



FY 2026 Budget

Bobby A. Smith, Chief Financial Officer

May 27, 2025



MISSION STATEMENT

Empowering Every Learner Every Day.



VISION STATEMENT

To prepare every student to thrive, adapt, and lead in an ever-changing world.

BELIEFS

- Success is attainable for everyone
- All students deserve a quality educational experience
- Education is a shared responsibility
- Transparency is a foundation of trust
- Safety for all is a priority



2025-2030 Strategy Map



Design fiscally responsible processes and procedures for operational effectiveness.



Student Achievement

Objective

Empower Every Learner to Take Ownership of their Learning.

Critical Initiatives

- ◀ Provide professional learning in evidence-based teaching methods.
- ◀ Provide all learners with access to engaging learning opportunities in a comprehensive curriculum.
- ◀ Promote student ownership of learning by fostering voice, choice, and accountability.
- ◀ Improve measurable academic outcomes using data-driven decision making.



Stakeholder Engagement & Communication

Objective

Engage with our Community using a Variety of Consistent Two-Way Communication Tools.

Critical Initiatives

- ◀ Streamline and centralize communications platforms.
- ◀ Develop a district-wide communications plan.
- ◀ Train staff and school district leaders in effective communication strategies.
- ◀ Create systems, processes and opportunities for student and staff achievement stories to be disseminated across multiple platforms.
- ◀ Enhance partnership program to foster community involvement.



Talent Development

Objective

Foster Student and Staff Potential to Embrace Ongoing Growth and Development.

Critical Initiatives

- ◀ Establish a framework for adult-centered professional learning opportunities based on staff input, experiences and roles.
- ◀ Enhance student agency for increased student opportunities for enrollment, enlistment and employment.
- ◀ Refine the comprehensive recruitment and retention plan for students and staff.
- ◀ Leverage technology integration to enhance student and staff performance and productivity.
- ◀ Develop a system for monitoring the implementation of professional learning.



Safe & Secure Learning Environment

Objective

Provide a Safe and Secure Environment for All.

Critical Initiatives

- ◀ Define and develop a positive system culture.
- ◀ Ensure physical and emotional safety by enhancing security measures and providing emotional support for students and staff.
- ◀ Develop a comprehensive safety training plan.
- ◀ Design fiscally responsible processes and procedures for operational effectiveness.

Expenditures Definitions:

Our Employees and How They're Funded



Certified Employees

Educators, counselors, administrators, and other professionals who are trained in education and hold state certification.



Primarily funded by state dollars through the QBE formula.



Classified Employees

Staff that don't require a professional teaching certification, like bus drivers, custodians, nutrition staff, paraprofessionals, clerical support, and more.



Primarily funded by local dollars from our community tax base.

FY 2026 Budget Highlights



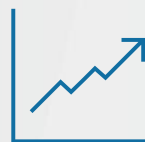
Employee Compensation & Benefits

- Teacher Retirement System (TRS) contributions increasing from 20.78% to 21.91% **(+\$3.8M from last year)**
- Certified health insurance: \$21,120 → \$22,620 **(+\$2.4M, State funded)**
- Classified health insurance: \$18,960 → \$22,620 **(+\$3.6M)**
- Step increase for eligible employees **(+\$2.6M)**
- Media Specialists: Moving from 190-day work schedule → 200-day schedule **(+\$255K)**



