



AIKEN COUNTY

PUBLIC SCHOOLS

SUPERINTENDENT'S PROPOSED 2016 – 2017 BUDGET

TUESDAY, JUNE 28, 2016

PROPOSED BUDGET OVERVIEW

Millage Rates

- No change for the third consecutive year (pending any rollback for reassessment)
- 141.6 operating millage
- 29.0 debt service millage*
**not including property tax relief resulting from sales tax*

Budget Highlights

- Proposed general fund budget = \$185,009,746
- Base student cost = \$2,350
- Teacher scale – added the first of a two-step phase-in (0 to 23 scale)
- Non-teacher scales – revised to 25 step scales (0 to 24 scale)
- A step increase for all eligible employees plus a 2% cost of living adjustment
- Restoration of the frozen teacher step dating to the 2010 – 2011 school year
- Utilization of updated and simplified school staffing formulas
- Implementation and phase-in of new service credit methodology
- Re-purposed positions (Path Forward plan) to address schools' needs, largely in guidance offices, while avoiding the creation of new positions

**FUND #1 - OPERATIONS
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE BUDGET**

	2015 - 2016 Budget	Proposed 2016 - 2017 Budget	Increase/ (Decrease)	Percent Change
Local:				
Levies For Current Operations (no tax increase)	\$ 51,319,188	\$ 53,229,372	\$ 1,910,184	3.72%
Delinquent Taxes - Operations	3,200,000	2,788,620	(411,380)	-12.86%
Payment In Lieu Of Taxes	6,000,000	6,000,000	-	0.00%
Tuition - Out of District/Out of State/Age Requirements	20,000	15,000	(5,000)	-25.00%
Interest On Investments	50,000	50,000	-	0.00%
Other Local	50,000	50,000	-	0.00%
Total Local Revenue	60,639,188	62,132,992	1,493,804	2.46%
State:				
Education Finance Act (EFA)	53,278,646	55,854,928	2,576,282	4.84%
Fringe Benefits	26,975,334	28,393,830	1,418,496	5.26%
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	18,434,730	18,723,702	288,972	1.57%
Tier 3B - Saluda	140,000	90,000	(50,000)	-35.71%
School Bus Drivers	1,090,140	1,881,013	790,873	72.55%
Total State Revenue	110,726,128	115,750,751	5,024,623	4.54%
Transfers and Non-Revenue Items:				
Transfer From Fund #3 - TSS + TSS Fringe	4,262,046	5,009,870	747,824	17.55%
Transfer from Funds #3 and Fund #9 - Flex Available Prior Year Carryover Allocations	806,481	1,416,133	609,652	75.59%
Indirect Costs - Fund #2 and Fund #6	700,000	700,000	-	0.00%
Total Transfers and Non-Revenue Items	5,768,527	7,126,003	1,357,476	23.53%
Total - General Fund Revenue	177,133,843	185,009,746	7,875,903	4.45%
Fund balance dollars used/(Fund balance estimated increase)	(122,181)	-	122,181	-100.00%
Total - General Fund Revenue and Fund Balance Usage	\$ 177,011,662	\$ 185,009,746	\$ 7,998,084	4.52%

