



Greenville County Schools
**FY 13 General Fund
Budget Process**

Second Reading • June 05, 2012

**Greenville County Schools
2012-2013 General Fund Proposed Budget
Second Reading**

Projected Revenue Summary

		<u>Reference Page</u>
Projected Revenue for FY 13		
Local Revenue *	\$ 149,880,000	2
State Revenue	290,602,000	2
Transfers In	<u>15,524,000</u>	2
Total Projected Revenue for FY 13	\$ 456,006,000	
Unassigned Fund Balance/Savings ONE TIME FUNDS	<u>13,607,000</u>	
Required Amount to Equal Proposed Expenditures	<u>\$ 469,613,000</u>	

Proposed Expenditures Summary

		<u>Reference Page</u>
Budgeted Expenditures for FY 12	\$ 442,784,098	
Proposed Expenditures for FY 13		
State Mandated Expenditures	\$ 16,746,000	5
Local Required Expenditures	10,197,902	5
Reduction of Expenditures	<u>(115,000)</u>	5
Subtotal	<u>26,828,902</u>	
Total Proposed Expenditures for FY 13	<u>\$ 469,613,000</u>	

* Includes a recommended 6.1 mill increase which generates \$6,405,000

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	State BSC \$1,880 GCS BSC \$1,365	First Reading State BSC \$2,012 GCS BSC \$1,461	Second Reading State BSC \$2,012 GCS BSC \$1,461
	FY 12 Revenue Budget	Projected FY 13 Revenue Budget	Projected FY 13 Revenue Budget
1 Projected Local Revenue			
2 Property Taxes - Greenville, Laurens, Spartanburg and Fee In Lieu of Taxes	\$ 142,280,000	\$ 142,280,000	\$ 142,280,000
3 Act 388 Millage (6.1 mills)		7,875,000	6,405,000
4 Interest on Short Term Investments	400,000	400,000	400,000
5 Tuition - Out of District Students	60,000	60,000	60,000
6 Lost & Damaged Books	50,000	50,000	50,000
7 Drivers Ed Fees	65,000	65,000	65,000
8 Proviso for Handicapped Education	240,000	240,000	240,000
9 Tuition - Summer School	130,000	130,000	130,000
10 Contributions from Private Sources	250,000	250,000	250,000
11 Total Projected Local Revenue	\$ 143,475,000	\$ 151,350,000	\$ 149,880,000
12 Projected State Revenue			
13 Employer Fringe Benefits	\$ 59,520,000	\$ 63,935,000	\$ 66,915,000
14 Education Finance Act (EFA) - BSC	119,431,000	130,489,000	130,489,000
15 Education Finance Act (EFA) - Supplement	4,696,000	0	2,600,000
16 Property Tax Relief (Tier I)	23,410,000	23,410,000	23,410,000
17 Homestead Exemption (Tier II)	5,900,000	5,900,000	5,900,000
18 Homestead Exemption Fund - Base Reimbursement (Tier III)	49,768,000	51,741,000	51,741,000
19 Homestead Exemption Fund - Annual Allocation (Tier III)	1,868,000	2,796,000	2,796,000
20 Special Education Transportation	170,000	170,000	170,000
21 Home School Instruction	70,000	70,000	70,000
22 School Bus Drivers Salaries/Work Comp	1,889,000	1,889,000	1,889,000
23 Merchants Inventory Tax	2,201,000	2,201,000	2,201,000
24 Manufacturers Depreciation	2,100,000	2,100,000	2,100,000
25 Motor Carriers Tax	321,000	321,000	321,000
26 Total Projected State Revenue	\$ 271,344,000	\$ 285,022,000	\$ 290,602,000
27 Projected Transfers In			
28 Transfer from EIA - Teacher Salary Supplement	\$ 8,281,000	\$ 7,868,000	\$ 12,511,000
29 Transfer from Food Service - Indirect Cost	1,613,000	1,613,000	1,613,000
30 Transfer from Special Revenue - Indirect Cost	1,400,000	1,400,000	1,400,000
31 Total Projected Transfers In	\$ 11,294,000	\$ 10,881,000	\$ 15,524,000
32 Unassigned Fund Balance/Savings ONE TIME FUNDS	\$ 16,671,098	\$ 16,975,000	\$ 13,607,000
33 Total Projected Revenue Budget	\$ 442,784,098	\$ 464,228,000	\$ 469,613,000

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Transfer from EIA – Teacher Salary Supplement **\$12,511,000**
page 2, line 28

Additional EIA funding was provided in the Senate version of the budget to fund the new mandated cost of the teacher salary increase. This revenue increase is estimated to be \$4,643,000 bringing the total amount to \$12,511,000.

Changes to Projected Use of Fund Balance

Unassigned Fund Balance/Savings ONE TIME FUNDS **\$13,607,000**
page 2, line 32

The amount of Unassigned Fund Balance recommended for use to balance the FY 13 budget is \$13,607,000. This reduces the District's dependence on non-recurring revenue for recurring expense from \$16,671,098 to \$13,607,000, a reduction of \$3,064,098.

