



FY2020 Budget: Delivering on The Promise of Gwinnett

Focusing on Teaching and Learning... Valuing Employees... Managing Resources Responsibly...

Each year, Gwinnett County Public Schools (GCPS) develops and adopts a budget for the next fiscal year beginning on July 1. The district's accurate and conservative approach to budgeting has enabled it to achieve balanced budgets during challenging economic times while also delivering on the promises GCPS has made to its stakeholders. For FY2020, there is some good news. With growth in the local property tax digest for the sixth straight year and additional revenue from the state, GCPS will be able to balance its budget, provide raises for its employees, and implement several improvement items. The proposed FY2020 Budget benefits students and employees while also ensuring the district remains a responsible steward of taxpayers' dollars.

The FY2020 Superintendent's Recommended Budget:

The Recommended Budget calls for \$2.319 billion in the six funds that comprise the Total Budget. The proposed General Fund, which represents 77.4% of the Total Budget and funds the primary day-to-day operations of the school district, accounts for \$1.795 billion of the total. This represents a 3.7% increase in the General Fund that can be attributed to salary improvements, mandated employer benefit increases, and costs associated with an increase in the number of students served.

Revenue sources for FY2020:

GCPS will receive an additional \$63.1 million in the state Quality Basic Education (QBE) funding formula due to a number of factors.

- \$7.7 million for projected growth in student enrollment;
- \$41.4 million for salary increases allotted through the State Teacher Salary Schedule;
- \$8.4 million for the state-funded portion of teacher salary step increases (compensation for training and experience) and the additional certificated employees who will be enrolled in state health insurance plans;
- \$1.2 million due to an increase in the rate of the employer contribution to the Teachers Retirement System; and
- GCPS will receive \$86.4 million in Equalization Grant funding, an increase of \$4.4 million from the previous year.

The \$63.1 million in additional state QBE revenue will be offset by a \$10.8 million increase in the district's "Local Fair Share," a required cost of participating in the state's QBE funding formula. *Taking this into account, GCPS' resulting net increase in state QBE revenue will be \$52.3 million.*

In terms of local funding, the property tax digest is expected to grow by 3%, resulting in an increase of \$21.4 million in local property tax revenue. Title ad valorem taxes and investment earnings are expected to grow a combined \$10.5 million over FY2019. *The proposed budget does not recommend an increase in the property tax millage.*

Increased costs for FY2020:

For FY2020, GCPS must account for increases in the area of employee salary and benefits:

- Additional salary and benefit costs of approximately \$8.1 million will be incurred to fund the 104 additional teacher/instructional support positions

needed to accommodate expected enrollment growth of 446 students and the opening of one new high school.

- Increases in employer benefit costs will add approximately \$5.8 million in expenses for the district.
 - The employer contribution required for the Gwinnett Retirement System (GRS), the district's alternative to Social Security, will increase by \$0.4 million in FY2020.
 - The employer share for insurance premiums for more than 270 employees will cost GCPS an additional \$3.1 million annually.
 - Funding the rate increase for the employer-paid portion for the Teachers Retirement System will result in an additional cost of \$2.3 million.

Salary improvements for employees in FY2020:

- A \$3,000 cost-of-living increase for all employees paid on the teacher salary schedule at a cost of \$44.6 million.
- A 2% cost-of-living increase for all employees not paid on the teacher salary schedule at a cost of \$7 million.
- A salary step increase for all eligible employees will cost approximately \$13.7 million. Nearly all (95%) of current teachers are expected to get a salary step increase.

Other improvements:

- Funding for six additional School Resource Officers;
- Increases in per-pupil funding for local schools;
- Additional resources in special education and psychological services, foreign language, and fine arts; and
 - Enhanced operational and maintenance support for buildings/grounds, information management, and information security.

The following budget-cutting measures will remain in place:

- School staffing allocation formulas are unchanged. Schools will continue to receive positions to accommodate student growth. Average student: teacher ratios will remain consistent with the current school year.
- Central office operating budgets will remain relatively the same and vacant district positions will remain unfilled to the extent possible.



The Promise of GWINNETT

The Superintendent's Recommended Budget document is available on the school district's website at www.gwinnett.k12.ga.us.