

2027 Budget Presentation



Where Excellence and Creativity Merge

Board Meeting
Tom Gray
Chief Financial Officer
June 15, 2026

FY2027 Budget Adoption Overview

- General Fund Budget
 - \$307,302,999
- Debt Service
 - \$0
- Capital Projects
 - \$55,894,449
- Special Revenue Funds
 - \$33,725,255
- Internal Service Fund (Worker's Compensation)
 - \$1,800,000

FY2027 Tentative Budget Proposal

Aggregate Fund Level

Revenues

FY2027 Proposed Budget	General	Capital Project	Special Revenue	Internal Service
ESTIMATED RECEIPTS	Fund	Funds	Funds	Fund
Ad Valorem Taxes - Property	\$155,921,413	\$0	\$0	\$0
Ad Valorem Taxes - Other	11,050,000	0	0	0
Other Tax Revenues	2,975,000	41,671,000	0	0
Other Local Receipts	1,800,000	0	15,282,706	1,800,000
State QBE Funds	133,556,586	0	0	0
Other State Funds	2,000,000	3,027,837	2,333,000	0
Federal Funds	0	0	14,045,140	0
Transfers From Other Funds	0	2,200,000	995,500	0
TOTAL RECEIPTS	\$307,302,999	\$46,898,837	\$32,656,346	\$1,800,000
Fund Balance July 1, 2026	40,000,000	25,450,000	10,860,300	1,200,000
TOTAL REVENUES AND FUND BALANCE	<u>\$347,302,999</u>	<u>\$72,348,837</u>	<u>\$43,516,646</u>	<u>\$3,000,000</u>

FY2027 Tentative Budget Proposal

Aggregate Fund Level

Expenditures

FY2027 Proposed Budget	General	Capital Project	Special Revenue	Internal Service
ESTIMATED EXPENDITURES	Fund	Funds	Funds	Fund
Instruction	\$200,249,181	\$4,109,394	\$11,145,575	\$0
Pupil Services	17,047,481	0	2,263,618	0
Improvement of Instruction	9,579,525	0	11,046	0
Instructional Staff Training	797,725	0	684,858	0
Media Services	4,575,464	0	350,000	0
Federal Grant Administration	430,002	0	241,671	0
General Administration	2,198,247	0	300	1,800,000
School Administration	20,124,094	0	1,400,000	0
Business Services	2,157,263	0	0	0
Maintenance and Operations	23,447,461	0	350,000	0
School Safety and Security	1,797,132	0	0	0
Student Transportation	13,514,130	0	388,372	0
Central Support Services	8,860,765	0	0	0
Community Services	6,300	0	4,893,263	0
School Nutrition Services	60,000	0	10,979,000	0
Facilities Acquisition & Construction	0	51,785,055	0	0
Other Uses	272,729	0	7,552	0
Transfers to Other Funds	2,185,500	0	1,010,000	0
TOTAL EXPENDITURES	\$307,302,999	\$55,894,449	\$33,725,255	\$1,800,000
Estimated Fund Balance June 30, 2027	40,000,000	16,454,388	9,791,391	1,200,000
TOTAL EXPENDITURES AND FUND BALANCE	\$347,302,999	\$72,348,837	\$43,516,646	\$3,000,000

General Fund Budget Overview

Fayette County School District GA

FY2027

General Fund Revenues

- Total revenues \$307.3 million
 - Local revenues \$171.7 million
 - State revenues \$135.6 million
- Fund balance available \$40.0 million

General Fund Revenues

Local Revenues \$171.4 million

- Property ad valorem \$155.9 million (pending tax digest)
 - Real Property projected to increase unknown %
 - Growth ??%, reassessment ??%, near inflation rate...
 - Exemptions projected increase ??%
 - Personal property projected to increase \$40 million (TBD)
- Motor vehicle ad valorem \$0.70 million
- Title Ad Valorem Tax (TAVT) \$10.35 million
 - Combined automotive taxes are \$11.1 million
- Intangible Taxes \$2.0 million
- Transfer Tax \$1.125 million
- Other local revenues \$1.8 million
- Potential increase of fund balance

