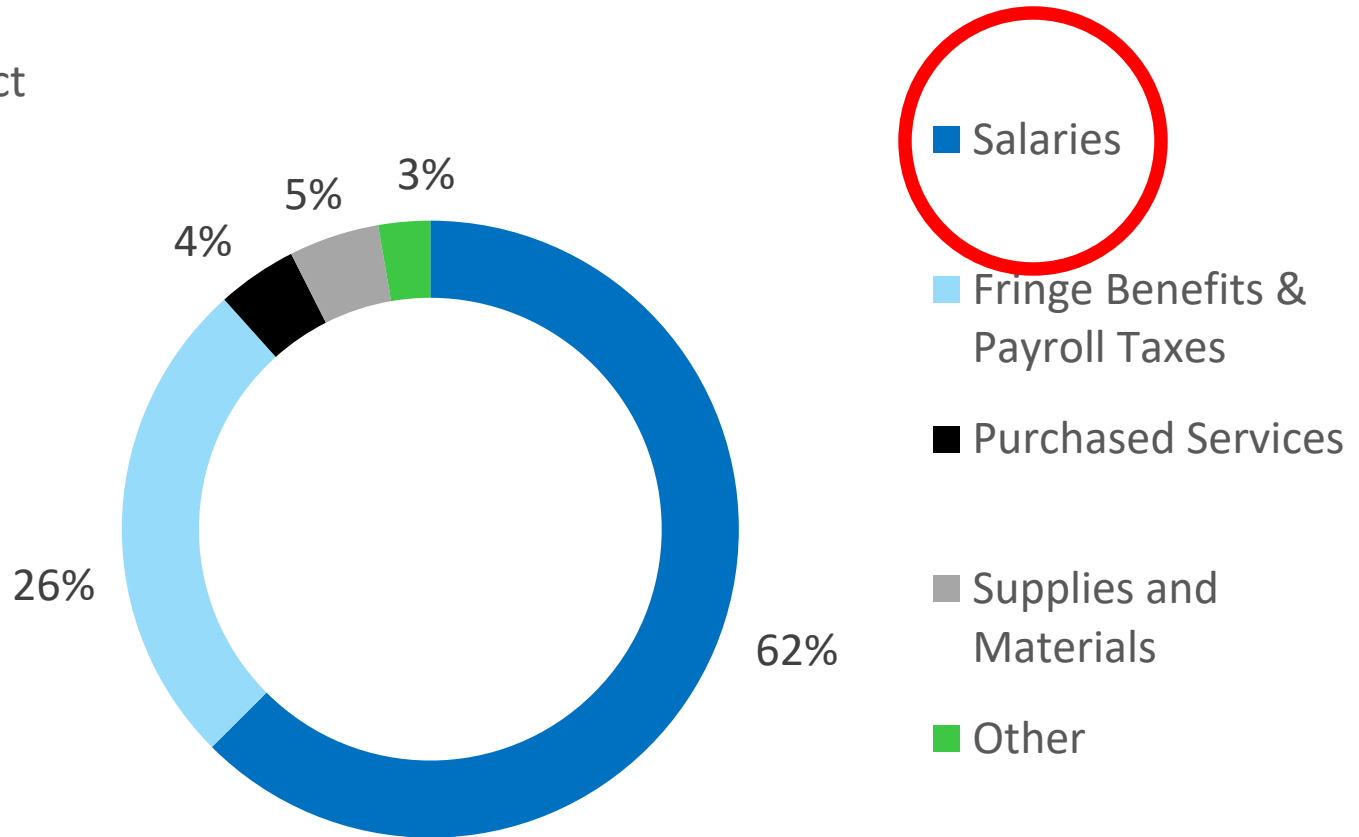
By Function Group



# EXPENDITURES – GENERAL FUND

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By Object



# STATE MINIMUM TEACHER SCALE

FY 19 State Minimum Salary Schedule

YRS EXP	CLASS 8	CLASS 7	CLASS 1	CLASS 2	CLASS 3	YRS EXP	CLASS 8	CLASS 7	CLASS 1	CLASS 2	CLASS 3
	DR	MASTERS	MASTERS	BACHELORS	BACHELORS		DR	MASTERS	MASTERS	BACHELORS	BACHELORS
	DEGREE	DEGREE +30 HRS	DEGREE	DEGREE +18 HRS	DEGREE		DEGREE	DEGREE +30 HRS	DEGREE	DEGREE +18 HRS	DEGREE
	A	A	A	A	A		A	A	A	A	A
0	37,916	35,097	32,278	29,459	28,190	12	51,447	45,245	42,426	38,761	37,352
	5,424	4,593	4,371	3,997	3,810		4,059	3,570	3,347	3,058	2,947
	43,340	39,690	36,649	33,456	32,000		55,506	48,815	45,773	41,819	40,299
1	39,043	35,942	33,123	30,220	28,810	13	52,574	46,091	43,272	39,522	38,113
	4,297	3,748	3,526	3,236	3,190		4,148	3,636	3,414	3,118	3,007
	43,340	39,690	36,649	33,456	32,000		56,722	49,727	46,686	42,640	41,120
2	40,171	36,788	33,969	31,009	29,600	14	53,702	46,936	44,117	40,312	38,902
	3,169	2,902	2,680	2,447	2,400		4,237	3,703	3,481	3,181	3,069
	43,340	39,690	36,649	33,456	32,000		57,939	50,639	47,598	43,493	41,971
3	41,298	37,634	34,815	31,770	30,361	15	54,830	47,782	44,963	41,073	39,663
	3,258	2,969	2,747	2,507	2,395		4,326	3,770	3,547	3,241	3,129
	44,556	40,603	37,562	34,277	32,756		59,156	51,552	48,510	44,314	42,792
4	42,426	38,479	35,660	32,559	31,150	16	55,957	48,628	45,809	41,862	40,453
	3,347	3,036	2,813	2,569	2,458		4,415	3,837	3,614	3,303	3,192
	45,773	41,515	38,473	35,128	33,608		60,372	52,465	49,423	45,165	43,645
5	43,554	39,325	36,506	33,321	31,911	17	57,085	49,473	46,654	42,623	41,214
	3,436	3,103	2,880	2,629	2,518		4,504	3,903	3,681	3,363	3,252
	46,990	42,428	39,386	35,950	34,429		61,589	53,376	50,335	45,986	44,466
6	44,681	40,171	37,352	34,110	32,700	18	57,656	49,968	47,121	43,050	41,626