**FUND #1 - OPERATIONS
FOR THE 2016 - 2017 SCHOOL YEAR
EXPENDITURES BUDGET**

	2015-16 Budget	Proposed 2016 - 2017 Budget	Increase/ (Decrease)	Percent Change
Regular Salaries	\$ 114,900,866	\$ 119,376,876	\$ 4,476,010 ⁽¹⁾	3.90%
Temporary Salaries	1,043,000	1,070,868	27,868	2.67%
Overtime/Extra Duty Salaries	405,000	645,000	240,000 ⁽²⁾	59.26%
Fringe Benefits and Payroll Taxes	41,844,365	44,044,042	2,199,677 ⁽³⁾	5.26%
Unemployment Compensation	125,000	65,000	(60,000) ⁽⁴⁾	-48.00%
Workers Compensation Insurance	1,100,040	1,135,000	34,960	3.18%
Purchased Services - Instructional	566,220	232,474	(333,746) ⁽⁵⁾	-58.94%
Purchased Services - Security	298,200	298,200	-	0.00%
Management Services	54,000	28,000	(26,000)	-48.15%
Data Processing Services	108,374	108,374	-	0.00%
Audit Fees	80,000	95,000	15,000	18.75%
Legal Fees	66,500	147,953	81,453 ⁽⁶⁾	122.49%
Water, Sewer And Garbage	655,137	704,272	49,135 ⁽⁷⁾	7.50%
Maintenance Services	481,075	746,535	265,460 ⁽⁸⁾	55.18%
Property/Liability Insurance	950,256	1,024,701	74,445	7.83%
Rentals	18,386	25,012	6,626	36.04%
Equipment Repairs	275,506	315,683	40,177	14.58%
Other Property Services	2,116	2,475	359	16.97%
Student Transportation	39,545	75,000	35,455	89.66%
Travel	260,625	294,664	34,039	13.06%
Athletics Transportation	50,000	50,000	-	0.00%
Telephone	390,000	326,549	(63,451)	-16.27%
Purchased Services - Technology	288,678	1,041,839	753,161 ⁽⁹⁾	260.90%
Advertising	9,972	14,972	5,000	50.14%
Printing and Binding	20,865	33,865	13,000	62.31%
Purchased Services - Other	238,403	196,163	(42,240) ⁽¹⁰⁾	-17.72%
Supplies - General	343,577	258,103	(85,474) ⁽¹¹⁾	-24.88%
Supplies - Instructional	594,610	602,327	7,717	1.30%
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	-	100.00%
Supplies - Office and Postage	123,069	145,172	22,103	17.96%
Supplies - Janitorial	347,745	339,519	(8,226)	-2.37%
Supplies - Maintenance	7,500	2,438	(5,062)	100.00%
Supplies - Maintenance Repairs	499,500	613,518	114,018 ⁽¹²⁾	22.83%
Supplies - Tools	24,354	24,143	(211) ⁽¹²⁾	-0.87%
Supplies - Gasoline/Lubricants	172,385	80,024	(92,361) ⁽¹²⁾	-53.58%
Supplies - Vehicle Repairs	40,500	60,000	19,500 ⁽¹³⁾	48.15%
Supplies - Electronic Repairs	18,000	45,000	27,000 ⁽¹²⁾	150.00%
Supplies - Landscaping	-	100,000	100,000 ⁽¹²⁾	100.00%
Supplies - Uniforms	-	60,000	60,000 ⁽¹²⁾	100.00%
Supplies - Health	22,269	22,219	(50)	-0.22%
Supplies - Library	217,844	218,407	563	0.26%
Supplies - Technology	1,086,192	789,796	(296,396) ⁽¹³⁾	-27.29%
Energy	5,100,000	5,300,000	200,000 ⁽¹⁴⁾	3.92%
Equipment	73,900	28,900	(45,000) ⁽¹⁵⁾	-60.89%
Technology and Software	129,300	47,700	(81,600) ⁽¹⁵⁾	-63.11%
Vehicles	75,000	-	(75,000) ⁽¹⁶⁾	-100.00%
Interest	25,000	-	(25,000) ⁽¹⁷⁾	-100.00%
Dues and Fees	60,500	73,050	12,550 ⁽¹⁸⁾	20.74%
Transfer to Other Funds - Activity Funds	115,000	115,000	-	0.00%
Transfer to Other Governments	86,000	86,000	-	0.00%
Payments to Charter Schools	3,515,387	3,838,012	322,625 ⁽¹⁹⁾	9.18%
Total - General Fund	\$ 177,011,662	\$ 185,009,746	\$ 7,998,084	4.52%

**FUND #1 - OPERATIONS
FOR THE 2016 - 2017 SCHOOL YEAR
EXPENDITURES BUDGET**

Footnotes (largest contributors to budget changes):

