

# 2026 Budget Presentation



*Where Excellence and Creativity Merge*

Board Meeting  
Tom Gray  
Chief Financial Officer  
May 19, 2025

# FY2026 Budget Adoption Overview

- General Fund Budget
  - \$296,533,000
- Debt Service
  - \$0
- Capital Projects
  - \$70,590,200
- Special Revenue Funds
  - \$32,493,349
- Internal Service Fund (Worker's Compensation )
  - \$1,800,000

<b>FY2026 Proposed Budget</b>	<b>General</b>	<b>Capital Project</b>	<b>Special Revenue</b>	<b>Internal Service</b>
<b>ESTIMATED RECEIPTS</b>	<b>Fund</b>	<b>Funds</b>	<b>Funds</b>	<b>Fund</b>
Ad Valorem Taxes - Property	\$146,500,483	\$0	\$0	\$0
Ad Valorem Taxes - Other	11,100,000	0	0	0
Other Tax Revenues	2,800,000	43,600,000	0	0
Other Local Receipts	1,800,000	0	14,296,164	1,800,000
State QBE Funds	132,752,517	0	0	0
Other State Funds	1,580,000	3,527,837	2,480,900	0
Federal Funds	0	0	13,127,386	0
Transfers From Other Funds	0	2,775,000	735,000	0
<b>TOTAL RECEIPTS</b>	<b>\$296,533,000</b>	<b>\$49,902,837</b>	<b>\$30,639,450</b>	<b>\$1,800,000</b>
Fund Balance July 1, 2024	31,500,000	57,200,000	9,696,000	1,200,000
<b>TOTAL REVENUES AND FUND BALANCE</b>	<b><u>\$328,033,000</u></b>	<b><u>\$107,102,837</u></b>	<b><u>\$40,335,450</u></b>	<b><u>\$3,000,000</u></b>

<b>FY2026 Proposed Budget</b>	<b>General</b>	<b>Capital Project</b>	<b>Special Revenue</b>	<b>Internal Service</b>
<b>ESTIMATED EXPENDITURES</b>	<b>Fund</b>	<b>Funds</b>	<b>Funds</b>	<b>Fund</b>
Instruction	\$196,201,138	\$1,229,700	\$10,655,650	\$0
Pupil Services	16,835,009	0	2,719,289	0
Improvement of Instruction	6,550,471	0	20,063	0
Instructional Staff Training	952,299	0	631,918	0
Media Services	4,483,652	0	325,000	0
Federal Grant Administration	404,740	0	220,746	0
General Administration	2,167,024	0	800	1,800,000
School Administration	19,372,667	0	1,300,000	0
Business Services	1,815,555	0	0	0
Maintenance and Operations	22,610,252	0	325,000	0
School Safety and Security	2,308,145	0	0	0
Student Transportation	12,302,474	0	359,872	0
Central Support Services	8,060,414	0	0	0
School Nutrition Services	60,000	0	10,294,235	0
Community Services	67,369	0	4,124,173	0
Facilities Acquisition & Construction	0	69,360,500	0	0
Other Uses	341,791	0	9603	0
Transfers to Other Funds	2,000,000	0	1,510,000	0
<b>TOTAL EXPENDITURES</b>	<b>\$296,533,000</b>	<b>\$70,590,200</b>	<b>\$32,496,349</b>	<b>\$1,800,000</b>
Estimated Fund Balance June 30, 2025	31,500,000	36,512,637	7,839,101	1,200,000

# General Fund Budget Overview

Fayette County School District GA

FY2026

# General Fund Revenues

- Total revenues \$296.5 million
  - Local revenues \$162.2 million
  - State revenues \$134.3 million
- Fund balance available \$31.5 million