# AIKEN'S TEACHER SCALE

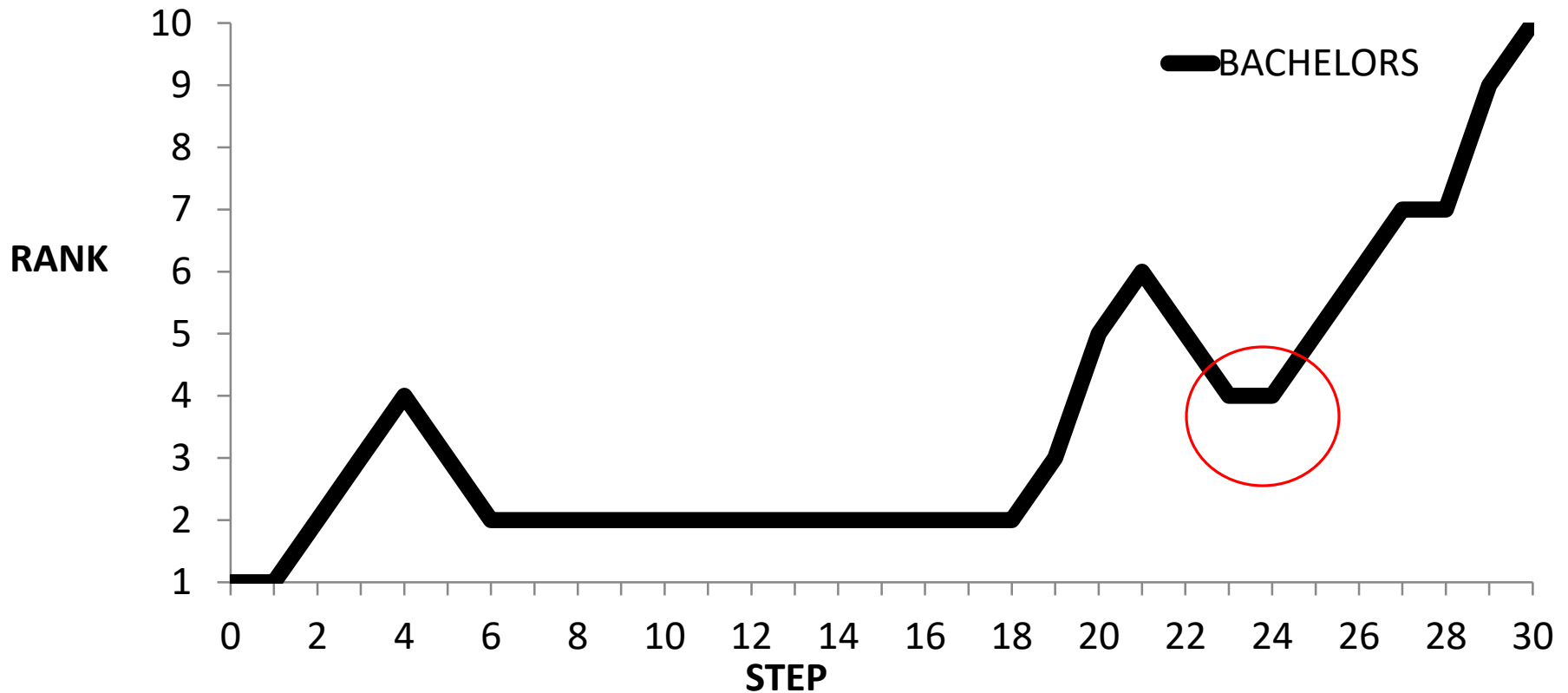
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## Teacher Scale - 190 Day Contracts School Year 2018 - 2019

Salary Step	Prior Yrs Exp	Class 3 Bachelors Degree	Class 2 Bachelors Degree +18	Class 1 Masters Degree	Class 7 Masters Degree + 30 Hours	Class 8 Doctorate Degree
E0	0	\$ 38,680	\$ 40,475	\$ 44,524	\$ 47,944	\$ 52,615
E1	1	\$ 38,680	\$ 40,475	\$ 44,524	\$ 47,944	\$ 52,615
E2	2	\$ 38,680	\$ 40,475	\$ 44,524	\$ 47,944	\$ 52,615
E3	3	\$ 38,680	\$ 40,475	\$ 44,524	\$ 47,944	\$ 52,615
4	4	\$ 39,292	\$ 41,070	\$ 44,982	\$ 48,538	\$ 53,515
5	5	\$ 40,252	\$ 42,031	\$ 46,049	\$ 49,605	\$ 54,939
6	6	\$ 41,210	\$ 43,026	\$ 47,115	\$ 50,671	\$ 56,360

