

# **FY26 BUDGET OVERVIEW**

**Shanika Clay, Chief Financial Officer**

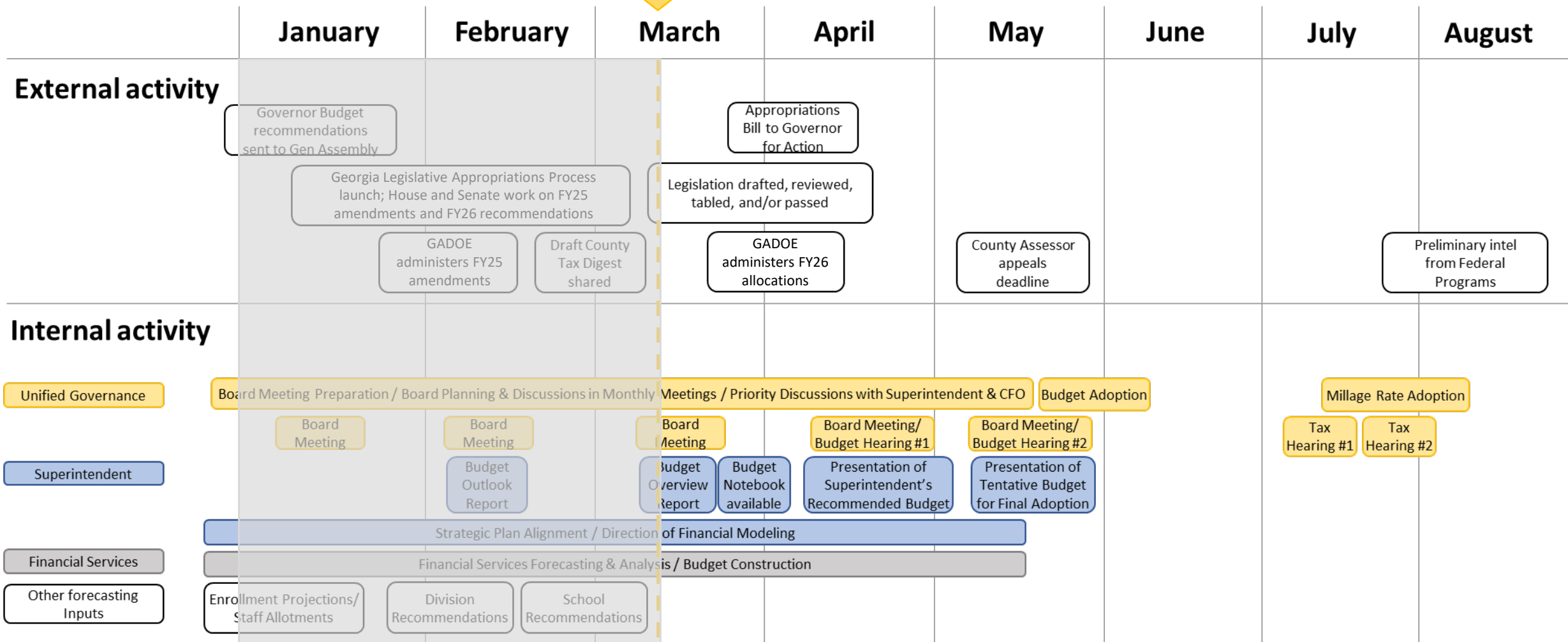




# BUDGET

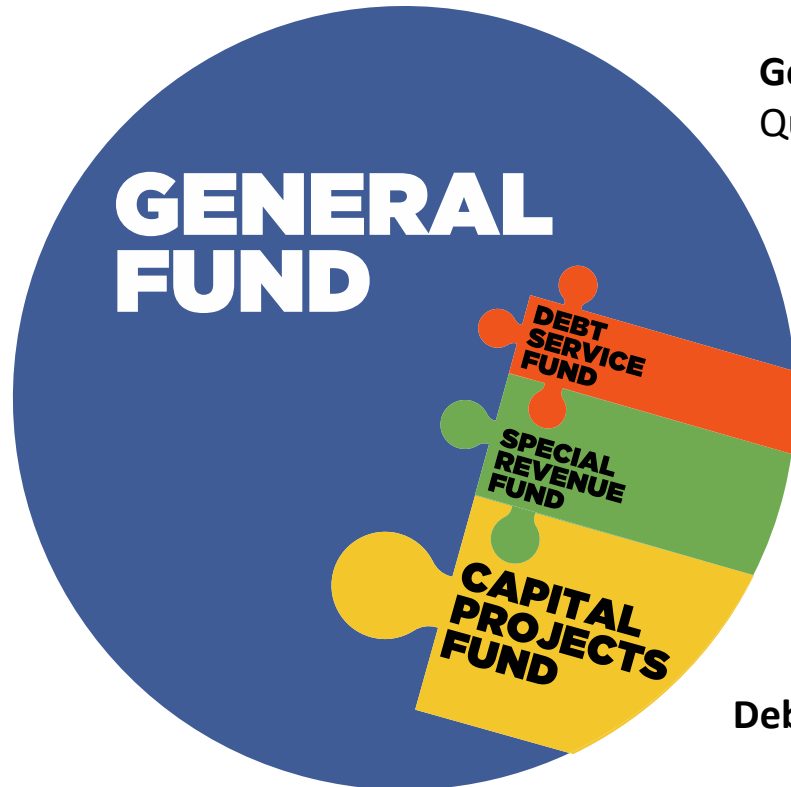
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## FY26 Budget Development Process



## FY26 Budget – Fund Overview

**Board Policy DC – Annual Operating Budget states:** (1) budgets will be prepared by the Superintendent and adopted annually by the BoE; (2) budgetary control exists at the aggregate fund level. HCS' aggregate fund levels include the:



**General Fund:** Accounts for the daily operations of the district and primarily funded by State Quality Basic Education (QBE) funds and Local property tax funds

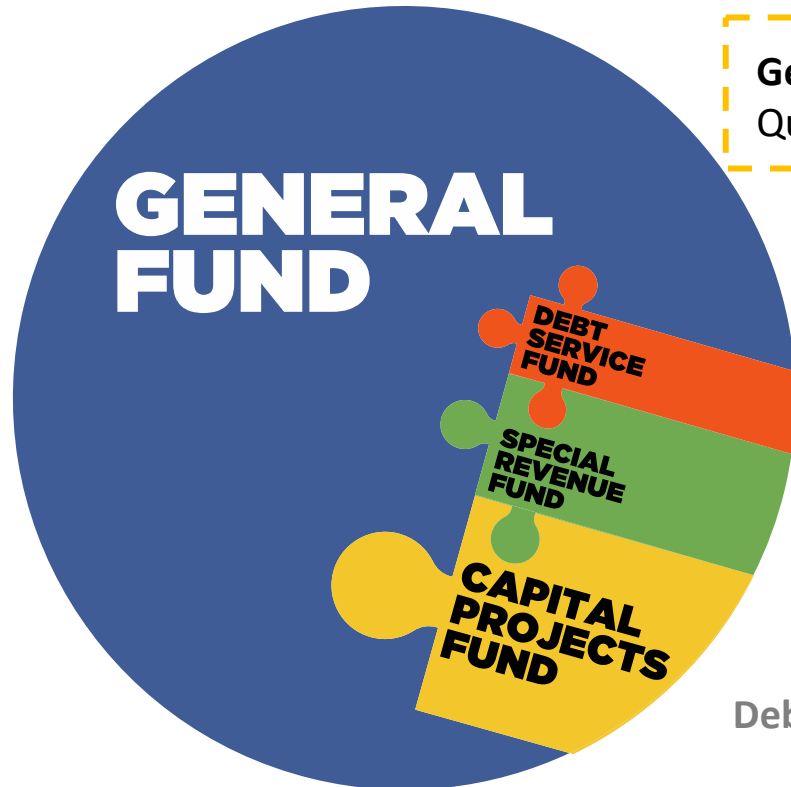
**Special Revenue Fund:** Accounts for awards/grants for designated purposes (e.g., Title or CARES) and enterprise activities of the district (e.g., ASEP or SNP)

**Capital Projects Fund:** Comprised of the current year anticipated E-SPLOST revenues and expenditures for approved referendums and associated projects

**Debt Service Fund:** Developed in consideration of obligations due per schedule

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# BUDGET

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## FY26 Budget Development – Funding Outlook: General Fund

Revenues	FY25 Adopted	% of budget	FY26 Projected	% of budget	Year over year
	State	\$274.4M	49.6%	\$270.8M	48.9%
Local	276.6M	50.0%	281.2M	50.7%	4.6M
Federal	1.8M	0.3%	2.1M	0.4%	0.3M
	<b>\$552.8M</b>		<b>\$554.1M</b>		<b>\$ 1.3M</b>