General Fund Revenues

State funding \$134.6 million

- Increase of \$0.24 million over prior year
- QBE funds increased \$1.1 million (includes literacy coaches)
 - FTE's decreased 300 from prior year - earnings decrease
 - No change in state teacher salary schedule
 - \$0.7 million increase for health insurance
 - TRS rate increase (21.91% to 22.32%)
 - Transportation slight decrease
 - Nursing decreased slightly
- LFMS increased \$1.2 million - decreases revenue
 - *Capped statewide at 20% of QBE earnings*

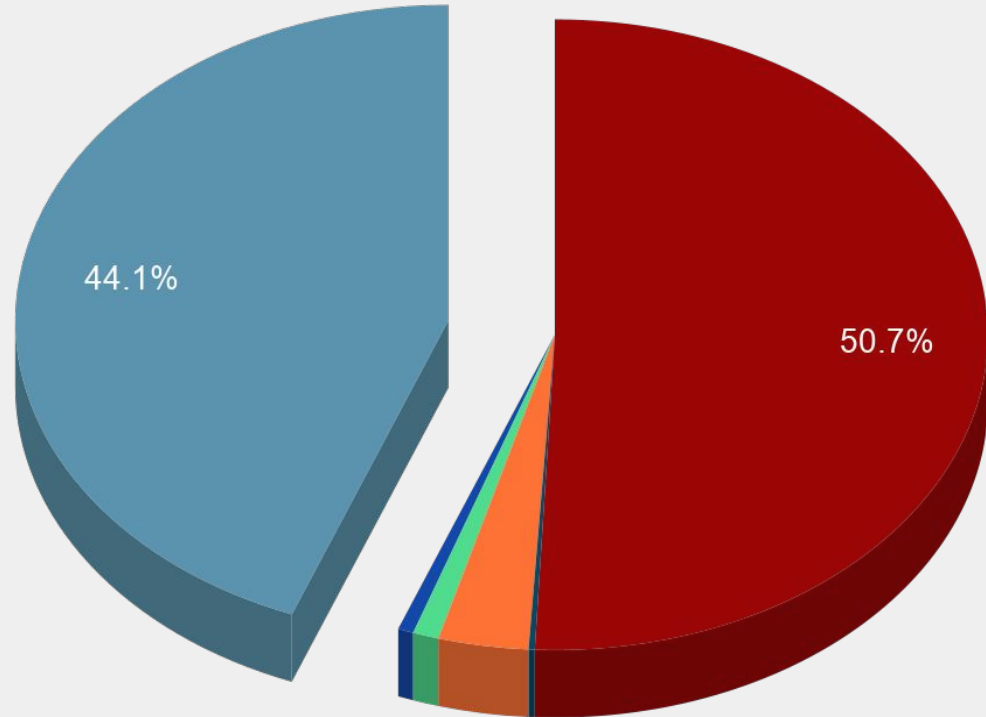
General Fund Revenues

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 2026 digest is 2.7%
- Over 20,000 residential properties qualified last year
- Will not have actual data until end of July
- BOE opted out of HB581 but opted out rescinded