# TEACHER SALARIES – HOW DO WE COMPARE?

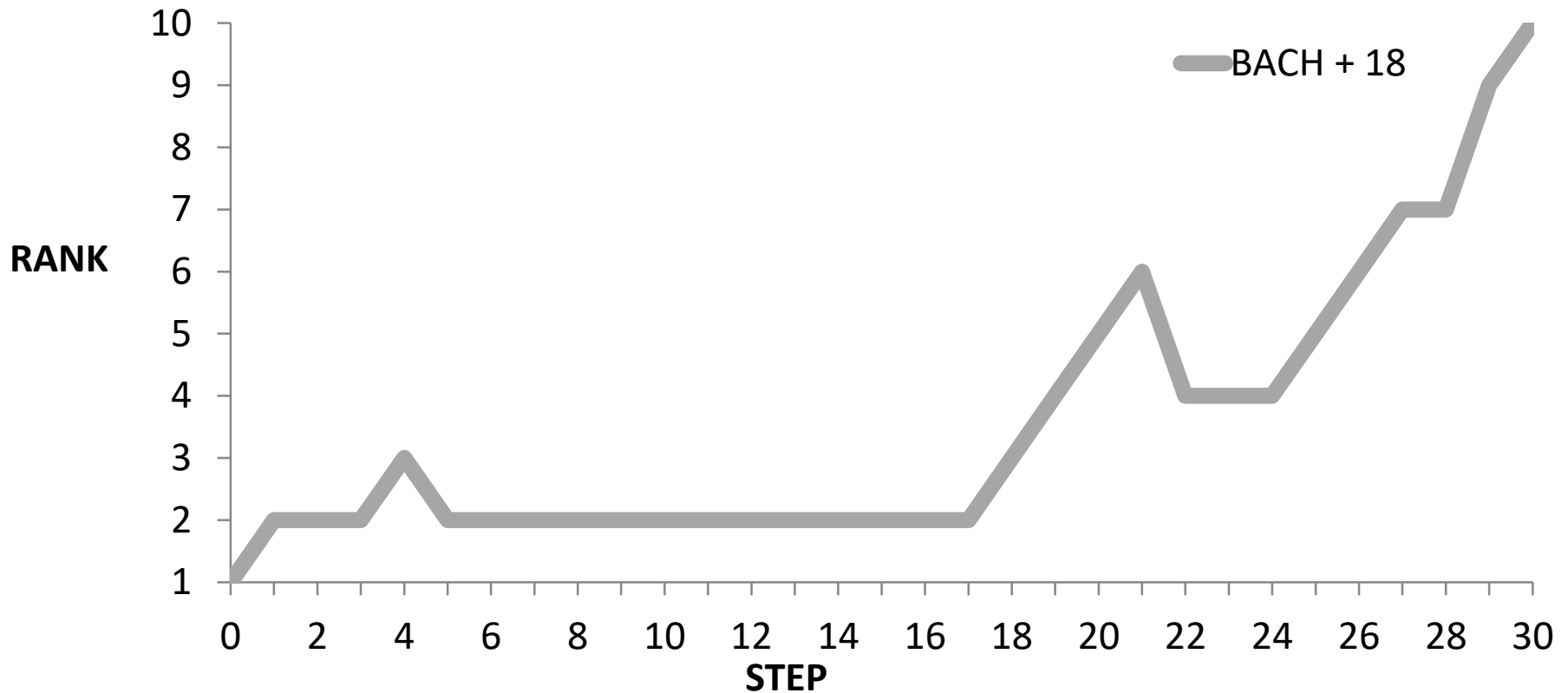
State Rank (of 81 districts)