Facilities Support & Infrastructure

- Funding for potential portable classrooms **(+1.1M from last year)**

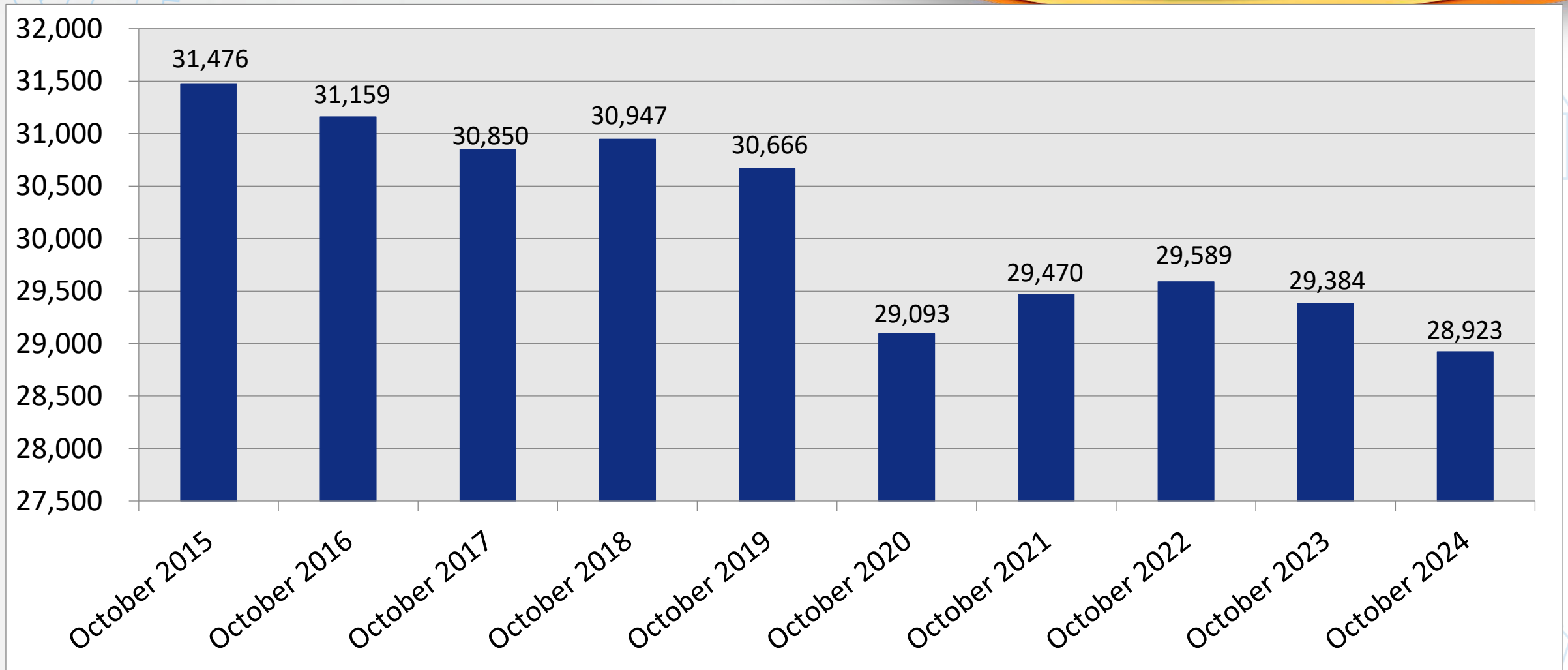


Operational Efficiency & Financial Stewardship

- Maintaining a **healthy fund balance equal to 15% of total expenses.**
- **Reduce operational cost by \$4.7M**

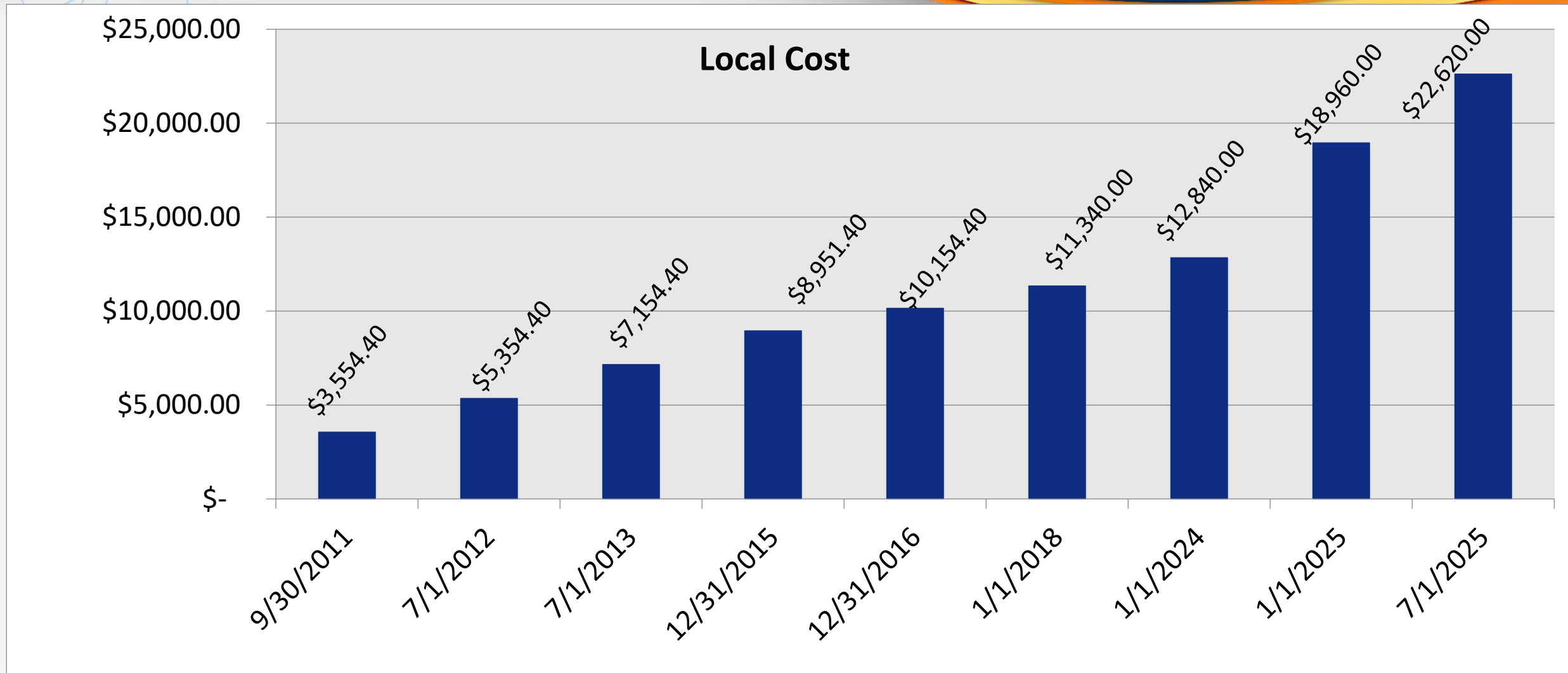


Student Full Time Equivalent (FTE)



