



# PAULDING COUNTY SCHOOL DISTRICT BUDGET BOOK

## Engage. Inspire. Prepare.

Student success for ALL starts with a passion for effective stewardship of taxpayer dollars. The budget is the catalyst for creating safe schools and engaging environments, where students are engaged, inspired and prepared for their future – a place where students can thrive.

**INTEGRITY.** Results of the most recent financial audit were outstanding, and the District received Georgia Department of Audits and Accounts' *Excellence in Financial Reporting Award*.

**STEWARDSHIP.** PCSD recently received a 4-Star *Financial Efficiency Rating*, which measures a district's per-pupil spending in relation to the academic achievements of its students. Only 12 of 180 districts, or 7%, scored better than PCSD.



## Proposed Budget Fiscal Year 2020 Ended June 30, 2020

3236 Atlanta Highway  
Dallas, Georgia 30132  
[www.paulding.k12.ga.us](http://www.paulding.k12.ga.us)

### Featured Artwork



Eden Harris, 11<sup>th</sup> Grade at South Paulding High 2018-19

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## Executive Summary

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### Superintendent's Message

Dear Paulding County School District Community,

On behalf of the Paulding County School District, we are pleased to present the proposed fiscal year 2020 budget. The annual budget is a large and complex project, reflecting feedback from students, parents, teachers, administrators and community members and priorities set by our Board of Education. We believe this budget will continue to fuel a culture where our students will be engaged, inspired and prepared for their future.

We believe this budget will help us create an environment where each of our students will be encouraged to discover and develop their strengths, see the connection between their learning and their future goals, and see their school as a safe and engaging environment where they can learn and grow as individuals. It ensures each department will focus its resources toward achieving our strategic goals.

We would like to thank those that support the district financially. We take the stewardship of your resources very seriously. In addition, we appreciate the professionalism, dedication and hard work of all those that made this budget document possible. We will honor your sacrifices by passionately pursuing our mission to engage, inspire and prepare ALL students for success today and tomorrow.

Sincerely,



Dr. Brian Otott  
Superintendent



## Proposed Budget Highlights

### Enrollment Growth

Paulding County School District (“PCSD” or “District”) is projected to educate 30,139 students during the proposed budget (fiscal year 2020, school year 2019-2020), an increase of 429 students or 1.4%. In the 8 years preceding the collapse of the housing market, the district experienced tremendous enrollment growth, increasing more than 80% from fiscal years 2000 to 2007. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. In 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%.

### Low Wealth

Despite favorable employment, income and free-and-reduced lunch statistics, the District continues to be a low wealth school district due to a limited commercial and industrial tax base and the large number of school-aged children per household. Below are FY2018 rankings against the 35 large districts in Georgia (school districts over 10,000). Rankings against all 180 school districts in Georgia are in parentheses.

- 13th Largest District
- 31st in Local Revenue per Student (128th out of 180)
- Collect \$1,235 less than Average per Student or \$36 million
- 8th in State Revenue per Student (85th out of 180)
- Collect \$775 more than Average per Student
- 3rd Largest Recipient of Equalization (\$27 million, FY18)
- 29th in Total Revenue, including Federal sources, per Student (154th out of 180)
- Collect \$710 or 7% less than Average per Student or \$21 million

### Millage Rate Lowered

The District will lower the maintenance and operations (“M&O”) millage rate to 18.750 in the Proposed Budget, the first material reduction since 2003. The bond millage rate will remain 0.000, as bond principal and interest are funded through the educational Special Purpose Local Option Sales Tax (SPLOST V) program.

### State Pay Scale Adjustment

For the Proposed Budget the State Budget funded a \$3,000 adjustment in the State Pay Scale for Teachers. This resulted in a significant increase in Quality Basic Education (“QBE”) funding. Unfortunately, QBE does not fund all aspects of compensation including allotment quantity and total compensation.

### State QBE and Equalization Grant

As a low wealth school district, PCSD will receive a \$28.8 million Equalization Grant for the Proposed Budget. Funding under the QBE formula is set to increase \$10.8 million, primarily due to the increase in teacher's salaries and enrollment growth.

**General Fund Focus: Safety, Instruction and Retention**

PCSD, after collaboration with the Board of Education ("BOE" or "Board"), district and school leadership and the community, established the priorities for the Proposed Budget in January 2019. Working with the Business Services Division and utilizing a zero-based budgeting system, district leadership developed specific initiatives or strategies to accomplish these priorities under the framework of our Strategic Plan. Highlights include a continued focus student success for all, cultivating and retaining quality professionals and safety. The District allocates more of its resources to instruction than statewide averages, while central office-type expenditures are half the size of the average district. 87% of the budget is spent on salaries and benefits. With a 5% across-the-board pay raise and full step increase, the budget supports the recruitment and retention of a highly qualified staff. The remaining 13% of the General Fund budget covers all other operating expenditures, including critical areas such as safety, technology and textbooks.

**Connecting the Budget to our Strategic Plan**

In April 2017, the Board adopted the 2017-2022 Strategic Plan. Goal Areas are an important part of the Strategic Plan. Performance Objectives, supported by budget initiatives, and goal Areas represent an important cause and effect relationship with each other. Using this approach, an alignment between departments and schools is established, resulting in an effective implementation of the Strategic Plan.

## Executive Summary: Organizational Section

### Budget Development Methodology: Budgeting for Outcomes

The District utilizes a Budgeting for Outcomes (“BFO”) model. BFO is a framework or performance budgeting process that is based on the Board and district leadership identifying priorities that reflect the results that the community want.

