

BOARD AGENDA ITEM

June 24, 2014

SUBJECT:

2014 – 2015 Proposed Budget

BACKGROUND INFORMATION:

In its 2014 – 2015 budget calendar, the Board scheduled presentations of the preliminary budget for April 15, 2014, the tentative budget for May 13, 2014, and the final budget for June 24, 2014.

ADMINISTRATIVE CONSIDERATION:

The proposed budget version is presented for Board discussion. Many estimates are based on the South Carolina Senate version of the 2014 – 2015 general appropriations bill. General Fund revenue reflects a higher Education Finance Act (EFA) allocation in comparison to 2013 – 2014. The increase is due in part to the proposed increase in base student cost (BSC) from \$2,101 to \$2,120 as well as changes in student weightings under the Governor's Education plan. BSC in the Senate Finance version of the budget remained unchanged from earlier versions at \$2,120. The Tier 3/Act 388 allocation reflects the projected increase as provided by the State. Current property tax revenues reflect an increase for growth. Delinquent tax revenue estimates were increased based on the trend.

General Fund expenditures reflect a step increase for teachers and non-teachers, a 1% bonus for those employees at the top of their respective pay scales and teachers rising to steps 1, 2, and 3 who would otherwise see no increase in pay, funding for the Freshman Academy at Aiken High School, creation of a new human resources position, funding for one drama teacher and one dance teacher at East Aiken School of the Arts, funding for two ESOL teachers, revision of assistant principal allocation formulas for middle and high schools, an increase in bus driver pay by approximately 2% (in addition to the step increase), creation of a new science curriculum specialist position, creation of a Read-to-Succeed literacy coordinator position, an increase of \$2 per day in substitute pay, a \$4 per pupil increase in janitorial supplies for 2014-15 only, a \$4 per pupil increase in copier supplies for 2014-15 only, and \$250,000 for athletics and PE purchases for 2014-15 only, an increase in health insurance costs, an increase in retirement costs, and an increase in allocations to charter schools. Various other small changes are also reflected based on trend analysis. General Fund expenditures also reflect the shift of gifted & talented expenditures and a portion of At-Risk expenditures from the Education Improvement Act (EIA) Fund. These shifts result from incorporation of the Governor's Education plan into the District's budget.

Budgets for the Special Revenue Fund, EIA Fund, Debt Service Fund, Capital Projects Fund, and School Food Service Fund are also presented for Board review.

No changes in operating or debt service millage rates, currently 141.6 and 29.0 mills, respectively, are proposed.

RECOMMENDATION:

Approve the proposed 2014 – 2015 budget and the 2014 – 2015 salary schedule as presented.

ATTACHMENTS:

1. 2014 – 2015 Proposed Budget (summary)
2. 2014 – 2015 General Fund Proposed Budget by object (summary)
3. 2014 – 2015 General Fund Proposed Budget by location (summary by object)
4. Staffing formulas
5. 2014 – 2015 Salary Schedule

PREPARED BY:

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