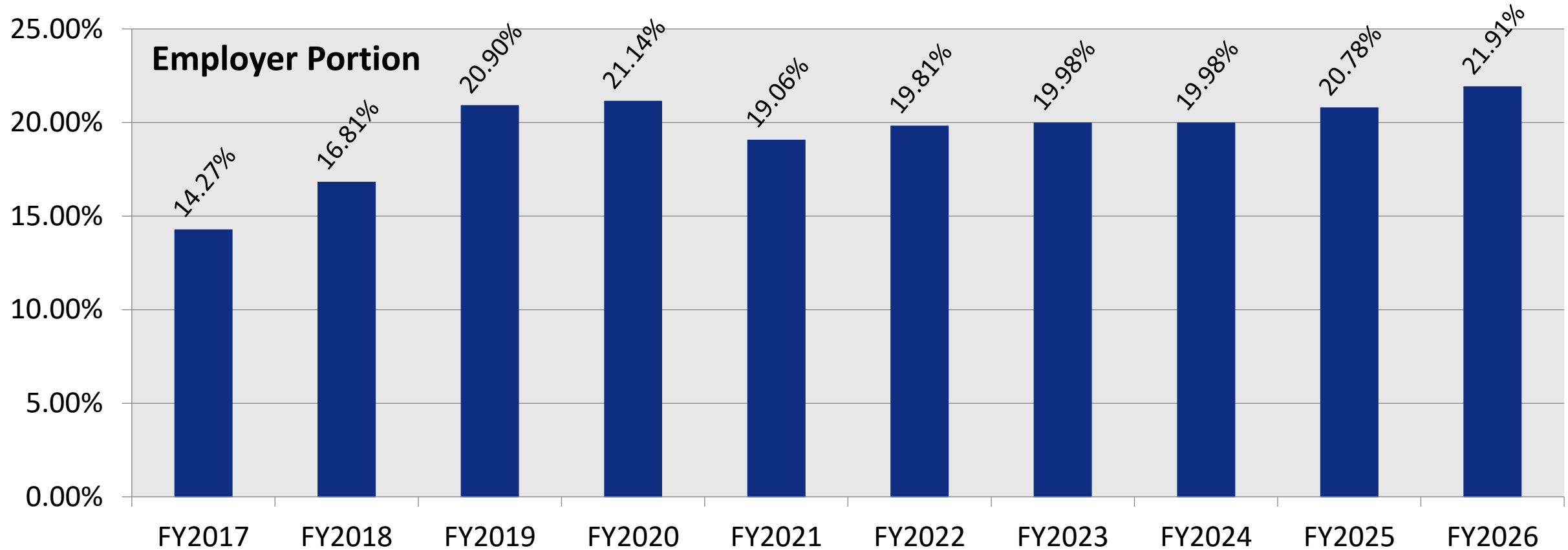


Classified Health Insurance Cost





Teachers Retirement System Contribution Rates





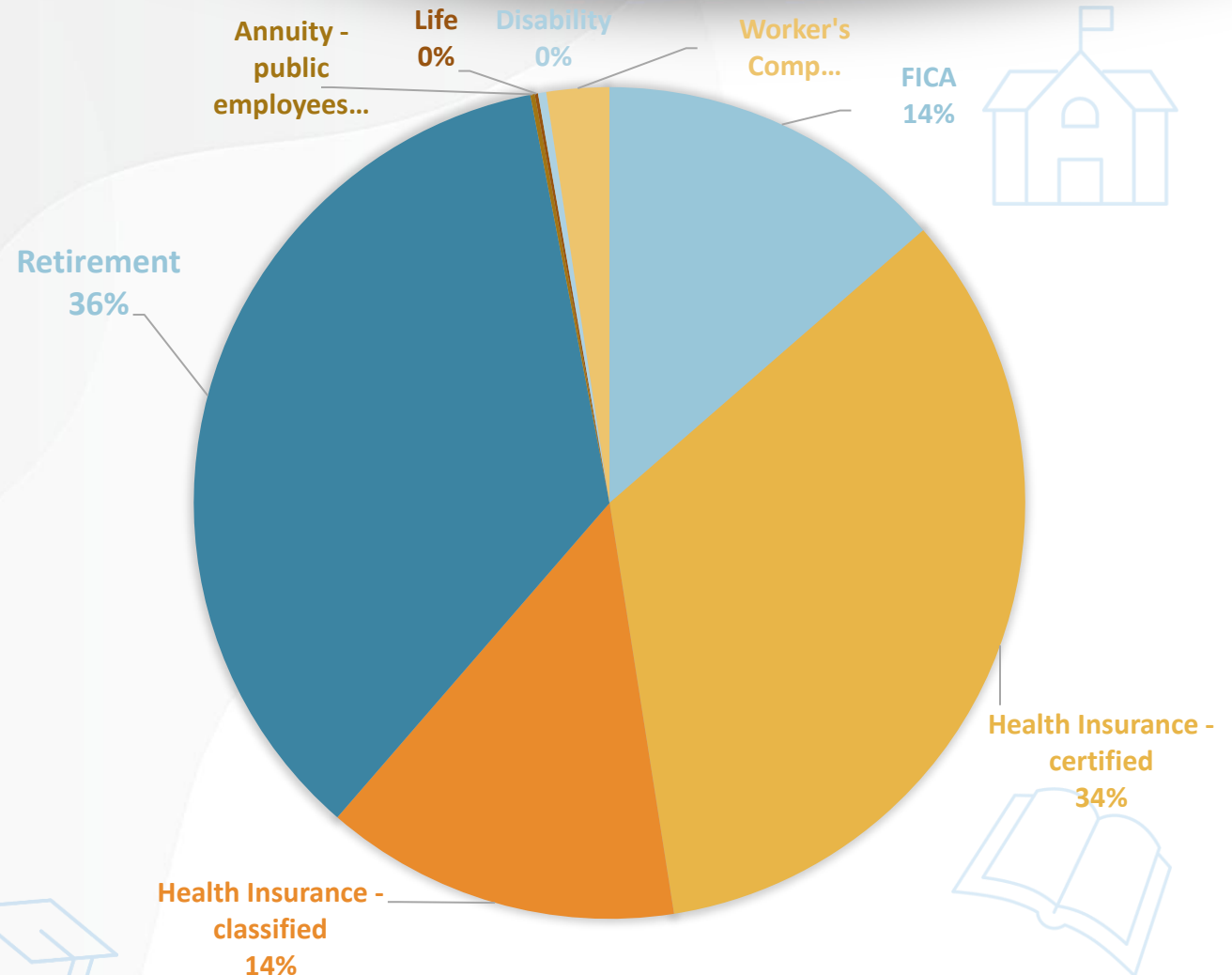
Salaries as a Percentage of Expenses

	2021-22	2022-23	2023-24	2024-25	2025-26
Salary Expense	167,980,245	172,683,971	181,505,021	206,025,798	208,330,145
Benefits Expense	73,639,451	75,207,201	92,466,814	106,059,654	115,134,567
	241,619,696	247,891,172	273,971,835	312,085,452	323,464,712
Total Expenses	283,502,988	289,730,134	324,158,959	367,101,242	378,387,483
Salary/Benefit Expense Percent	85.2%	85.6%	84.5%	85.0%	85.5%
School Based Staff	80%	80%	79%	75%	81%
CO/TR/MA Staff	20%	20%	21%	25%	19%