# General Fund Revenues

## Local Revenues \$162.2 million

- Property ad valorem \$146.5 million (pending tax digest)
  - Real Property projected to increase over 7.91%
  - Growth 2.0%, reassessment 5.9%
  - Exemptions projected increase 12%
  - Based on projected net digest increase of 5.1%
- Motor vehicle ad valorem \$0.75 million
- Title Ad Valorem Tax (TAVT) \$10.4 million
  - Combined automotive taxes are \$11.2 million
- Intangible Taxes \$1.675 million
- Transfer Tax \$1.125 million
- Other local revenues \$1.8 million
- No planned use of fund balance

# General Fund Revenues

## State QBE funding \$134.3 million

- Increase of \$2.6 million over prior year
- QBE funds increased \$3.6 million
  - FTE's decreased 30 - shift in program categories
  - No change in state teacher salary schedule
  - \$1.4 million for health insurance
  - TRS rate increase (20.78% to 21.91%)
  - Transportation slight decrease
  - Nursing increased slightly
- LFMS increased \$1.2 million - decreases revenue
  - *Capped statewide at 20% of QBE earnings*

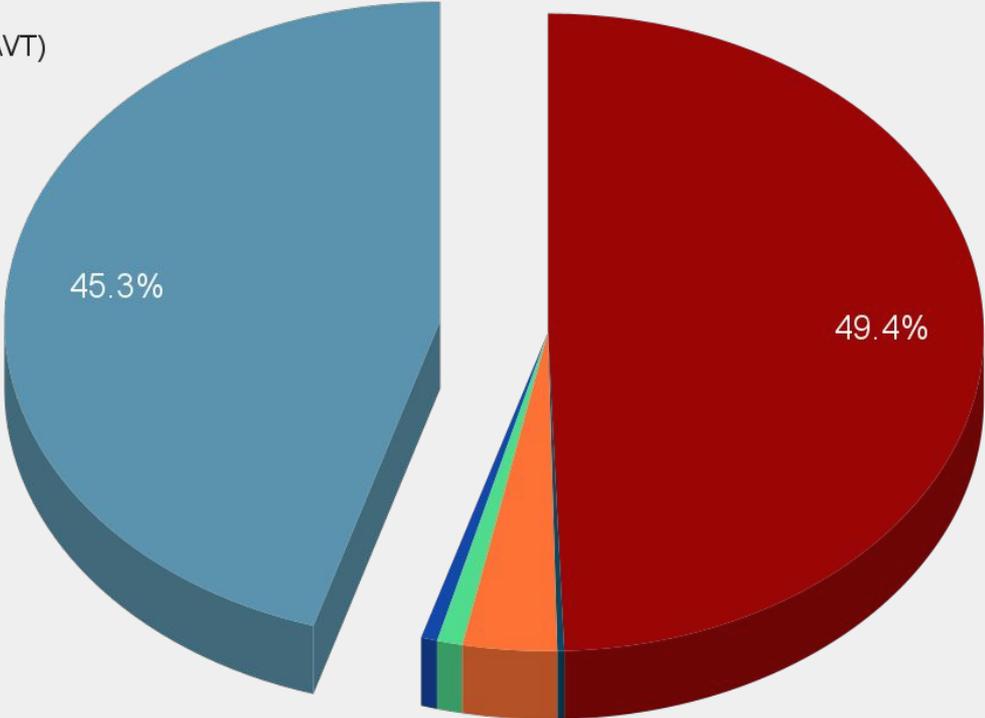
# General Fund Revenues

## Tax Digest Projections

- School Tax Cap
  - (HB1166) – voter referendum approved November 2020 that created an additional homestead exemption for Fayette County School System property taxes only. (Base year calculation began with 2017)
- Limits the increase in assessed value for homestead properties to the lesser of the CPI index or 3%.
- CPI index for 2025 digest is 2.9%
- Over 20,000 residential properties qualified last year
- Will not have actual data until end of July
- BOE opted out of HB581, similar base year exemption

# General Fund Revenues

- AD VALOREM TAXES-Property
- AD VALOREM TAXES- Auto
- TITLE AD VALOREM TAX (TAVT)
- OTHER TAXES (Transfer)
- OTHER LOCAL REVENUES
- STATE QBE/GRANTS