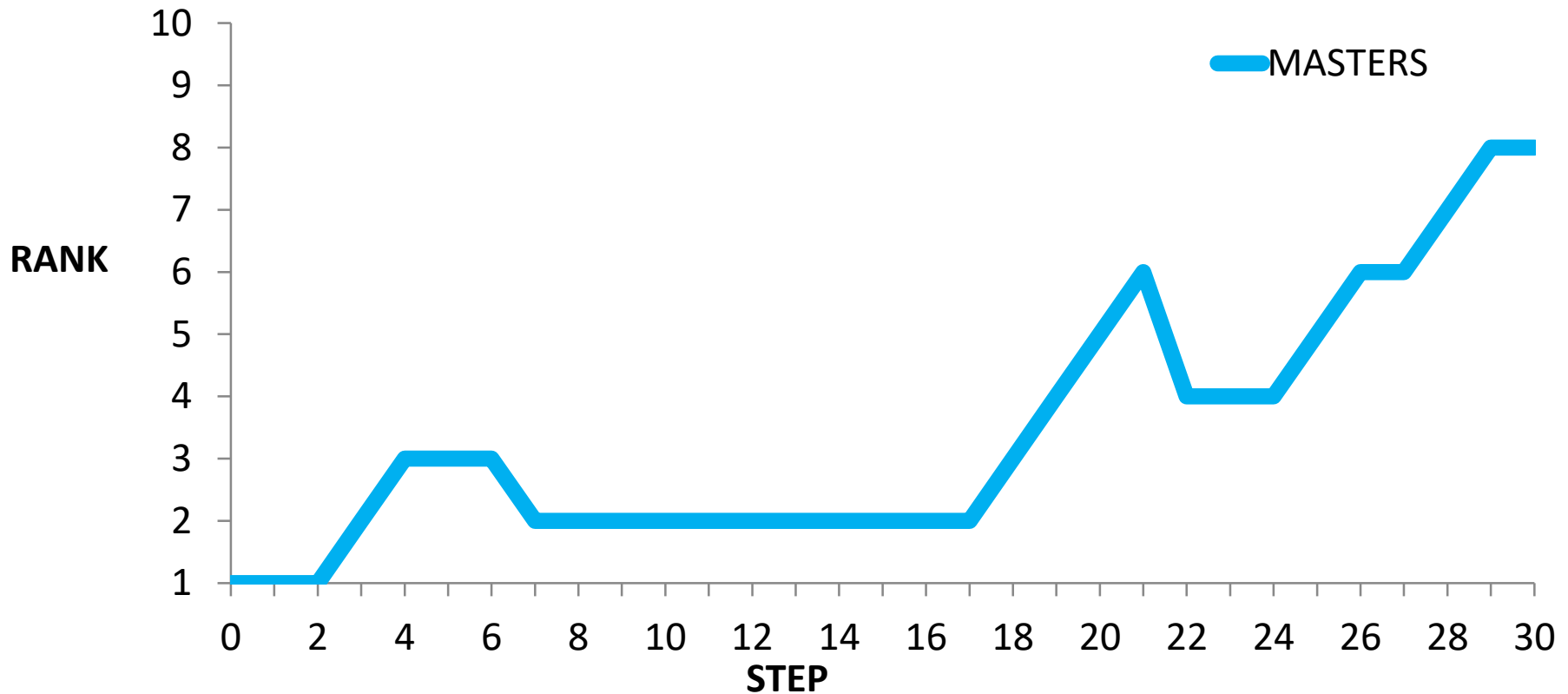
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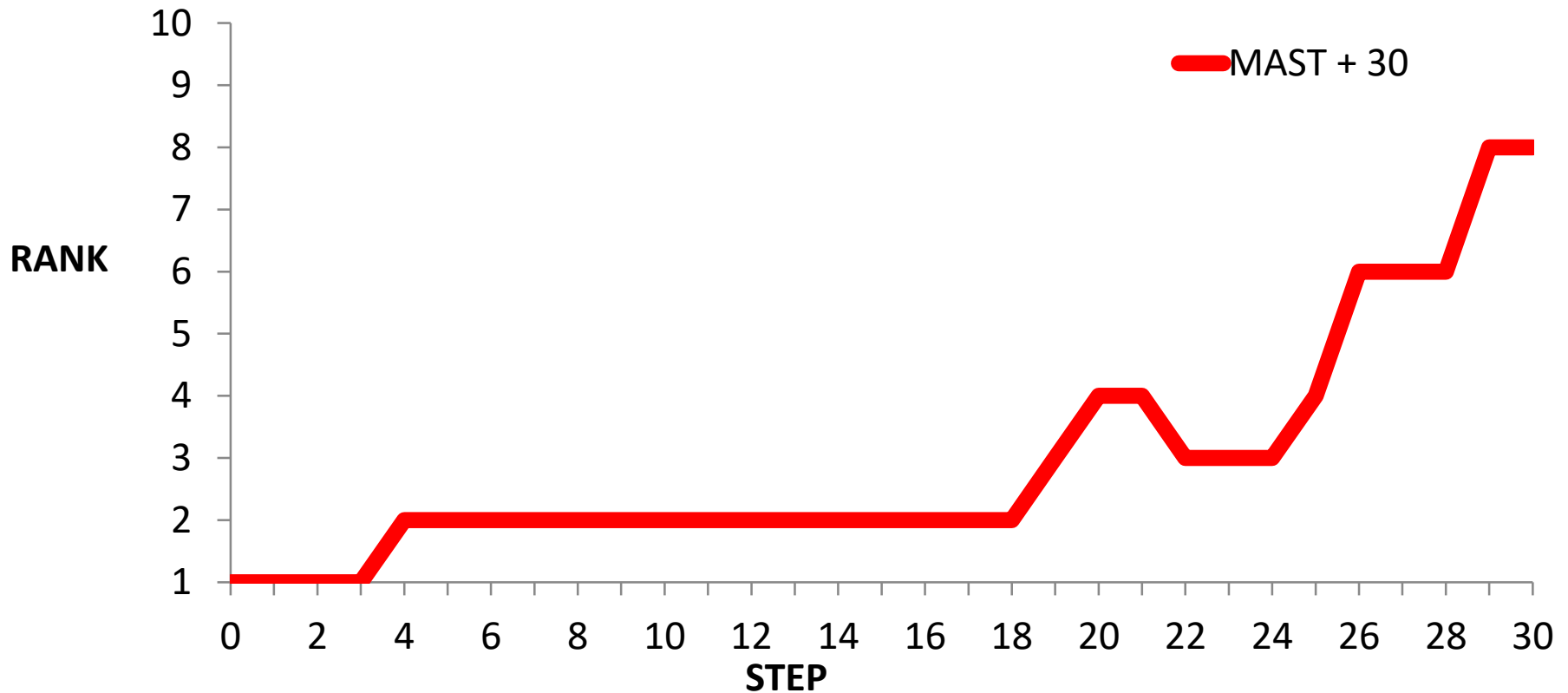
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