- (1)- reflects step + 2% COLA for teachers; step + 2% COLA for non-teachers; service credit for assistant principals, principals, directors, and executive directors; use of new hourly and salaried, non-teacher pay scales including placement of chiefs officers; and restoration of the frozen teacher step
- (2) - increase reflects anticipated stipends for virtual learning teachers *and for Gateway teachers*
- (3) - fringe on additional salaries including anticipated rate increases for health insurance premiums and employer retirement contributions
- (4) - reduced based on historical expenditures
- (5) - reflects shift to purchased services-technology budget and other reductions
- (6) - reflects reclassification of budget for in-house Board attorney
- (7) - result of anticipated rate increases and additional usage resulting from landscaping/irrigation improvements
- (8) - reflects increase in maintenance department budget based on need, plus additional funding for activity bus inspections
- (9) - funds for SRI Universal Screener (\$50,000, annual), second installment on Read 180 (\$600,000) and funds for virtual learning
- (10) - reflects removal of budget for one-time tax software for 2015-16, plus inclusion of one-time funds for custodial/janitorial consulting
- (11) - reflects removal of one-time band money for 2015-16 (allocated in original budget; not Path Forward band money)
- (12) - maintenance department budget changes based on need, including non-capital landscaping/beautification costs
- (13) - removal on one-time technology money approved for 2015-16
- (14) - based on trend and in consideration of new Operations building and other construction projects
- (15) - removal of one-time STEAM/STEM items approved for 2015-16
- (16) - included under Fund 5/School Building Fund budget
- (17) - No TAN issuance anticipated for 2016-17
- (18) - reflects increases in budgets for SCSBA and AdvancEd dues/fees
- (19) - Charter school increases based on SCDE formula

**FUNDS #2, #8 AND #9 - SPECIAL REVENUE
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE AND EXPENDITURES BUDGET**

	2015 - 2016 Budget*	Proposed 2016 - 2017 Budget*	Increase/ (Decrease)
Federal Funds:			
Title I	\$ 7,467,392	\$ 7,376,351	\$ (91,041)
Individuals with Disabilities Act (IDEA)	4,628,556	4,628,556	-
Preschool Handicapped	181,471	181,471	-
Vocational Education/Perkins	396,041	396,041	-
Neglected and Delinquent	27,979	43,975	15,996
Title I - Focus Schools	-	254,000	254,000
Adult Education - Federal	202,968	202,968	-
Title III - Language Instruction	113,484	113,484	-
Title II - Improving Teacher Quality	903,550	903,550	-
Total Federal Funds	<u>13,921,441</u>	<u>14,100,396</u>	<u>178,955</u>
Other/Local Funds:			
NJROTC	388,284	388,284	-
Twelve Month Agriculture	35,411	24,788	(10,623)
Medicaid Program	500,000	500,000	-
Total Local Funds	<u>923,695</u>	<u>913,072</u>	<u>(10,623)</u>
State Funds:			
Child Development Education Program (CDEP)	2,669,994	2,669,994	-
Summer Reading Program	256,629	214,629	(42,000)
EEDA Career Specialists	707,205	707,205	-
Reading Coaches (also see EIA budget)	587,862	-	(587,862)
Student Health and Fitness - Nurses	649,614	649,614	-
Student Health and Fitness - Physical Education	180,662	180,622	(40)
Adult Education Supplemental Nutrition (SNAPP)	14,449	14,449	-
Technology Initiative	789,168	778,810	(10,358)
Total State Funds	<u>5,855,583</u>	<u>5,215,323</u>	<u>(640,260)</u>
Total Special Revenue Funds	<u>\$ 20,700,719</u>	<u>\$ 20,228,791</u>	<u>\$ (471,928)</u>

