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[www.fultonschools.org](http://www.fultonschools.org)

# News Release

**For Immediate Release**

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## **Fulton County Schools Interim Superintendent presents budget recommendations at April Board of Education meeting**

During the April 11 Board Work Session, Interim Superintendent Cindy Loe presented budget recommendations for Fiscal Year 2020 which focused on compensation for employees and alignment with the District's five-year Strategic Plan. The compensation recommendations currently include a \$3,000 salary increase, as approved by the General Assembly and currently awaiting signature by Governor Kemp, and a mid-year step for teachers (all paid from the Teacher Salary Schedules), principals, assistant principals, counselors, media specialists, school social workers, school psychologists and pre-k teachers. The mid-year step will go into effect in January 2020.

Paraprofessionals, parent liaisons, clinic aides, bus drivers, transportation assistants, food service workers and custodians would receive a 3% salary increase plus a mid-year step if recommendations are approved. The 3% increase for these employees represents a deliberate effort by the Board and district leaders to tangibly recognize the steady contribution these employees make while being among the district's lowest wage earners. All other district positions are recommended to receive a 2% salary increase plus a mid-year step if approved. Step increases will become applicable in the January 2020 payroll for eligible employees.

To meet the increase due to these salary adjustments, the Superintendent is recommending balancing the budget with \$12.7 million from the Fund Balance. This is 50% less than the \$25 million estimated in March, thanks to the additional funds anticipated to be added in the State's FY20 budget bill as referenced earlier.

These are the latest adjustments in the district's annual budget process, which began in August of 2018 in preparation for the next fiscal year. As recommendations were considered, sustainability was discussed regarding future years, including continuation of a Fund Balance above 15%, while projecting a current millage rate of 17.796 into FY2020. During the development of the budget this year, our efforts targeted a \$20 million reduction of expenditures to address a tax revenue shortfall, combined with benefit cost increases, while minimizing impact to the Fund Balance or a need to increase the current millage rate.

The adoption of the tentative budget and millage rate is scheduled for Thursday, April 18 during the Board Meeting. The public is invited to attend the following meetings per the below schedule. Please note that millage rate hearings are subject to change contingent upon availability of tax digest information. More information is available on our website, [www.fultonschools.org](http://www.fultonschools.org).

- Adoption of Tentative Budget and Millage Rate – April 18, 2019
- Public Hearings 1 and 2, Budget and Millage Rates – May 7, 12:00 p.m. and 6 p.m.
- Public Hearing 3, Millage Rates – May 16
- Final Budget Adoption – May 16

- Adoption of Millage Rates – May 16

Also presented during the Board Work Session was an annual update of the Capital Budget, which included a review of Capital Plan 2022. The Summer of 2019 will be one of the busiest years of the five-year construction program. A status report was shared regarding the following projects: Innovation Academy (our North STEM High School); our South STEM School that will serve grades 6 to 12; school replacement projects for Riverwood High, Crabapple Middle, Conley Hills Elementary, and McClarin High; a new South Transportation and Maintenance Facility; major District Information Technology initiatives; and 26 school renovation projects are planned with 18 security camera upgrades beginning in the summer of 2019.

According to expert opinions regarding market conditions and capital cost increases, Capital Plan 2022 continues to gain momentum. Monthly SPLOST revenue receipts are exceeding projections which, combined with market conditions, are indicators of a strong economy. While there are anticipated cost increases in construction and IT due to these market conditions, the increased revenue receipts are forecasted to meet district needs. Projections for SPLOST, state capital outlay and other revenue sources will allow us to address budget increases and maintain healthy capital reserve funds to hedge against risks during the program. Previously, the district has used short-term borrowing through Tax Anticipation Notes (TANs) to execute the program. However, at this time, cash flow projections are not indicating the need for any similar short-term borrowing to execute Capital Plan 2022. We will continue to review and update our budgets and cash flows as conditions change, but we are currently on track to deliver the promises made to our taxpayers.

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**About the Fulton County School System.** The Fulton County School System is the fourth largest school system in Georgia. More than 95,000 students attend 106 schools in the cities of Alpharetta, Chattahoochee Hills, College Park, East Point, Fairburn, Hapeville, Johns Creek, Milton, Mountain Park, Palmetto, Roswell, Sandy Springs, South Fulton and Union City.