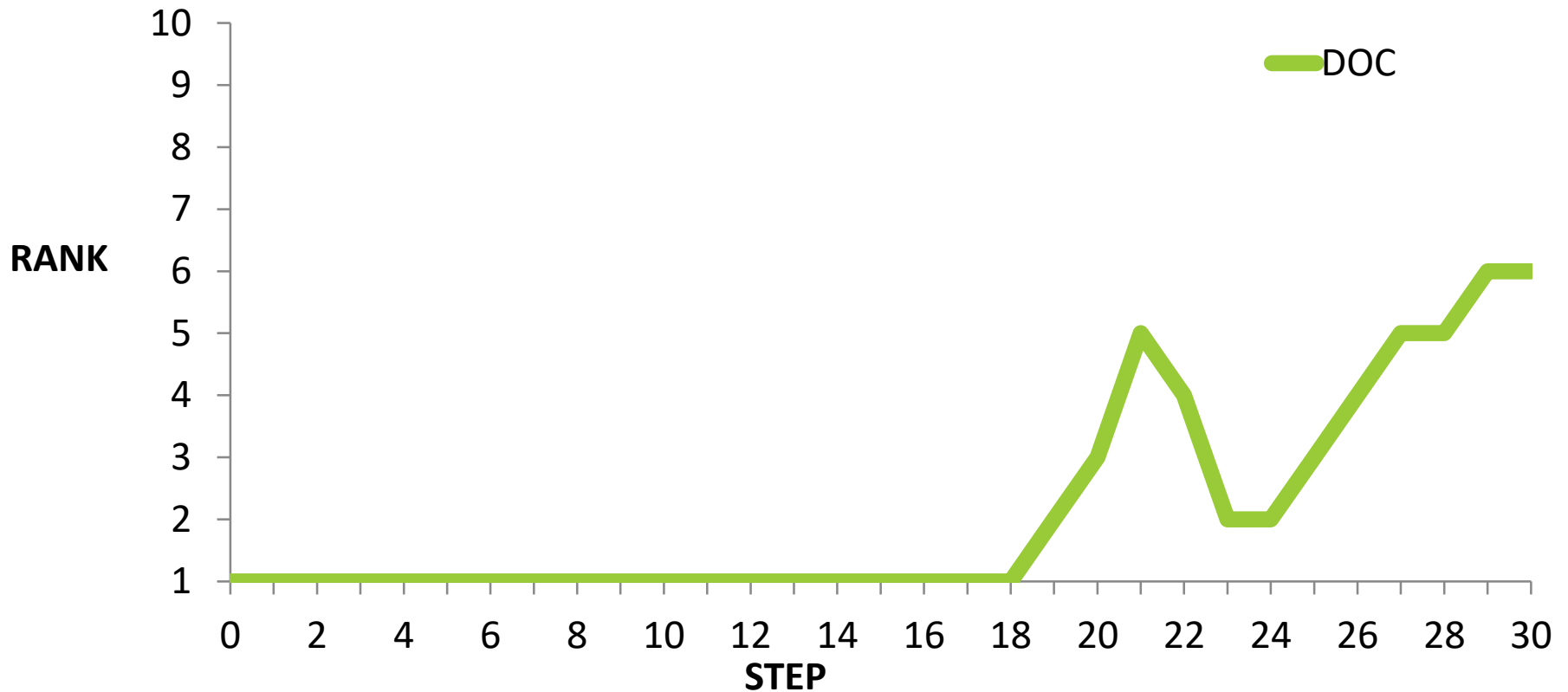
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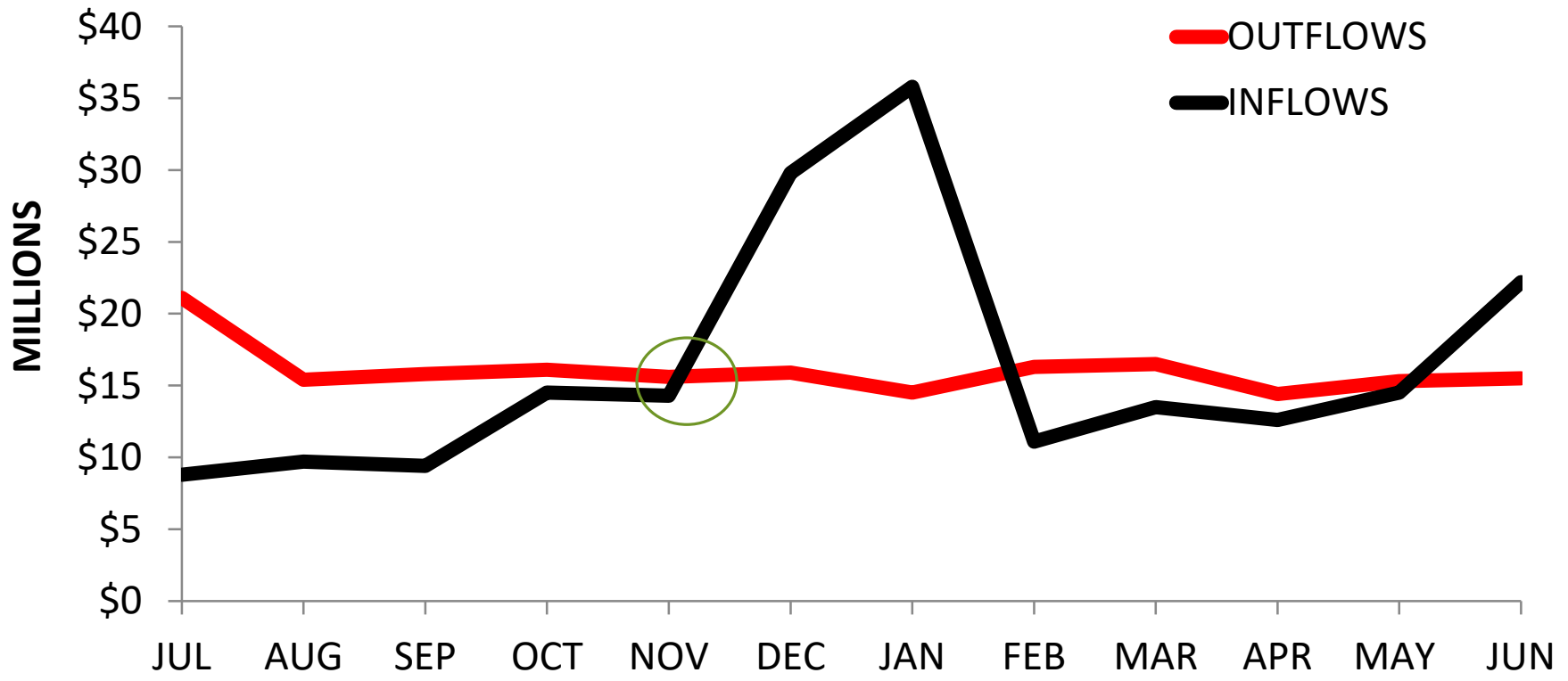