*Local revenue accounts for 54.7% of budgeted revenues*

# General Fund Expenditures

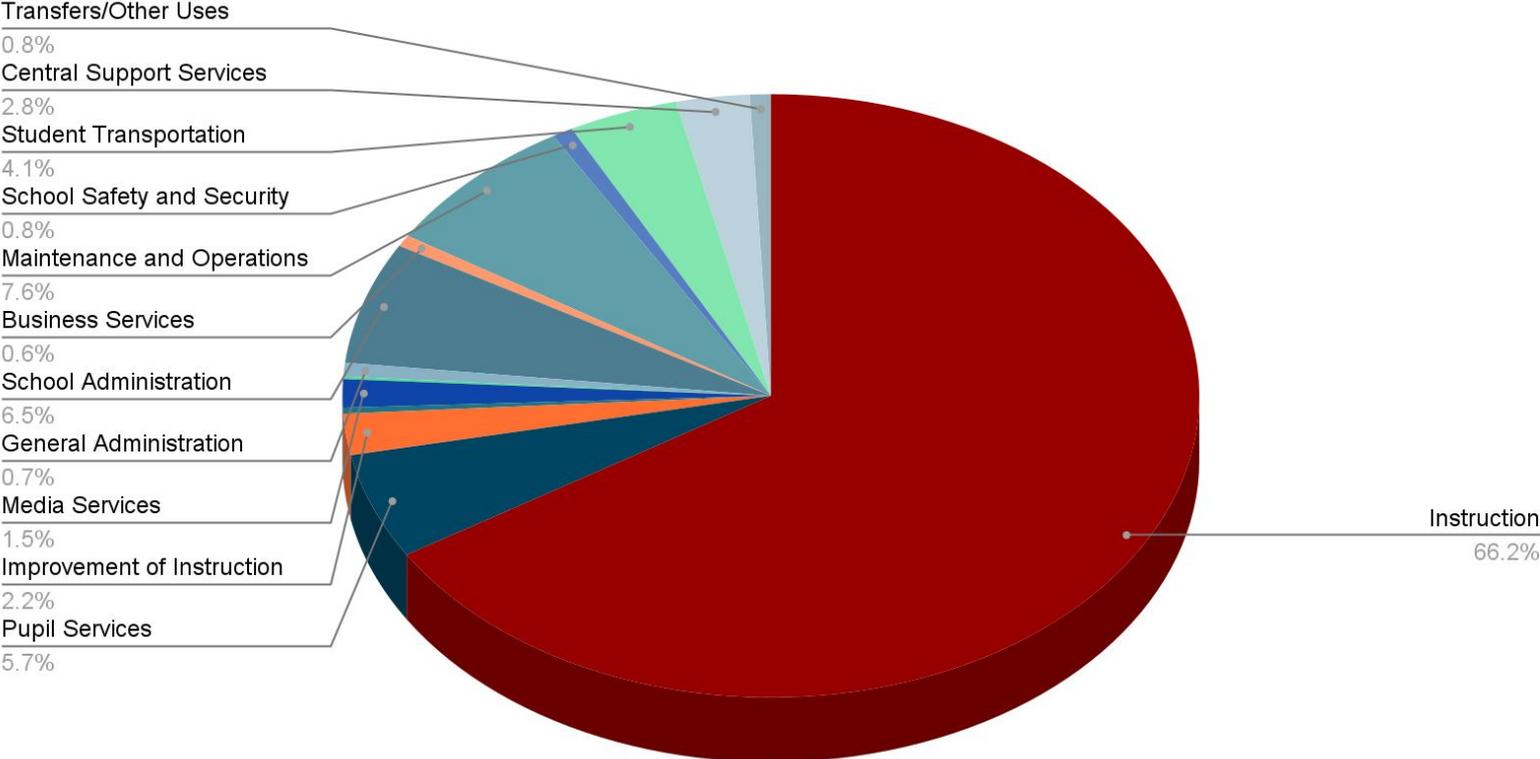
Expenditures total

\$296,533,000

- Increase of \$18.5 million over 2025 original budget
- Direct Instruction is 66.2% of total expenditures
- Projected Fund Balance
  - Total projected \$31.5 million
  - Equals 10.6% of projected revenues
  - Target per Board policy is 10%