**Greenville County Schools
2012-2013 Proposed General Fund Expenditure Budget
Second Reading**

	First Reading Proposed Expenditure Budget	Second Reading Proposed Expenditure Budget	Reference Page
1 Budgeted Expenditures for FY 12	\$ 442,784,098	\$ 442,784,098	
2 State Mandated Expenditures for FY 13			
<i>Goal 2: Ensure Quality Personnel in All Positions</i>			
3 Partial Cost of Living Increase of 2% for School Level Personnel	\$ 7,580,000	\$ -	
4 2% Increase to Teacher Salary Schedule and Salary Steps	-	8,133,000	6
5 Teacher Certificate Upgrades	800,000	800,000	6
6 Employer Retirement Increase (Effective July 1, 2012)	2,808,000	2,808,000	6
7 Employer Health Insurance Increase (Effective Jan. 1, 2012)	490,000	490,000	6
8 Employer Health Insurance Increase (Effective Jan. 1, 2013)	1,439,000	1,993,000	7
<i>Goal 4: Effectively Manage and Further Develop Financial Resources</i>			
9 Payments to Charter Schools	2,522,000	2,522,000	7
10 Total State Mandated Expenditures for FY 13	\$ 15,639,000	\$ 16,746,000	
11 Local Required Expenditures for FY 13			
<i>Goal 1: Raise the Academic Challenge and Performance of Each Student</i>			
12 Personnel for Student Growth	\$ 4,200,000	\$ 4,200,000	7
13 Instructional Supplies for Student Growth	34,902	34,902	7
<i>Goal 2: Ensure Quality Personnel in All Positions</i>			
14 Partial Cost of Living Increase of 2% for Non-School Level Personnel	761,000	-	
15 Increase in Local Portion of the Teacher Salary Schedule	-	555,000	7
16 2% Increase to Support Salary Schedules and Salary Steps	-	4,484,000	8
<i>Goal 3: Provide a School Environment Supportive of Learning</i>			
17 Monarch Elementary School	656,000	656,000	8
18 District Property/Liability Insurance Premium Increase	218,000	218,000	8
<i>Goal 4: Effectively Manage and Further Develop Financial Resources</i>			
19 Fuel for District Vehicles	50,000	50,000	8
20 Total Local Required Expenditures for FY 13	\$ 5,919,902	\$ 10,197,902	
21 Reduction of Expenditures for FY 13			
<i>Goal 1: Raise the Academic Challenge and Performance of Each Student</i>			
22 Procurement Audit	\$ (15,000)	\$ (15,000)	9
<i>Goal 3: Provide a School Environment Supportive of Learning</i>			
23 Utilities	(100,000)	(100,000)	9
24 Total Reduction of Expenditures for FY 13	\$ (115,000)	\$ (115,000)	
25 Total Proposed Expenditures for FY 13	\$ 464,228,000	\$ 469,613,000	

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State Mandated and Local Required Expenditures for 2012-2013

State mandates are: 1.) Legal requirements resulting from legislative acts which impose a new program or demand an increased level of service in an existing program or 2.) Mandates from the State Department of Education.

Local requirements refer to the services and support that facilitate the attainment and sustainability of our Education Plan goals.

State Mandates

Goal 2: Ensure Quality Personnel in All Positions

2% Increase to Teacher Salary Schedule and Salary Steps \$ 8,133,000
page 5, line 4

The South Carolina Senate removed the 2% increase for school level non-teaching personnel and added a step increase for all eligible certified teachers. They also included a 2% salary increase for teachers as approved in the House budget. The \$8,133,000 includes the 2% increase and step for all eligible personnel on the teacher salary schedule. It does not include the increased level of funding required for the local portion of the teacher schedule that provides a true 2% increase in salary to teachers. This continues the District's goal of ensuring quality personnel in all positions and allows us to remain competitive with surrounding school districts.

Teacher Certificate Upgrades page 5, line 5 \$ 800,000

This budget reflects pay increases for teachers upgrading current certificates to reflect higher education levels. Teachers are both required and encouraged to pursue additional training. When that training results in the attainment of an additional degree or certificate upgrade, a commensurate pay increase is mandated.

Employer Portion Retirement Increase page 5, line 6 \$ 2,808,000

This budget reflects an increase in the South Carolina Retirement System employer contribution rate from 9.385% to 10.45%. This equates to an 11.34% rate increase and will be effective July 1, 2012.

Employer Health Insurance Increase page 5, line 7 \$ 490,000

This budget reflects the increase in the employer contribution rate to cover additional costs of providing health coverage to employees insured by the State Health Plan for the last six months of 2012. This increase ranged from 1.033% to 7.22% and went into effect January 1, 2012.

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2% Increase to Support Salary Schedules and Salary Steps **\$4,484,000
*page 5, line 16***

This line reflects a 2% increase for all support salary schedules and the cost of step increases for eligible employees. This is only a partial cost of living increase when compared to inflation factors that have impacted our employees over the last three years. During this three year period, these employees have received only one pay increase of 1.64% in FY 12. The last year this group of employees received a step increase was in FY 09. This continues the District's goal of ensuring quality personnel in all positions and reaffirms throughout all levels of the organization the importance of all employees to the instructional program.

Goal 3: Provide a School Environment Supportive of Learning

Monarch Elementary School *page 5, line 17* **\$656,000**

Monarch is scheduled to open in August 2012, serving students in pre-kindergarten through fifth grade. In January 2012, personnel were hired to prepare for the school's opening. This budget will fund those positions and add the remaining support staff at the school.

District Property/Liability Insurance Premiums *page 5, line 18* **\$218,000**

Estimated premiums are based on insurance market conditions for school districts.

Goal 4: Effectively Manage and Further Develop Financial Resources

Fuel for District Vehicles *page 5, line 19* **\$ 50,000**

Additional funds are needed in the district fuel budget due to the sustained increase in fuel prices. During the past several years, costs saving measures within maintenance have been redirected to cover rising fuel costs. The rising price of supplies and materials now limits our ability to continue to generate these savings. Based on current trends in fuel prices and our most recent analysis we have reduced the fuel budget request as presented at the Work Session from \$250,000 to \$50,000.