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 55.9% of budgeted revenues

General Fund Expenditures

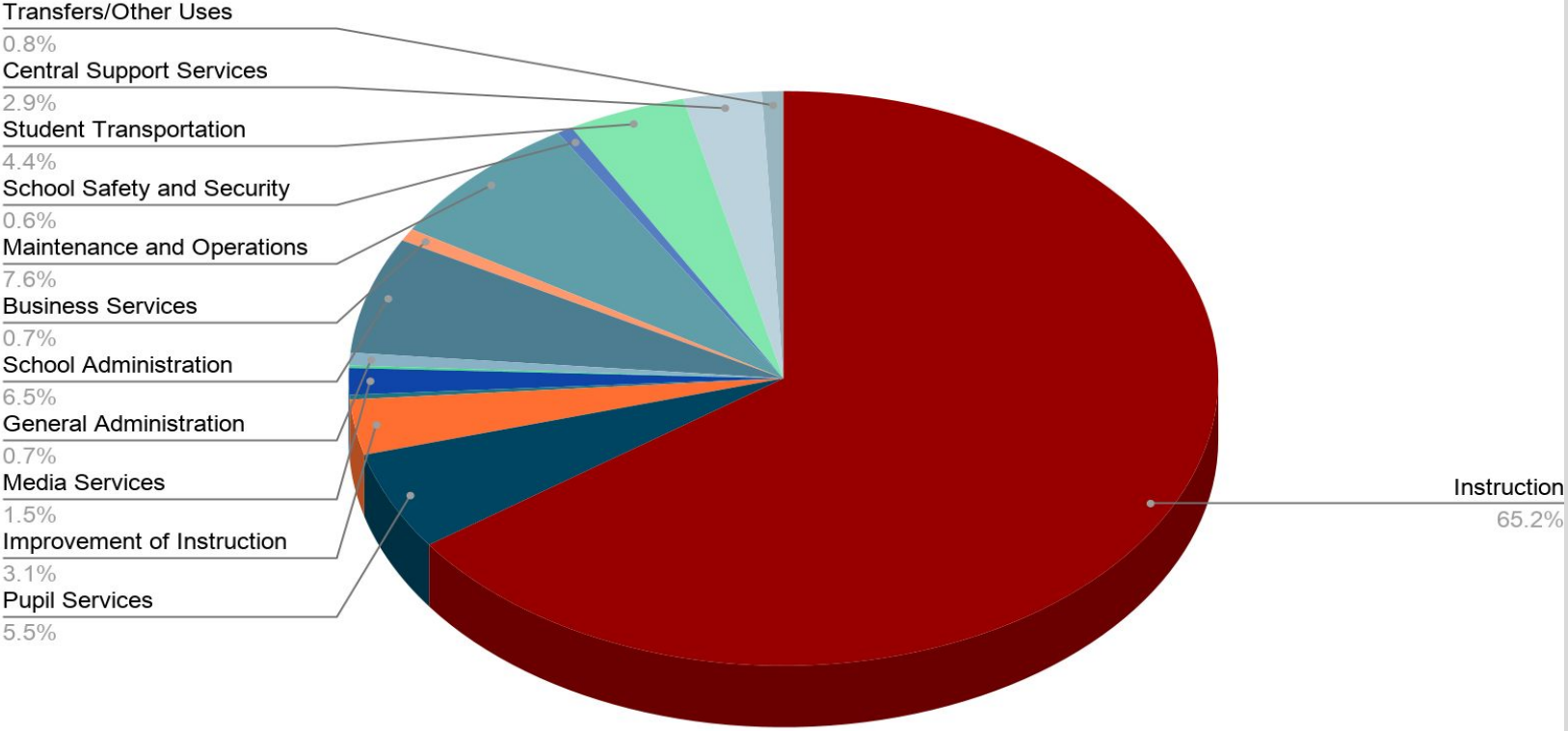
Expenditures total

\$307,302,999

- Increase of \$10.8 million over 2026 original budget
- Direct Instruction is 65.2% of total expenditures
- Projected Fund Balance
 - Total projected \$40.0 million
 - Equals 13% of projected revenues
 - Does not account for potential \$40 million increase from personal property taxes (data center)
 - Target per Board policy is minimum of 10%

General Fund Budget

FY2027 Expenditures as a % of Total



Personnel Expenses FY 2027

- 4.0% cost of living adjustment (COLA) for teachers/certified staff \$ 7.03 million
- 4.0% cost of living adjustment (COLA) for classified employees \$ 1.4 million
- Employer rate for health insurance is increasing drastically
 - Certified - \$22,620 to **\$23,220** for the year \$ 0.8 million
 - Classified - \$22,620 to **\$23,220** for the year \$ 0.4 million
 - *All local funds*
- TRS employer rate from 21.91% to 22.32% \$ 0.7 million
- Step increase on salary schedules \$ 2.6 million

Total increases as a starting point from current year \$ 12.9 million

Recent COLA and Salary Change History

FY	Certified	T-4 Start	Classified	Administrative
FY2027	4% COLA and step increase	\$54,702	4% COLA and step increase	4% COLA and step increase
FY2026	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
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