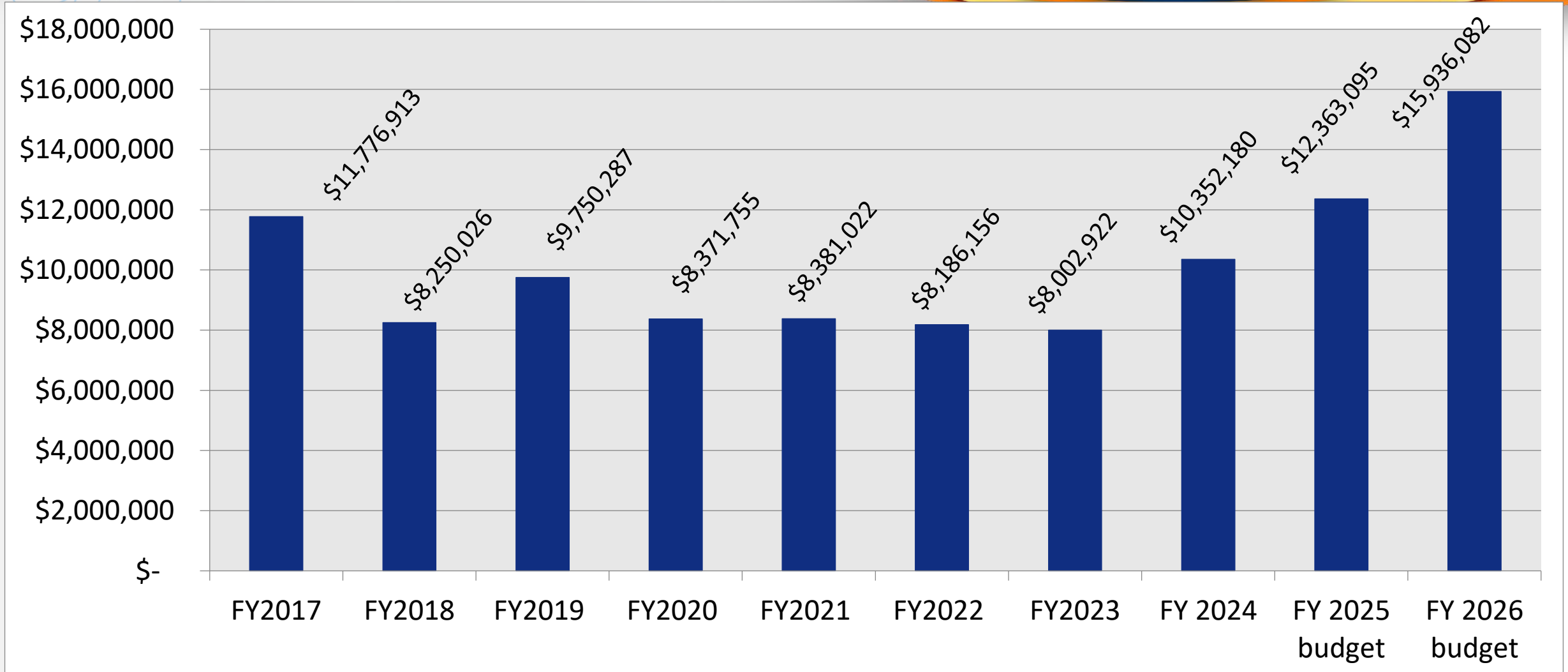
Employer Paid Benefits

FICA	\$ 15,671,258
Health Insurance - certified	39,039,040
Health Insurance - classified	15,936,082
Retirement	40,970,002
Other Benefits:	
Annuity - public employees	201,993
Life	146,667
Disability	367,385
Worker's Compensation	2,802,140
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	\$ 115,134,567



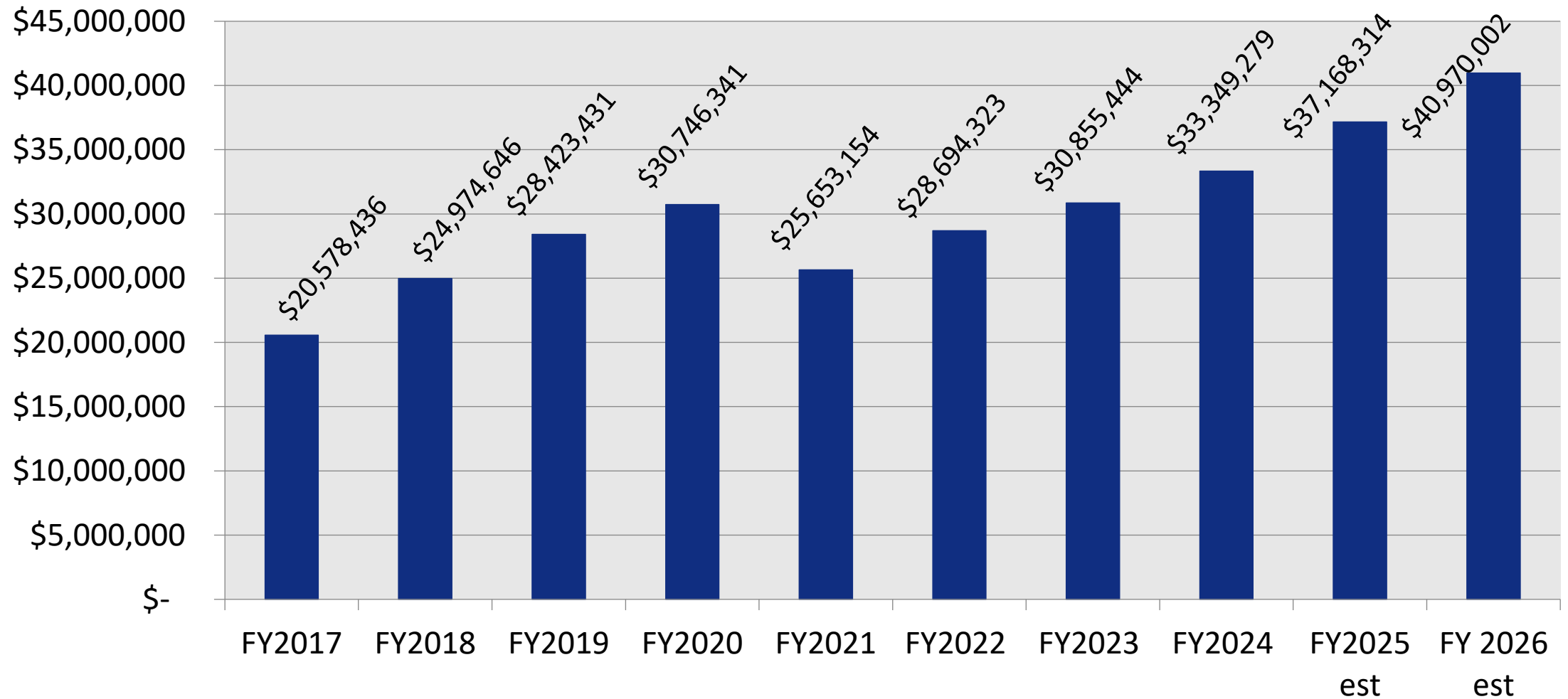


Cost of Classified Health Insurance on General Fund Budget





Cost of Teachers Retirement



Revenue Definitions: Calculating State Funding (QBE)



Quality Basic Education (QBE) Allotment Sheet



Every year, after the Georgia General Assembly finishes its legislative session, the state sends school districts a funding estimate for the next fiscal year through an allotment sheet. This sheet shows how much money we'll receive through the **QBE formula** for the next fiscal year.