# General Fund Budget

## FY2026 Expenditures as a % of Total



# Personnel Expenses FY 2026

- 1.5% cost of living adjustment (COLA) for teachers/certified staff \$ 2.8 million
- 1.5% cost of living adjustment (COLA) for classified employees \$ 750,000
- Employer rate for health insurance is increasing drastically
  - Certified - \$21,120 to \$22,620 for the year \$ 3.5 million
  - Classified - \$16,650 to **\$22,620** for the year \$ 2.5 million
    - *All local funds*
- TRS employer rate from 20.78% to 21.91% \$ 3.5 million
- Step increase on salary schedules \$ 2.2 million
- Implement retirement match up to 3% for non-TRS employees \$ 0.4 million
- Transportation includes flexibility for driver incentives

**Total increases as a starting point from current year \$14.1 million**

# Recent COLA and Salary Change History

FY	Certified	T-4 Start	Classified	Administrative
FY2026 Proposed	1.5% COLA and step increase	\$52,598	1.5% COLA and step increase	1.5% COLA and step increase
FY2025	\$2,500 flat increase (2% to 4.5%), Step increase	\$51,821	2% COLA, step increase	Prorated \$2,500 flat increase based on work calendar (1.3% to 2.6%), step increase
FY2024	\$2,000 flat increase (2% to 4.5%), Step increase	\$49,321	2% COLA, step increase	Prorated \$2,000 flat increase based on work calendar (1.3% to 2.6%), step increase
FY2023	7.0 % COLA, Step increase	\$47,321	7% COLA, Step increase	7.0 % COLA, Step increase
FY2022	2% COLA, ESSER stipend, Step increase	\$44,225	2% COLA, Step increase, ESSER Stipend	2% COLA, ESSER stipend, conversion
FY2021	ESSER stipend, Step increase	\$43,358	ESSER stipend, Step increase	ESSER stipend, Step increase
FY2020	\$3,000 increase, Step increase	\$43,358	2% COLA, Step increase	\$3,000 increase, Step increase
FY2019	Step increase only	\$40,358	Step increase only	Step increase only

# Annual Employer Health Insurance

<b>Fiscal Year</b>	<b>Certified Per Employee</b>	<b>Classified Per Employee</b>	<b>District Total</b>
FY2026	\$22,620	\$22,620	\$42,024,267 (projected)
FY2025	\$21,120	\$16,650	\$36,625,000 (projected)
FY2024	\$18,960	\$12,840	\$32,322,122 (actual)
FY2023	\$15,150	\$11,340	\$27,020,277 (actual)
FY2022	\$11,340	\$11,340	\$20,418,979 (actual)

# Employee Pay and Benefits

Grade/Level/Step	Salary	Benefits*	Total Compensation
T-4 Starting	\$ 52,598	\$ 38,168	\$ 90,766
<b>T-5 with 17 years #</b>	<b>\$ 80,704</b>	<b>\$ 46,476</b>	<b>\$ 127,180</b>
T-6 with 20 years	\$ 92,615	\$ 49,997	\$142,612
Paraprofessional - 10 years, 185 days	\$ 29,736	\$ 31,410	\$ 61,146
Bus driver - step 10, 180 days	\$ 20,308	\$ 28,623	\$ 48,931

# - Equivalent average teacher salary based on 2025 CPI data.

- Benefits include employer portions of:
  - FICA 7.65%
  - TRS 21.91%
  - Certified Health Insurance \$22,620
  - Classified Health Insurance \$22,620

