

BOARD AGENDA ITEM

April 20, 2021

SUBJECT:

2021 – 2022 Budget – First Reading

BACKGROUND INFORMATION:

In its 2021 – 2022 budget calendar, the Board scheduled presentations of the first reading of the budget for April 20, 2021, and the second & final reading for May 25, 2021.

A budget hearing is scheduled to be held during the May 11, 2021, Board meeting.

ADMINISTRATIVE CONSIDERATION:

The first reading of the Superintendent's proposed budget is presented for Board discussion and consideration. Many estimates are based on the SC House of Representatives' version of the 2021 – 2022 general appropriations bill. The impacts of the Covid-related drop in student enrollment can be observed throughout the proposed budget.

General Fund revenue changes of significance include an increase in property tax revenue resulting from growth of the tax base only with no increase in operating millage; an increase in delinquent taxes and payments in lieu of taxes based on recent years' revenue levels; a decrease in interest earning due to the sharp decrease in interest rates; decreases in the State Aid to Classrooms – EFA allocation and State Aid to Classrooms – Fringe Benefits and Retirement allocations due to lower, Covid-impacted student enrollment; a slight increase in the State Aid to Classrooms – Teacher Salary allocation; an increase in the Act 388 allocation; and an increase in the School Bus Drivers allocation from the State based on recent years' activity. This version of the budget reflects flexed Fund 3 (EIA) and Fund 9 (State grant) dollars to balance the budget.

General Fund expenditures reflect a step increase for all eligible employees; the additional of a 26th pay step on the teacher and JROTC instructor scales; increases to retirement and other changes in fringe benefits; impacts of lowering pupil-teacher ratios in grades 1, 4, and 5; removal of payments to charter schools resulting from the departure of the last District-sponsored charter school; increases of 190-day high school counselors to 200 days; an increase in the debt service budget to related to the ABM project; an increase in the energy budget; and various other changes. This proposed version of the budget does not include a cost of living adjustment for employees.

The General Fund budget totals \$209,081,548, as presented and pending Board discussion. No tax increase is proposed in this first reading of the 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.

RECOMMENDATION:

Approve the first reading of the 2021 – 2022 budget with any changes resulting from Board discussion.

ATTACHMENTS:

1. 2021 – 2022 Budget – First Reading (summary)
2. 2021 – 2022 General Fund Expenditures Budget – First Reading by object (summary)
3. 2021 – 2022 General Fund Expenditures Budget – First Reading by location (summary by object)
4. Staffing formulas

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