The amount is based on:

- The average **Full Time Equivalent (FTE)** count for the school system
- The cost to educate each student, depending on their needs (program weights)
- Adjustments for teacher experience, training, and school-level costs

This estimate may change later in the year when actual enrollment numbers are updated.





Revenue Definitions: Calculating State Funding (QBE)

Full Time Equivalent (FTE)

The state uses a weighted count called **FTE** to calculate funding; not just the number of students enrolled.

- A student in grades 9–12 who attends regular classes with no extra services is given a benchmark weight of 1.00 (the base cost to educate).
- Students who need additional services (like special education or gifted programs) are assigned a higher weight, since they cost more to support.

These weights are combined into what's called the **FTE count**. The **FTE count** that is used in the **QBE formula** is usually higher than the actual number of students. The formula also factors in teacher costs, based on the state salary schedule and benefits (excluding Social Security).





Revenue Definitions: Calculating State Funding (QBE)

Local Five Mill Share

Every school district is required to contribute a portion of funding through local property taxes. This is called the Local Fair Share.

- It's based on the amount of money the district would raise by applying five mills of property tax to its local tax base (called the "equalized digest").
- The state then subtracts this amount from what the district would otherwise receive through **QBE**.

In simple terms: the local five mill share is similar to a statewide tax. It is deducted from the funds "earned" by each school system through the **QBE formula**.





Revenue Definitions: State Grants

Equalization Grants

Georgia's equalization grant is intended to close the gap between high and low property wealth school systems. Additional funds are provided to school districts with the least taxable property per student to help these districts raise the same amount of money from local taxes as the "average" school system in Georgia.

- The state compares each district to the one at the 50th percentile of local tax wealth (excluding the wealthiest 5% and the poorest 5%) and helps them generate equivalent revenue from the next 15 mills of property tax beyond the first 5 mills.
- The tax digest is "equalized" to ensure that the property in each jurisdiction is assessed on the same basis, and the number of students is adjusted by weighting the students by the relative cost of the programs in which they are enrolled.

Categorical Grants

The state also provides categorical grants for specific needs that aren't based on the number of students. These include things like student transportation and nursing. These grants are earned by the district as a whole rather than a per-student basis.



Quality Basic Education Comparison



	FTE	QBE EARNINGS	HEALTH INSURANCE	PRINCIPAL STAFF DEVELOPMENT	TOTAL QBE EARNINGS	LOCAL FIVE MILL SHARE	STATE FUNDS	EQUALIZATION GRANT	NURSING	PUPIL TRANSPORTATION	TOTAL
FY 2025 Initial	28,322	\$ 178,671,225	\$ 38,375,040	\$ 19,040	\$ 217,065,305	\$ (32,281,614)	\$ 184,783,691	\$ 23,388,725	\$ 697,419	\$ 5,202,638	\$ 214,072,473
FY 2026 Initial	28,048	\$ 180,379,327	\$ 40,987,440	\$ 18,832	\$ 221,385,599	\$ (34,356,244)	\$ 187,029,355	\$ 19,933,118	\$ 697,254	\$ 5,961,790	\$ 213,621,517
CHANGE	(274)	\$ 1,708,102	\$ 2,612,400	\$ (208)	\$ 4,320,294	\$ (2,074,630)	\$ 2,245,664	\$ (3,455,607)	\$ (165)	\$ 759,152	\$ (450,956)
								\$ (5,530,237)			

- The 2023 net tax digest value increased \$1.3B (22.5%)
- Typically an increase in the tax digest means decrease in Quality Basic Education funding



FY 2026 Budget Revenue Highlights



	2021-22	2022-23	2023-24	2024-25	2025-26
QBE State Allotments	\$ 209,610,173	\$ 201,288,848	\$ 217,694,816	\$ 246,354,087	\$ 247,977,761
Less:					
Local 5 mills	\$ (25,821,877)	\$ (28,243,265)	\$ (31,868,763)	\$ (32,281,614)	\$ (34,356,244)
State Revenue (Adjusted For Cuts)	\$ 183,788,296	\$ 173,045,583	\$ 185,826,053	\$ 214,072,473	\$ 213,621,517
Increase (Decrease) in State Revenues	\$ 13,101,520	\$ (10,742,713)	\$ 12,780,470	\$ 28,246,420	\$ (450,956)
Local Taxes	\$ 101,400,000	\$ 107,400,000	\$ 121,400,000	\$ 138,950,000	\$ 145,953,966



