



FY2018 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. When it comes to the budget, GCPS always has lived within its means, presenting a balanced budget and keeping spending within that budget. The district's accurate and conservative approach to budgeting has enabled GCPS to achieve balanced budgets during extremely challenging economic times while also delivering on the promises it has made to its stakeholders. While challenges still remain— growth in student enrollment and increases in employee benefit costs—

there is some good news. Growth in the property tax digest for the fourth straight year and additional revenue from the state means that GCPS will be able to balance its budget and provide well-deserved raises for its employees. Read on to learn about the proposed FY2018 Budget and how it will benefit students and employees while also ensuring the district remains a good steward of taxpayers' dollars.

The FY2018 Recommended Budget:

The Superintendent's Recommended Budget calls for a total budget of \$2.092 billion. The proposed General Fund, which represents 76.3% of the total budget and funds the primary day-to-day operations of the school district, accounts for \$1.595 billion of the total. This represents a 3.6% 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.

Additional revenue sources for FY2018:

GCPS will receive an additional \$52.6 million in state QBE funding due to a number of factors.

- \$14.3 million for a 2% cost-of-living adjustment to the state portion of the teacher salary schedule;
- \$8.2 million for projected growth in student enrollment;
- \$5.2 million for the state-funded portion of teacher salary step increases;
- \$17.3 million for state-funded increases in the required rate for employer contributions to the Teacher Retirement System;
- A \$12.4 million increase in the Equalization Funding Grant.

As part of the QBE funding formula, GCPS will lose \$4.8 million as its "Local Fair Share" has grown by this amount due to tax digest growth.

In terms of local funding, the property tax digest is expected to grow by almost 5%, resulting in an increase of \$23.7 million in local property tax revenue. *The proposed budget does not recommend an increase in the property tax millage.*

Increased costs mandated by the state for FY2018:

For FY2018, GCPS must account for certain state-mandated increases in the area of employee salary and benefits:

- Additional salary and benefit costs of approximately \$11.1 million will be incurred to fund the 147 additional teacher/instructional support positions needed to accommodate expected enrollment growth of more than 1,972 students.

- Increases in employer benefit costs will add approximately \$32 million in expenses for the district in FY2018.
 - The employer contribution required for the Gwinnett Retirement System (GRS), the district's alternative to Social Security, will increase by \$5.5 million in FY2018.
 - Increases in the state health insurance premiums for 6,100 non-certificated employees will cost GCPS an additional \$7.1 million annually.
 - Funding the rate increase for the employer-paid portion for the Teachers Retirement System will result in an additional cost of \$19.4 million.

Salary improvements for employees in FY2018:

- All full-time employees will receive a 2% cost-of-living increase at a cost of \$19.6 million.
- A salary step increase for all eligible employees will cost approximately \$15.1 million. Nearly all (95%) of current teachers are expected to get a salary step increase.

Other improvements:

- Funding to establish e-STEAM academies at Pinckneyville and Summerour middle schools.
- Additional support in the areas of special education, psychological services, and curriculum and instruction.
- Additional technology support positions for the local schools.
- Additional operational and maintenance support for transportation, fleet maintenance, and buildings/grounds maintenance.

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 as this year 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.