*Reflects current allocations only; no carryovers

**FUNDS #2, #8 AND #9 - SPECIAL REVENUE
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE AND EXPENDITURES BUDGET**

	<u>2015 - 2016 Budget*</u>	<u>Proposed 2016 - 2017 Budget*</u>	<u>Increase/ (Decrease)</u>
Federal Funds:			
Title I	\$ 7,467,392	\$ 7,094,022	\$ (373,370)
Individuals with Disabilities Act (IDEA)	4,628,556	4,628,556	-
Preschool Handicapped	181,471	181,471	-
Vocational Education/Perkins	396,041	396,041	-
Neglected and Delinquent	27,979	26,581	(1,398)
Title I - Focus Schools	-	254,000	254,000
Adult Education - Federal	202,968	202,968	-
Title III - Language Instruction	113,484	113,484	-
Title II - Improving Teacher Quality	903,550	903,550	-
Total Federal Funds	<u>13,921,441</u>	<u>13,800,673</u>	<u>(120,768)</u>
Other/Local Funds:			
NJROTC	388,284	388,284	-
Twelve Month Agriculture	35,411	24,788	(10,623)
Medicaid Program	500,000	500,000	-
Total Local Funds	<u>923,695</u>	<u>913,072</u>	<u>(10,623)</u>
State Funds:			
Child Development Education Program (CDEP)	2,669,994	2,669,994	-
Summer Reading Program	256,629	214,629	(42,000)
EEDA Career Specialists	707,205	707,205	-
Reading Coaches (also see EIA budget)	587,862	-	(587,862)
Student Health and Fitness - Nurses	649,614	649,614	-
Student Health and Fitness - Physical Education	180,662	180,622	(40)
Adult Education Supplemental Nutrition (SNAPP)	14,449	14,449	-
Technology Initiative	789,168	778,810	(10,358)
Total State Funds	<u>5,855,583</u>	<u>5,215,323</u>	<u>(640,260)</u>
Total Special Revenue Funds	<u>\$ 20,700,719</u>	<u>\$ 19,929,068</u>	<u>\$ (771,651)</u>

*Reflects current allocations only; no carryovers

**FUND #3 - EDUCATION IMPROVEMENT ACT
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE AND EXPENDITURES BUDGET**

	2015 - 2016 Budget*	Proposed 2016 - 2017 Budget*	Increase/ (Decrease)
ADEPT	\$ 21,759	\$ 21,759	\$ -
Arts in Education	12,000	24,000	12,000
Professional Development	133,124	131,933	(1,191)
Technology Professional Development	130,651	130,651	-
Formative Assessment	-	118,000	118,000
CATE Equipment	234,762	234,762	-
Refurbishment of Science Kits	100,464	100,464	-
National Board Certified Teachers (Pass Through)	694,892	694,892	-
District Teacher of the Year Award (Pass Through)	1,000	1,000	-
Reading Coaches	729,468	1,317,330	587,862
At Risk Student Learning	2,672,850	2,710,335	37,485
CDEP Supplies	20,000	-	(20,000)
Teacher Salary Supplement (TSS)	3,735,492	4,439,312	703,820
TSS Fringe	612,247	570,558	(41,689)
Adult Education	398,536	398,536	-
Reading	106,140	105,142	(998)
Palmetto Priority Schools	178,240	-	(178,240)
Teacher Supplies (Pass Through)**	417,750	417,750	-
High Schools That Work/Making Middle Grades Work	96,597	96,597	-
School-to-Work Transition Act	86,370	86,370	-
EEDA Supplemental	75,000	125,000	50,000
EEDA Professional Development	42,609	42,609	-
Aid to Districts	294,212	-	(294,212)
Total Education Improvement Act Fund	<u>\$ 10,794,163</u>	<u>\$ 11,767,000</u>	<u>\$ 972,837</u>