General Fund Revenues and Expenditures

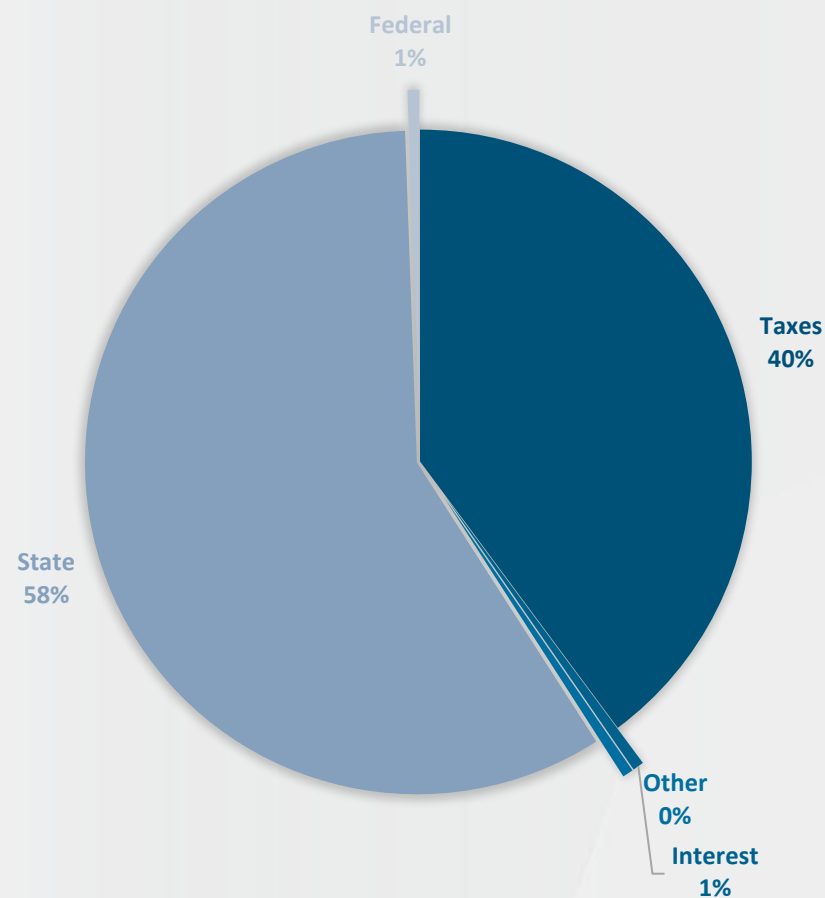
	Forecasted 2024-25	Estimated 2025-26
Revenues		
Local		
Taxes	\$ 140,500,000	\$ 145,953,966
Interest	3,600,000	2,000,000
Other	2,500,000	1,920,000
State	214,400,000	214,438,517
Federal	2,900,000	2,075,000
Total Revenues	<u>\$ 363,900,000</u>	<u>\$ 366,387,483</u>
Expenditures		
Salaries	\$ 201,400,000	\$ 208,330,145
Benefits	106,700,000	115,134,567
Temp Services	17,600,000	15,385,721
Other Operating	36,700,000	39,537,050
Total Expenditures	<u>\$ 362,400,000</u>	<u>\$ 378,387,483</u>
Fund Balance (Used) Surplus	<u>\$ 1,500,000</u>	<u>\$ (12,000,000)</u>
Fund Balance at July 1st	<u>\$ 66,377,857</u>	<u>\$ 67,877,857</u>
Estimated Fund Balance At June 30th	<u>\$ 67,877,857</u>	<u>\$ 55,877,857</u>