Fiscal Year	Certified Per Employee	Classified Per Employee	District Total (General Fund)
FY2027	\$23,220	\$23,220	\$43,496,489 (projected)
FY2026	\$22,620	\$22,620	\$42,024,267 (projected)
FY2025	\$21,120	\$16,650	\$36,803,085 (actual)
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	\$ 54,702	\$ 38,168	\$ 90,766
T-5 with 17 years #	\$ 80,704	\$ 46,476	\$ 127,180
T-6 with 20 years	\$ 92,615	\$ 49,997	\$142,612
Paraprofessional - 10 years, 185 days	\$ 27,447	\$ 31,446	\$ 58,892
Bus driver - step 10, 180 days	\$ 27,478	\$ 31,455	\$ 58,934

- Equivalent average teacher salary based on 2026 CPI data.

- Benefits include employer portions of:
 - FICA 7.65%
 - TRS 22.32%
 - Certified Health Insurance \$23,220
 - Classified Health Insurance \$23,220

General Fund Budget

FY2027 Expenditures %

Non-departmental

0.7%

Non-payroll Operating

9.1%

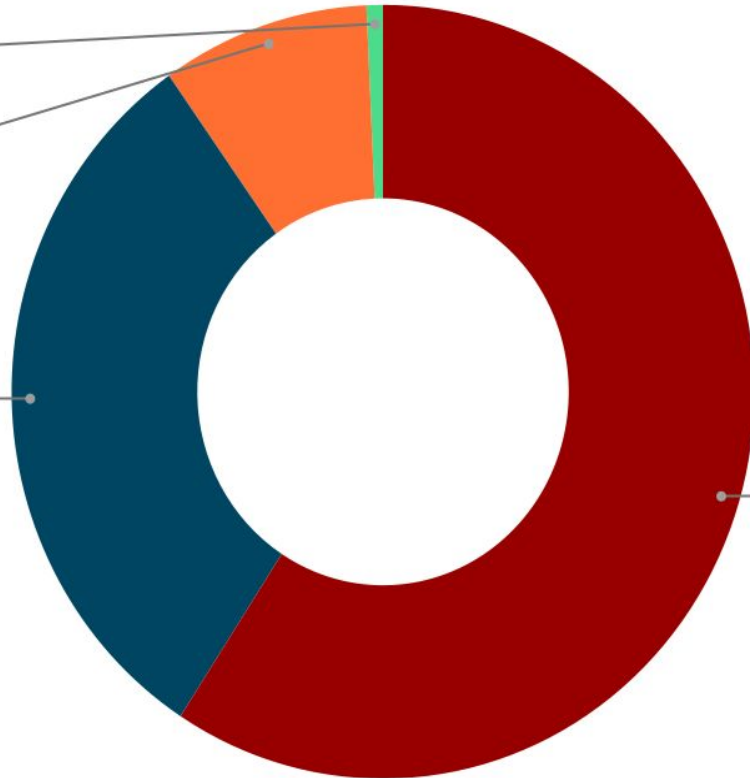
Benefits

31.0%

Salaries

59.2%

Salaries and benefits combined are 90.2% of budgeted expenditures.



Other Funds Budget Overview

FAYETTE COUNTY SCHOOL SYSTEM

FY2027

Debt Service Fund Budget

Debt Service Fund

All debt service paid off in FY2025

Bond millage rate eliminated

Capital Project Funds FY2027

Capital Project Funds Budget

Revenues \$44.7 million

- ESPLOST revenues \$41.7 million
- State capital outlay \$3.0 million

Expenditures

- Current and anticipated project \$55.9 million
- Project length budgets approved when projects are initiated

Fund Balance Reserved

- Local Capital Project Fund - \$4.5 million for turf field replacements
 - Schedule to be determined based on field conditions
 - Scheduled to start summer of 2026
 - McIntosh HS
 - Sandy Creek HS
 - Whitewater HS

Special Revenue Funds Budget

Special revenue funds total budget of \$32.7 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 FY2027

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	5/18/2026 ✓
Adopt tentative budget	5/18/2026 ✓
Advertise tentative budget prior to final adoption	
Public comment session #2	6/15/2026
Final budget adoption	6/15/2026
Millage Adoption	TBD ????

Questions

FY2027 Budget Presentation

June 15, 2026