### Forecasted changes in revenue for FY26

State ..... **(\$ 3.6M)**

Local ..... **+ \$4.6M**

**+/-** Net Impact of TRS increase to 21.91%, FTE change, and SHBP Certified increase = \$6.0M

**+** Net increase of categorical grants (↑ transportation and nursing) and Safety – \$1.9M

**-** Elimination of equalization grant = **(\$7.8M)**

**-** Increase in local five mil share contribution = **(\$3.7M)**

**+** Considers growth in local property digest of 1.5% given current economic and housing sale trends, as well as, rising exemptions forecast (e.g., senior exemptions)



# BUDGET

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## FY26 Budget Development – Investments in State Mandates and Board Priorities

<b>FY26 Estimated Revenue Growth for Investments</b>	<b>+\$1.3M</b>	
Increased healthcare costs for certified (\$125 PMPM <sup>a</sup> ) and classified staff (\$305 PMPM <sup>a</sup> )	-\$11.3M	Investments driven by State legislation
Increased employer contribution for TRS rate change from 20.78% to 21.91%	-\$3.1M	
Embed and sustain FY25 mid-year salary improvements and honor step	-\$5.5M	Investments aligned to unified BoE priorities
Advance competitive compensation for all job families in alignment with C&C <sup>b</sup> study and benchmarks	-\$3.2M	
Strategic Plan staffing for world languages, orchestra, and targeted academic supports	-\$2.0M	Critical investments to support instruction and operations
Staffing to respond to growth and expanded educational service needs	-\$4.6M	
Increased insurance, fuel, electricity and other district operational costs	<i>pending</i>	
<b>Total of mandated and prioritized investments</b>	<b>-\$29.7M</b>	
<b>Difference</b>	<b>-\$28.4M</b>	
Budgetary pacing variance to support next year investments	+\$12.0M	
<b>Net use of reserve</b>	<b>-\$16.4M</b>	Policy DCL

a) Per member, per month

b) Classification & Compensation



# BUDGET

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## FY26 Budget Calendar

Henry County Schools  
FY26 Budget Calendar

The following proposed schedule of activities will guide budget development in the Henry County School System for the school year 2025-2026.

Activity	Responsibility	Date
Present FY26 Budget Development Calendar	Superintendent/CFO	Monday, December 9, 2024 Study Session
Advertise and hold Public Meetings for House Resolution 1022 (*)	Board of Education/Superintendent	January 2025
Present FY26 Budgetary Priorities	Superintendent/CFO	Monday, January 13, 2025 Study Session
Present FY26 Outlook	Superintendent/CFO	Monday, February 10, 2025 Study Session
Present FY26 Budget Overview	Superintendent/CFO	Monday, March 10, 2025 Study Session
Post FY26 Budget Overview on Henry County Schools Website	Financial Services	Friday, March 14, 2025
Provide FY26 Budget Notebook to Board of Education	Financial Services	Monday, March 24, 2025
Present FY26 Tentative Budget	Superintendent/CFO	Monday, April 14, 2025 Study Session
Host Budget Hearing (1 of 2)	Board of Education/Superintendent	Monday, April 14, 2025 6:30 p.m.
Adopt FY26 Tentative Budget	Board of Education	Monday, April 14, 2025 Business Session
Post FY26 Tentative Budget on Henry County Schools Website	Financial Services	Friday, April 18, 2025
Present FY26 Final Budget	Superintendent/CFO	Monday, May 12, 2025 Study Session
Host Budget Hearing (2 of 2)	Board of Education/Superintendent	Monday, May 12, 2025 6:30 p.m.
Adopt FY26 Final Budget	Board of Education	Monday, May 12, 2025 Business Session
Post FY26 Final Budget on Henry County Schools Website	Financial Services	Friday, May 16, 2025
Advertise and hold Public Meetings for Tax Payer Bill of Rights (**)	Board of Education/Superintendent	July 2025
Final adoption of millage rate (**)	Board of Education	July / August 2025

Apr 14th | FY26 Budget Hearing #1  
Tentative Budget Adoption

May 12th | FY26 Budget Hearing #2  
Final Budget Adoption

(\*) Scheduled dates for 3 public hearings pending; advertisement will occur via the legal organ and district website.

(\*\*) Scheduled dates for 3 public hearings and adoption of millage rate are contingent on availability of tax digest information; advertisement will occur via the legal organ and district website.