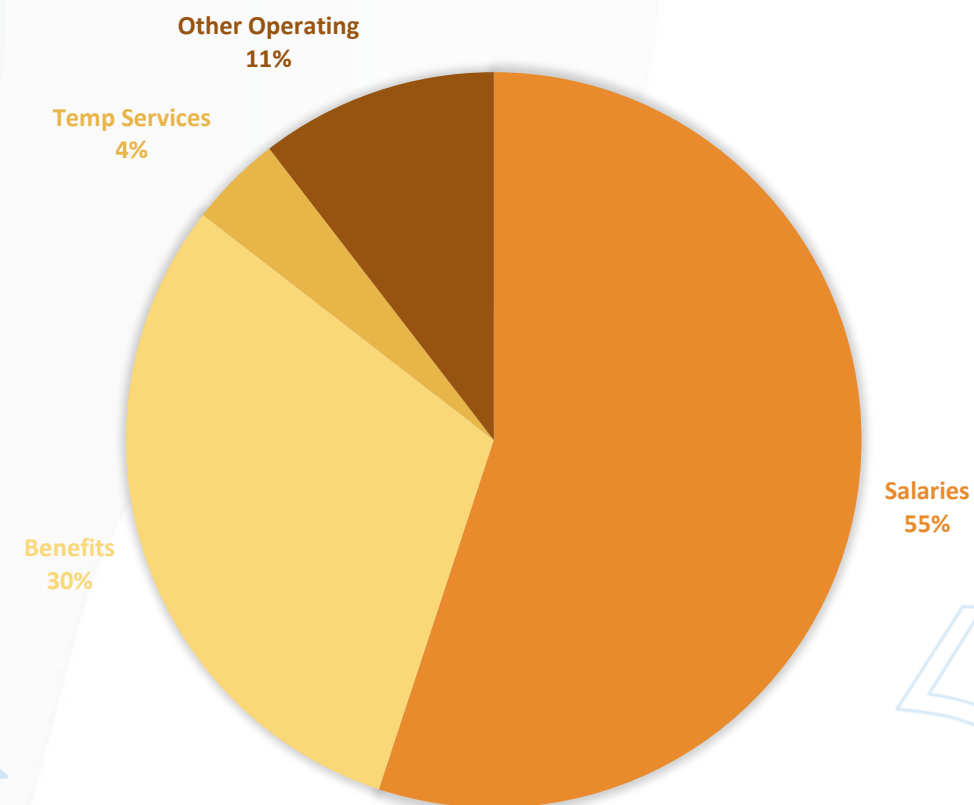


General Fund Estimated 2025-26

Total Revenues:
\$366,387,483



Total Expenditures:
\$378,387,483





Budget Items for Other Funds

- The School Nutrition program is fully funded by the USDA grant.
- Increase the School Nutrition Assistant and Assistant School Nutrition Manager by five steps (approximately 10%). For example, the School Nutrition Assistant I starting hourly rate would increase from \$11.09 to \$12.24.
- Increase the School Nutrition Manager and Resource Manager by two steps (approximately 4%).





Budget Details



Other budget details provided include the following:

- Operating budget book detail
- Salary Schedules
- Other programs detail which includes our Title grants, SPED grants, CTAE grants, School Nutrition program, etc.



COUNTY BOARD OF EDUCATION OF RICHMOND COUNTY
TENTATIVE BUDGETS
GOVERNMENTAL FUND TYPES
July 1, 2025 through June 30, 2026

	General Fund	Debt Service	Capital Projects	Other Programs	Total
Estimated Revenues					
Local Revenues	\$ 149,873,966	\$ 36,559,250	\$ 22,440,750	\$ 3,301,651	\$ 212,175,617
State Revenues	214,438,517	-	-	12,828,596	227,267,113
Federal Revenues	2,075,000	-	-	54,303,820	56,378,820
Other Revenues	-	-	200,210,000	-	200,210,000
Total Estimated Revenues	366,387,483	36,559,250	222,650,750	70,434,067	696,031,550
Estimated Expenditures					
Instruction	227,094,054	-	6,530,747	30,527,999	264,152,800
Pupil Services	22,426,048	-	-	2,389,350	24,815,398
Improvement of Instruction	8,141,643	-	-	1,526,726	9,668,369
Inst. Professional Development	572,652	-	-	1,993,374	2,566,026
Educational Media Services	7,217,964	-	-	-	7,217,964
Federal Programs Admin	190,479	-	-	2,614,233	2,804,712
General Administration	7,021,387	-	-	884,383	7,905,770
School Administration	35,610,648	-	-	222,112	35,832,760
Support Services Business	3,716,066	-	-	-	3,716,066
Maintenance and Operation	33,508,488	-	3,204,960	303,850	37,017,298
School Safety and Security	5,200,307	-	-	-	5,200,307
Student Transportation	17,988,244	-	275,000	174,642	18,437,886
Support Services Central	8,143,538	-	-	140,000	8,283,538
Other Support Services	173,625	-	-	-	173,625
School Nutrition Program	527,340	-	-	27,494,097	28,021,437
Other Outlays	855,000	-	-	-	855,000
Facilities Acquisition	-	-	85,740,576	-	85,740,576
Debt Service	-	36,384,950	-	-	36,384,950
Total Estimated Expenditures	378,387,483	36,384,950	95,751,283	68,270,766	578,794,482
Net Change in Fund Balances	(12,000,000)	174,300	126,899,467	2,163,301	117,237,068
Estimated Fund Balance, July 1	67,877,857	34,832,825	82,900,000	9,476,708	195,087,390
Estimated Fund Balance, June 30	\$ 55,877,857	\$ 35,007,125	\$ 209,799,467	\$ 11,640,009	\$ 312,324,458

These budgets will be considered for final adoption by the Board of Education at the regular board meeting on Tuesday, June 24, 2025 following the committee meeting at 4:00 P.M. in the board room at 864 Broad Street, Augusta, Georgia.



All Funds



The local revenues for the Debt Service Fund and Capital Projects Fund are ESPLOST proceeds that can only be used for construction and renovations of buildings, bond payments and pay-as-you-go projects.





Future Budget Considerations

- The goal is to have a budget in which the revenues equal expenses to eliminate the need to use fund balance reserves.
- The recommended way to reduce costs is to consolidate schools. The estimated amount saved from closing a school is \$2M.





Quality Basic Education (QBE) Funding is Decreasing

Even though the State is requiring us to pay more for teacher retirement (TRS) and health insurance, our **QBE funding is decreasing** because **our local property values (tax digest) increased**. The State assumes we can cover more costs locally, so it reduces our funding.



Operational Efficiency & Financial Stewardship

- We reduced operational cost by **\$4.7 million**.
- We are using **\$12 million in reserves** while maintaining a **healthy fund balance equal to 15% of total expenses**.



State/Grant Funded Items

- Retirement contributions to TRS **increasing to 21.91%**
- Certified health insurance **increasing to \$22,620**
- **Step increase** for certified employees
- Increase School Nutrition pay scales by **4% - 10%**



Locally Funded Items

- Classified health insurance **increasing to \$22,620**
- **Step increase** for classified employees



Questions

