



FY2022 Budget:

Addressing COVID Impact... 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 delivering on the promises GCPS has made to its stakeholders. For FY2022, there is some good news.

With growth in the local property tax digest for the eighth 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 FY2022 Budget benefits students and employees while also ensuring the district remains a responsible steward of taxpayers' dollars.

The FY2022 Superintendent's Recommended Budget:

The Recommended Budget calls for \$2.4 billion in the six funds that comprise the Total Budget. The proposed General Fund, which represents 78% of the Total Budget and funds the primary day-to-day operations of the school district, accounts for \$1.8 billion of the total. This represents a 2.2% increase in the General Fund that can be attributed to salary improvements, mandated employer benefit increases, costs associated with an increase in the number of students served, and enhanced operational and maintenance support for buildings/grounds, information management, and information security.

Revenue sources for FY2022:

GCPS will receive an additional \$48.9 million in state funding due to a number of factors.

- \$60.1 million due to lower levels of austerity reductions from the state;
- \$12 million for projected growth in student enrollment;
- \$1.4 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;
- \$5.8 million due to an increase in the rate of the employer contribution to the Teachers Retirement System;
- A \$20 million formula deduction in the district's Local Five-Mill Fair Share, a required cost of participating in the state's Quality Basic Education (QBE) funding formula.
- A decrease of \$6.1 million from the previous year in Equalization Grant earnings.
- A decrease of \$4.3 million in one-time state grants.

Taking this into account, GCPS' resulting net increase in state revenue will be \$48.9 million.

In terms of local funding, the property tax digest is expected to grow by 2%, resulting in an increase of \$19.9 million in local property tax revenue. Title ad valorem taxes, real estate taxes, and intangible taxes are expected to grow a combined \$11 million over FY2022. *The proposed budget does not recommend an increase in the property tax millage.*

In addition to its FY2022 budget, GCPS is addressing how to best use federal stimulus funding to support students—academically, socially, and emotionally—as the country recovers from the pandemic. It is important to note that this funding is separate from the district's budget.



The Superintendent's Recommended Budget document is available on the school district's website at www.gcpsk12.org.

Increased costs for FY2022:

For FY2022, GCPS must account for increases in the area of employee salary and benefits:

- Additional salary and benefit costs of approximately \$15.4 million will be incurred to fund the 189 additional teacher/instructional support positions needed to accommodate expected enrollment growth of 2,542 students.
- Funding the rate increase for the employer-paid portion for the Teachers Retirement System will result in an additional cost of \$7.4 million.

Salary improvements for employees in FY2022:

- A \$1,000 cost-of-living increase for all employees paid on the teacher salary schedule at a cost of \$14.6 million.
- A 2% cost-of-living increase for all employees not paid on the teacher salary schedule at a cost of \$8.4 million.
- A salary step increase for all eligible employees will cost approximately \$18.5 million. Nearly all (95%) of current teachers and a majority of classified employees (60%) are expected to get a salary step increase.
- Funding to increase substitute teacher pay.

Other improvements:

- Funding for five additional social workers;
- Additional personnel and support to further develop and expand the curriculum for artificial intelligence, computer science, and civic engagement; 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.