

# Policy DB Annual Budget

Issued 04/21

The annual budget is the financial plan for the operation of the school system. The annual operating budget should express and implement programs and activities of the school district. Planning the budget document is a continuous process. Planning involves long-term thought, study and deliberation by the superintendent, board, administrative staff, faculty and citizens of the district.

The budget provides the framework for both expenditures and revenues for the year. It translates into financial terms the educational programs and priorities for the system.

The board will establish budget priorities for each fiscal year (July 1 - June 30). These priorities will be based upon the needs identified by the superintendent during the budget planning process as determined by the following.

- needs of the district so that all segments of the district programs are treated equitably within the available resources
- state and/or federal legal requirements for funding of programs
- requirements and regulations of the regional accrediting agency
- availability of fiscal and other non-economic resources

The superintendent will have overall responsibility for budget preparation and will submit an annual budget to the board. Based on the superintendent's recommendation, the board will approve an annual budget by June 30.

In case the budget does not receive approval by June 30, the board will adopt a continuing resolution based on last year's operating budget until the budget can be approved.

## Notice of Budget Adoption

Before adopting this budget for the next fiscal year, the district will advertise the public hearing on the budget in at least one South Carolina newspaper of general circulation in the area. The notice must appear not less than 15 days in advance of the public hearing. The notice must be a minimum of two columns wide with a bold heading.

The notice must include the following:

- governing entity's name
- time, date and location of the public hearing on the budget
- total revenues and expenditures from the current operating fiscal year's budget of the governing entity
- proposed total projected revenue and operating expenditures for the next fiscal year as estimated in the next year's budget for the governing entity
- proposed or estimated percentage change in estimated operating budgets between the current fiscal year and the proposed budget
- millage for the current fiscal year

- estimated millage in dollars as necessary for the next fiscal year's proposed budget

### **Limitations on Millage Increases**

In Richland County School District One, the county council is authorized by South Carolina law to levy school taxes. The county council can only increase millage above the rate imposed for the prior tax year by the percentage increase in the consumer price index over the previous calendar year plus the percentage increase in the previous year in the population of the school district as determined by the state budget and control board.

The millage rate limitation may be suspended and the millage rate may be increased upon a two-thirds vote of the membership of the county council for any of the following statutory purposes.

- deficiency of the preceding year
- any catastrophic event outside the control of the governing body such as a natural disaster, severe weather event, act of God or act of terrorism, fire, war or riot
- compliance with a court order or decree
- taxpayer closure due to circumstances outside the control of the governing body that decreases by 10 percent or more the amount of revenue payable to the taxing jurisdiction in the preceding year
- compliance with a regulation promulgated or statute enacted by the federal or state government after June 7, 2006, for which an appropriation or a method for obtaining an appropriation is not provided by the federal or state government

A millage rate increase imposed under any of the above reasons will appear separately on the tax bill as a separate surcharge with an explanation and not included in the millage subject to the CPI plus population growth factor. The surcharge will only continue for the years necessary to pay for the reason imposed.

In addition, the millage limitation does not apply to millage levied to pay bonded indebtedness or real property lease-purchase payments.

Adopted 2/27/02; Revised 04/27/21

#### Legal References:

S.C. Code of Laws, 1976, as amended:

[Section 6-1-80](#) - Budget adoption.

[Section 6-1-300, et seq.](#)- Authority of local governments to assess taxes and fees.

[Section 59-21-1030](#) – Level of financial effort per pupil required of each school district.

Richland County School District One