# FUND BALANCE

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- Assets minus liabilities
- Demonstrate financial stability
- Help with cash flows
- Rainy day/emergency funds
- District has a fund balance policy
  - Desire to have at least two months' reserves
  - State's fiscal accountability guidelines
- Non-recurring
- Have utilized for one-time

# FUND BALANCE & CASH FLOWS



# FLEXIBILITY & CARRYOVER FUNDS

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## Fund flexibility available

- Can transfer State monies where needed and as needed
  - If meet requirements and with certain limitations
- Reporting

## Carryover funds

- Can carryover most unused State funds for one year
- Must be used by the following June 30
- Have made a practice of carrying over
- Have flexed carryover funds to balance budget, when necessary
  - Likely to carryover nearly a full year's At-Risk allocation from 2018-19

# ADDITIONAL INFO

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District Website [www.acpsd.net](http://www.acpsd.net)

- Comprehensive Annual Financial Report (CAFRs)
- Budget information
- Administrative cost reports
- Fund flexibility reporting
- Transparency information
  - Credit card activity
  - Disbursements
- Follow your penny information

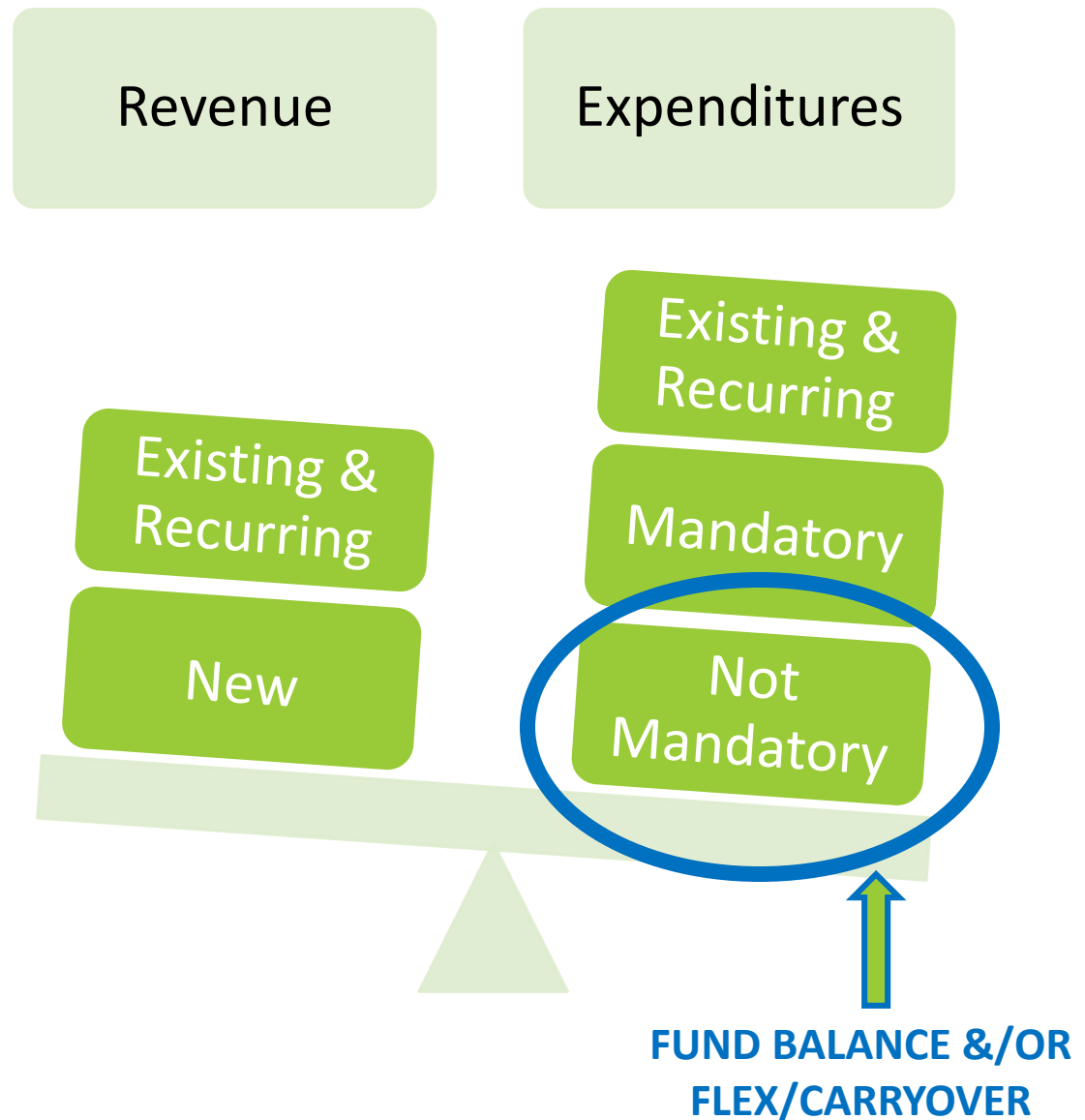


# OUR BUDGET PROCESS

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# THE PROCESS

- Needs and wants will exceed resources
- Have to find the right balance including taking steps to make balance



# DISTRICT BUDGET TIMELINE

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## Key Dates

- January 15 Budget work study
- March 19 Budget work study
- April 23 First reading of budget
- By April 29 Budget advertisement
- May 14 Budget hearing
- May 28 Second reading of budget  
Adoption of 2019-20 budget

*Other meeting dates available, as needed.*

# STATE BUDGET TIMELINE

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## Key Dates

- February 18-21 House W&M budget deliberations
- March 11-14 House Floor budget debate
- *3<sup>rd</sup> week of March* Senate Finance budget deliberations
- *First two weeks of April* Senate Floor debate
- *Mid-April* Crossover deadline
- *Fourth week of April* Committee Conference debate
- *First week of May* Conference report to Governor
- *Second Week of May* Consideration of vetoes
- *Second Week of May* Last day of session

# TIMELINE OVERLAY

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March 19

April 23

May 28



**State**

- House W&M
- Full House

**State**

- *Senate Finance*
- *Full Senate*

**State**

- Budget complete

**District**

- Work study
- W&M allocations
- Limited details if changes in House

**District**

- First budget reading
- Senate Finance allocations

**District**

- Second/final budget reading
- Final allocations

# BUDGET FOCUS

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## Key areas

- Staffing allocations
- Teacher salaries ★
  - State will require a step
  - State focus on recruitment and retention - COLA? How much?
- Non-teacher salaries
- State retirement ★
- State health ★
- Charter school allocations ★
- Other “musts” or pre-approved items & budget input