# General Fund Budget

## FY2026 Expenditures %

*Non-departmental*

*0.7%*

*Non-payroll Operating*

*9.6%*

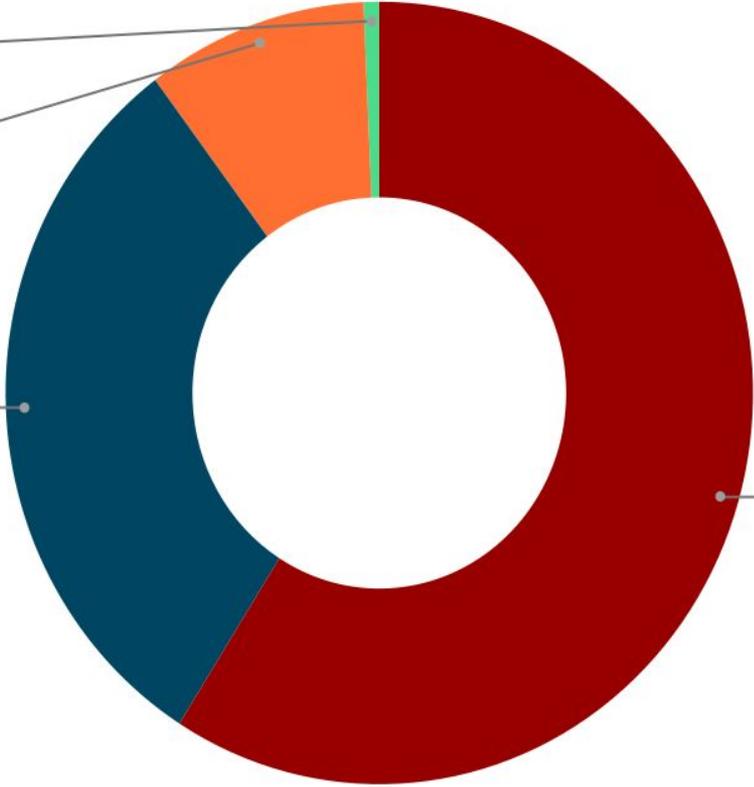
*Benefits*

*30.8%*

*Salaries*

*59.0%*

**Salaries and benefits combined are 89.8% of budgeted expenditures.**



# Other Funds Budget Overview

FAYETTE COUNTY SCHOOL SYSTEM

FY2026

# Debt Service Fund Budget

## **Debt Service Fund**

All debt service paid off in FY2025

Bond millage rate eliminated

# Capital Project Funds FY2026

## Capital Project Funds Budget

Revenues \$47.1 million

- ESPLOST revenues \$43.3 million
- State capital outlay \$3.1 million

Expenditures

- Current and anticipated project \$64.9 million
- Project length budgets approved when projects are initiated

Fund Balance Reserved

- Local Capital Project Fund - \$4.0 million for turf field replacements
  - Schedule to be determined based on field conditions
  - Originally scheduled to start summer of 2026

# Special Revenue Funds Budget

Special revenue funds total budget of \$32.5 million

- Includes:
  - School Nutrition Program
  - After School Program
  - Community Schools
  - Federal grants – CARES, IDEA, CTE, Title programs, JROTC
  - Lottery Pre-K
  - Other grants
  - School principal accounts
  - Auditorium rentals
  - Donations

*Budget will be adjusted after state allocations are determined*

# Worker's Compensation Fund Budget

Projected \$1.8 million  
for FY2026

Claims after October 1, 2017 cover  
through GSBA WC fund

Training and review with GSBA

- Reduce number of claims
- Reduce costs of claims
- Increase training of employees
- Improve claims management and review

# Budget Process Overview

Administration budget development	January to May ✓
Budget updates to Board on progress	April ✓
Administration recommends budget	April ✓
Public comment session #1	5/5/2025 ✓
Adopt tentative budget	5/5/2025 ✓
Advertise tentative budget prior to final adoption ✓	
<b>Public comment session #2</b>	<b>5/19/2025</b>
<b>Final budget adoption</b>	<b>5/19/2025</b>
Millage Adoption	July to September

# Questions

FY2026 Budget Presentation

May 19, 2025