*Reflects current allocations only; no carryovers

**FUND #4 - DEBT SERVICE
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE AND EXPENDITURES BUDGET**

	2016 - 2017 Proposed Budget		
	8% G.O. Bond Issuances	Sales Tax-Related G.O. Bond Issuance	Total
Revenue:			
Levies for debt service	\$ 18,372,050	\$ -	\$ 18,372,050
Sales tax collections utilized for debt service	<u>1,600,000 (1)</u>	<u>13,175,833</u>	<u>14,775,833</u>
Total Revenue	<u>\$ 19,972,050</u>	<u>\$ 13,175,833</u>	<u>\$ 33,147,883</u>
Expenditures:			
Principal payments			
Series 2012	\$ 3,160,000	\$ -	\$ 3,160,000
Series 2013	3,530,000	-	3,530,000
Series 2014	3,175,000	-	3,175,000
Series 2015	3,575,000	-	3,575,000
Series 2016A	-	9,780,000	9,780,000
Series 2016B (est)	4,500,000	-	4,500,000
Interest Payments			
Series 2012	158,000	-	158,000
Series 2013	362,000	-	362,000
Series 2014	462,400	-	462,400
Series 2015	549,650	-	549,650
Series 2016A	-	3,395,833	3,395,833
Series 2016B	375,000	-	375,000
Issuance Costs and Other Fees	<u>125,000</u>	<u>-</u>	<u>125,000</u>
Total Expenditures	<u>\$ 19,972,050</u>	<u>\$ 13,175,833</u>	<u>\$ 33,147,883</u>

Note:

The 8% general obligation bonds are paid-off over five years. The Series 2016A general obligation bonds are to be serviced entirely by sales tax collections over ten years.

(1) - reflects property tax relief; 10% of sales tax collections

**FUND #5 - SCHOOL BUILDING
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE AND EXPENDITURES BUDGET**

	Proposed 2016 - 2017 Budget
Revenue:	
General Obligation Bonds, Series 2016B (8% bonds)	\$ 18,000,000
Bond premium amount (estimated)	1,000,000
Interest on Investments	100,000
Total Revenue	\$ <u>19,100,000</u>
Expenditures:	
Projects approved in the Five Year Facilities Plan and the Athletics Facilities Funding Plan (excludes sales tax related projects)	\$ <u>19,100,000</u>
Total Expenditures	\$ <u>19,100,000</u>

Note:

Based upon the Board's decision at its March 31, 2015 special called meeting, bond premiums have been earmarked to address identified athletics facilities needs.

**FUND #6 - SCHOOL FOOD SERVICE
FOR THE 2016 - 2017 SCHOOL YEAR
REVENUE AND EXPENSES BUDGET**

	<u>2015 - 2016 Budget</u>	<u>Proposed 2016 - 2017 Budget</u>	<u>Increase/ (Decrease)</u>
Revenue:			
Lunch - Students	\$ 791,652	\$ 599,037	\$ (192,615)
Special Sales - Students	271,478	149,413	(122,065)
Breakfast - Students	40,705	42,740	2,035
Lunch - Adults	77,755	79,699	1,944
Special Sales - Adults	16,778	17,115	337
Breakfast - Adults	730	973	243
Interest on Investments	8,000	8,000	-
USDA Reimbursement - Lunch	5,508,500	5,618,669	110,169
USDA Reimbursement - Breakfast	2,046,475	1,675,743	(370,732)
Other Income	25,000	25,000	-
Use of carryover	593,601	1,437,952	844,351
Total Revenue	<u>\$ 9,380,674</u>	<u>\$ 9,654,341</u>	<u>\$ 273,667</u>
Expenses:			
Regular Salaries	\$ 2,700,247	\$ 2,992,987	\$ 292,740
Temporary Salaries	136,405	136,405	-
Fringe Benefits	595,984	657,171	61,187
Staff Services	-	-	-
Maintenance Repairs	10,000	10,000	-
Travel	17,000	17,000	-
Telephone	6,200	6,200	-
Technology	28,065	20,000	(8,065)
Printing and Binding	15,000	15,000	-
Purchased Services	137,500	2,500	(135,000)
Supplies	450,000	450,000	-
Food	4,628,373	4,744,082	115,709
Expendable Equipment	40,500	-	(40,500)
Non-Expendable Equipment	100,000	-	(100,000)
Dues/Fees	400	4,000	3,600
Sales Taxes	6,000	6,000	-
Indirect Costs	509,000	592,996	83,996
Other Expenses	-	-	-
Total Expenses	<u>\$ 9,380,674</u>	<u>\$ 9,654,341</u>	<u>\$ 273,667</u>