# STAFFING ALLOCATIONS

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- Foundation for the budget
- Will staff schools based on enrollment, so projections are key
- Department staffing is less fluid

## School Allocation Process

- Project enrollment mid-year for upcoming year; use for staffing
- Preliminary allocations shared with administration and schools
- Allocation meetings held
- Class-by-class review during first two weeks
- Monitor during the year

# GRANITEVILLE EL & AIKEN 1 MIDDLES

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## Graniteville Elementary

- Early projections – net 3.5 FTE increase between Byrd/Warrenville for current year vs. Graniteville/Byrd/Warrenville for 2019-2020
- Support staff – 6.5 FTE + custodial
  - Full-time nurse (State funded)

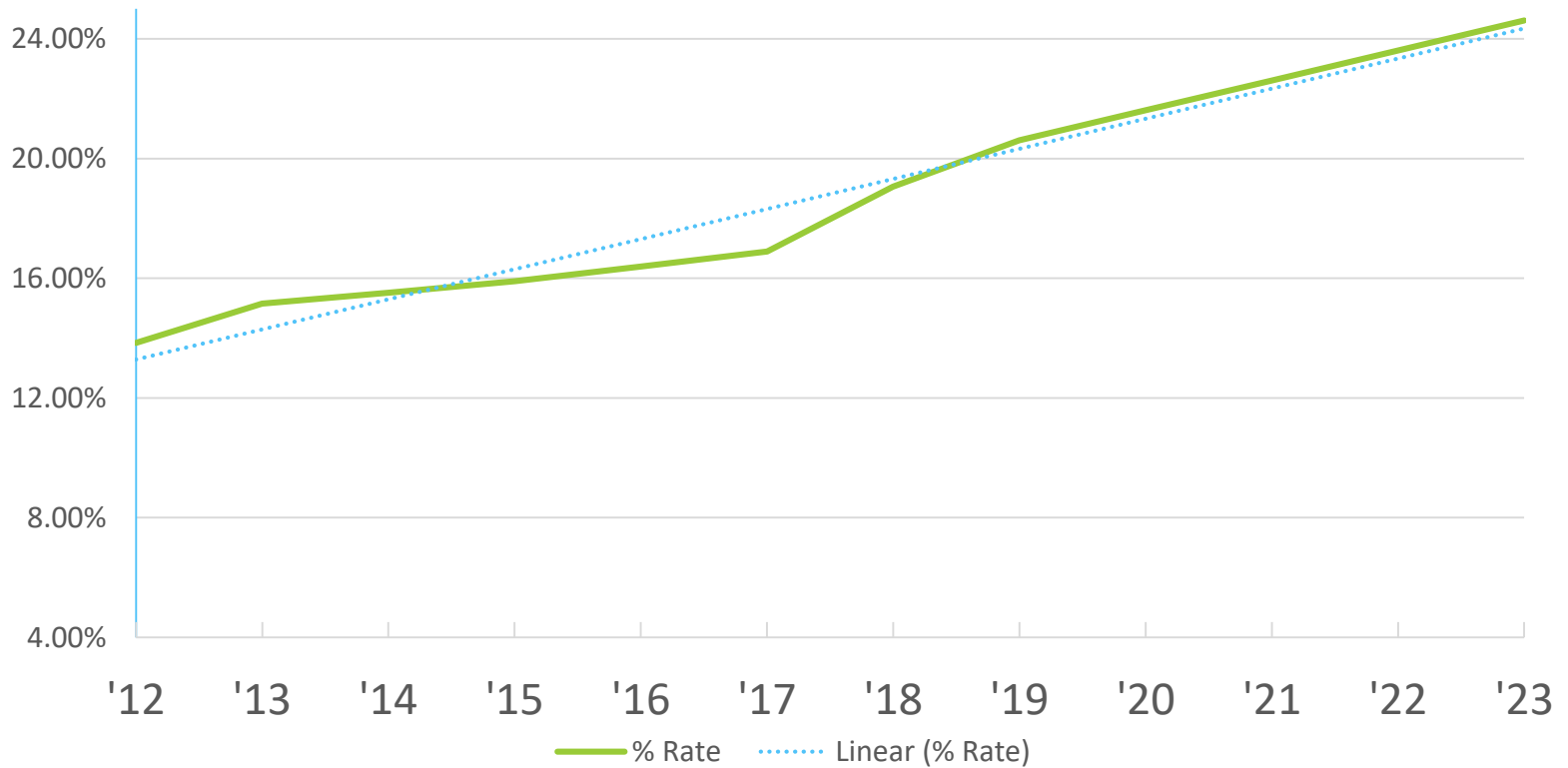
## Area 1 Middles

- Early projections – net 3.0 FTE increase between current year Aiken Middle/Schofield/Kennedy vs. AIS/Schofield Kennedy for 2019- 2020
- One AP each at Schofield and Aiken Intermediate



