

FY2015 Budget

Moving GCPS Forward in its Quest to Become World-Class

Keeping Teaching and Learning a Priority... 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. This has not been an easy task for the school district or its employees over the past five years. Since 2008 the district's accurate and conservative approach to budgeting has enabled the district to achieve balanced budgets during extremely challenging economic times. While challenges still remain— continued "austerity" cuts to the state education funding formula, growth in student enrollment, and increases in employee benefit costs— there is some good news this year. Slight growth in the property tax digest and a smaller state "austerity" cut means that GCPS will be able to balance its budget and also provide much-needed raises for its employees. While all other cost-saving measures which were put into place over the past five years will remain, teachers and all other employees will see an increase in pay for the first time since the 2009–10 school year. Read on to learn about the FY2015 Budget and how it will benefit students and employees while also ensuring the district remains a good steward of taxpayers' dollars.



Additional revenue sources for FY2015:

- GCPS will receive an additional **\$30.2 million** over FY2014 due to a reduction in the amount of state revenue cuts made to the Quality Basic Education (QBE) funding formula— cuts that began in FY2003. *The cumulative effect of these reductions on the school district over the 13-year period is the loss of approximately \$815.6 million.*
- GCPS also will see an increase of approximately \$29.7 million in state revenue:
 - **\$13.3 million** in additional revenue due to projected student growth
 - Additional **\$11.5 million** for the state-funded portion of teacher salary step increases and increases in the state Teacher Retirement System contribution rates
 - **\$4.9 million** in additional state earnings through the "Local Five-Mill Share" and "Equalization Grant" formulas
- The property tax digest is expected to grow by 5%, resulting in an increase of \$20.6 million in local property tax revenue.
 - There is no anticipated increase in the property tax millage rate.

Increased costs mandated for FY2015:

For FY2015, certain increases are mandated in the area of employee salary and benefits:

- Additional salary and benefit costs of approximately **\$14.6 million** will be incurred to fund the 174 additional teacher/instructional support positions needed to accommodate enrollment growth of 3,233 students and the staffing of the new Northbrook Middle School, which opens in August 2014.
- An increase in employer benefit costs will add approximately **\$17.1 million** in expenses for the district in FY2015.
 - The employer contribution rates for the Teacher Retirement System of Georgia and the Gwinnett Retirement System will increase by \$6.9 million and \$7.6 million, respectively.
 - In addition, the district will incur the employer cost for health insurance premiums for recently enrolled employees and the new positions in FY2015 related to student growth.

Additional revenue focused on salary improvements for employees in FY2015:

- A **longevity-step salary increase for all eligible employees** at a cost of approximately \$15.4 million
 - 98% of current teachers are eligible
 - First "step" increase since the 2009–10 school year
- **2% cost-of-living increase for all full-time employees**, a cost of \$18.4 million
 - First cost-of-living increase since the 2008–09 school year
- **Salary adjustment for bus managers (drivers) of \$1.25/hour**, bring hourly wages closer to the metro average and cost \$3.1 million

Other Improvements:

- Additional instructional positions to enable each elementary school to implement **Reading Recovery**
- **Nine school resource officer (SRO) positions**, providing enough SROs to cover every high school and middle school

The following budget-cutting measures from previous years will remain in place:

- School staffing allocation formulas are unchanged. Schools will continue to receive positions to accommodate student growth, and average student:teacher ratios will remain within state-approved class-size limits. However, revisions to the formulas since 2009–10 have resulted in the loss of approximately 1,900 teaching positions.
- Central office operating budgets held at or below last year's spending levels. Since 2010, budgets have been reduced by 20%, saving \$23 million annually.
- 54 central office positions eliminated since 2010 with vacant district positions remaining unfilled to the extent possible.

The Superintendent's recommended budget document is available for public review on the school district's website at www.gwinnett.k12.ga.us.