# RETIREMENT

Rate: 2011-12 through Projected 2022-23



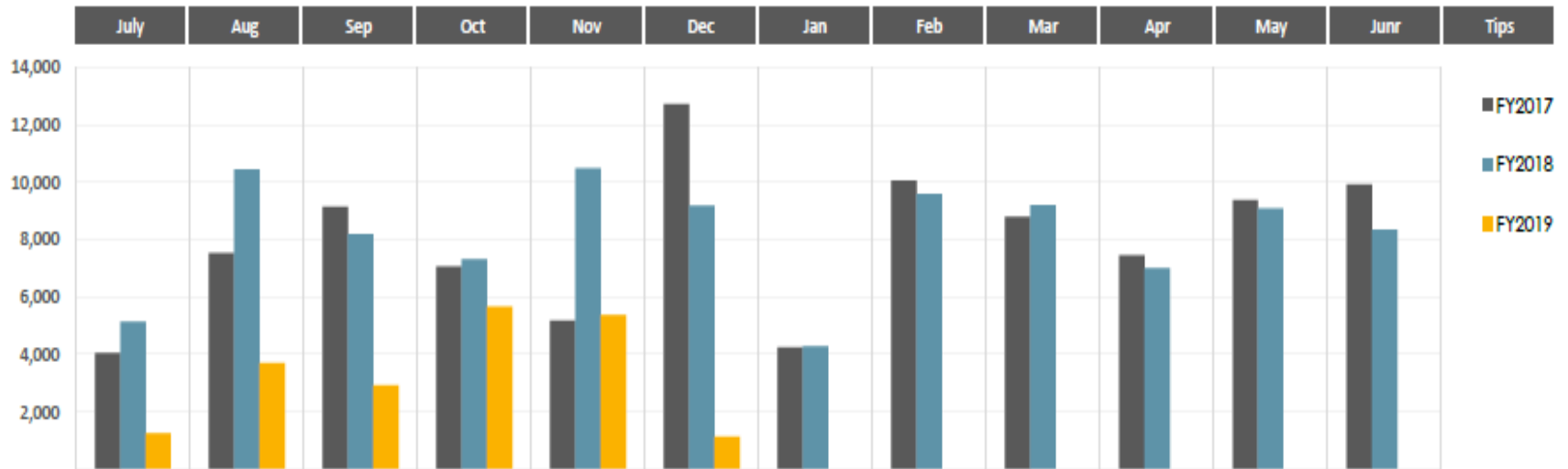
# SALARY COMMITTEE UPDATE

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- Meeting held on 1/8/19
- Two significant matters were discussed
  1. Attendance aides duties
    - Roles/responsibilities have evolved and expanded
    - More appropriately align with the clerk scale
  2. Legal services – 6 month evaluation
    - Cost
    - Expectations and needs being met?

# LEGAL SERVICES - COST

## LEGAL EXPENSE TRENDS



Expenses	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Total
FY2017	4,038.00	7,527.75	9,146.00	7,065.00	5,167.00	12,711.00	4,250.00	10,058.00	8,793.00	7,456.00	9,378.00	9,918.00	95,507.75
FY2018	5,139.00	10,446.00	8,190.00	7,318.00	10,480.00	9,175.00	4,280.00	9,594.00	9,197.00	7,014.00	9,093.00	8,343.00	98,269.00
FY2019	1,248.50	3,688.75	2,922.30	5,662.66	5,365.15	1,142.40	0.00	0.00	0.00	0.00	0.00	0.00	20,029.76

# LEGAL SERVICES – NEEDS/EXPECTATIONS

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**36**

Total Responses

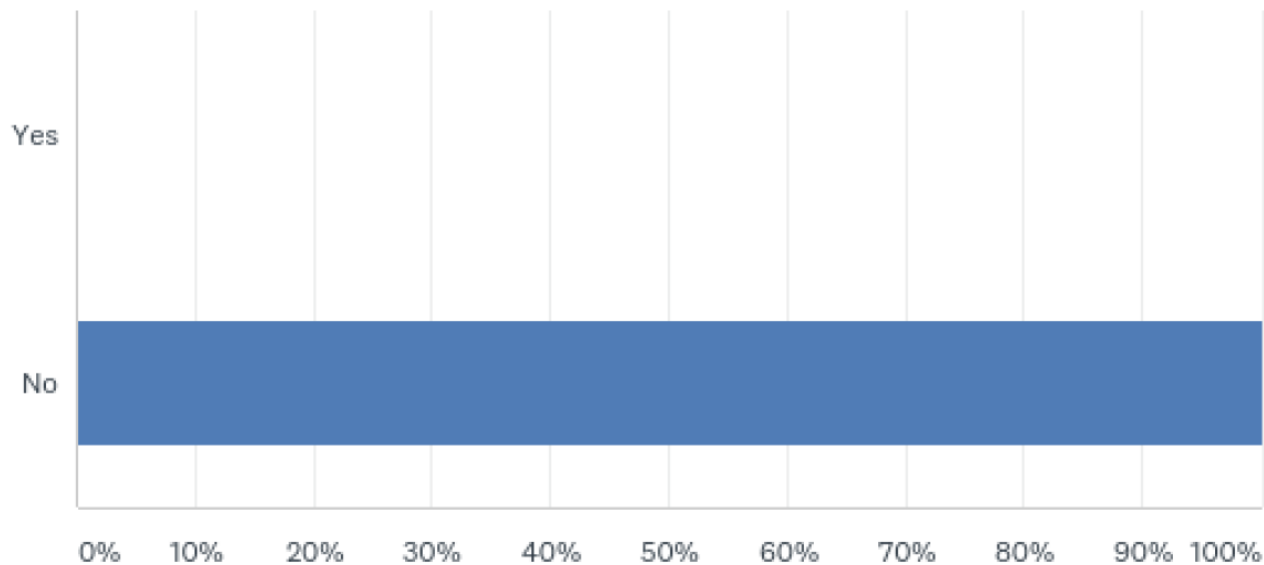
Date Created: Monday, January 07, 2019

Complete Responses: 36

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# LEGAL SERVICES – NEEDS/EXPECTATIONS

**Q1: In the past six months, has there been a circumstance in which you were unable to get a legal or policy question answered in a timely manner?**



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# NEXT STEPS

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- Receive and evaluate budget input
- Conduct meetings on school staffing allocations
- Track State budget process
- Continue to evaluate current year budget vs. actual
- Develop preliminary cost projections
- Prep for March work study

# CAPITAL FUNDING & DEBT PORTFOLIO

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Frannie Heizer, Partner, Burr Forman McNair Law Firm  
Mike Gallagher, Director, Compass Municipal Advisors

# QUESTIONS & COMMENTS

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