BFO goals include:

- Efficiency
- Transparency
- Innovation

Once the desired results and priorities are identified, specific strategies (initiatives) are developed to accomplish those priorities. These strategies are collaboratively developed by Business Services and district leadership and staff, encouraging new ideas, innovation, cooperation, and improvement within the school district’s budget.

At its core, the philosophy of BFO requires each activity to be justified on the basis of cost-benefit analysis – at its essence, a budget constructed from the bottom-up (a modified zero-based budget).

The Price of Government and Major Budget Influencers must also be identified and considered within the framework, especially changes in funding and new or expanding influences on the budget, which may be positive or negative and short-term or long-term.

### Budget Communication and Engagement

The budget process includes plans to inform participants, stakeholders and the general public about how the budget process works, why each decision was made and how to provide input in the process. Below are *Components* and *Implementation* methods used in our Communication and Engagement Strategy, all of which are designed to be intentionally collaborative, accessible, and transparent.

#### **Components**

- Process Overview
- Stakeholder Engagement
- Explanation of Decisions

#### **Implementation**

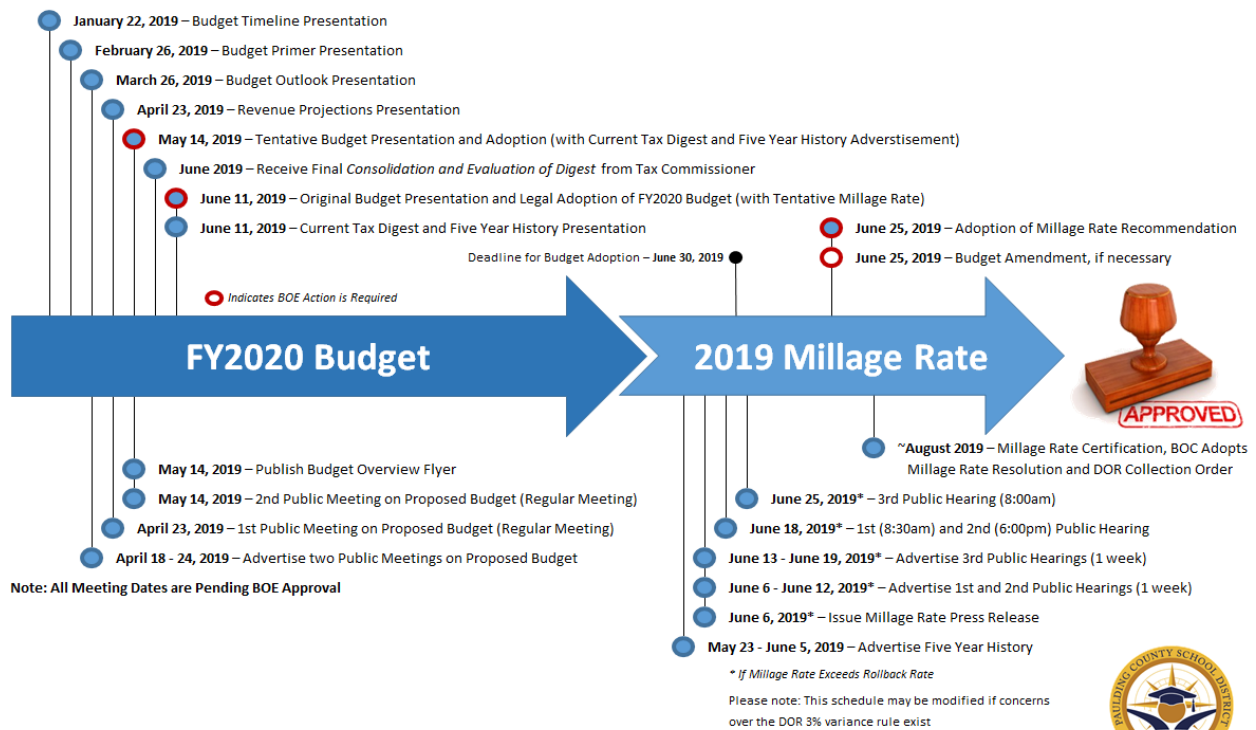
- Identify the Messengers
- Identify the target audience and tailor message accordingly
- Define communication channels
- Gather feedback and adjust
- Feedback Response

## Budget Development Process

Process Review July - September	Framework <u>October - December</u>	Development I January - March	Development II April - June
<ul style="list-style-type: none"> <li>✓ Budget feedback is solicited from various stakeholder groups</li> <li>✓ Develop timeline for the next fiscal year budget</li> <li>✓ Key stakeholders review the previous year's budget processes</li> <li>✓ Enhancements to the budget development process and reports are identified and work begins to make these adjustments</li> <li>✓ Review begins on the Strategic Plan, including Performance Objectives, Initiatives and Measures</li> </ul>	<ul style="list-style-type: none"> <li>✓ Budget feedback is solicited from various stakeholder groups</li> <li>✓ Feedback begins on Budget Priorities</li> <li>✓ Feedback begins on Budget Strategies</li> <li>✓ Initial Major Budget Influencers are identified</li> <li>✓ An early outlook on the next budget is developed</li> <li>✓ Initial enrollment and allotment assumptions are developed</li> </ul>	<ul style="list-style-type: none"> <li>✓ Budget feedback is solicited from various stakeholder groups</li> <li>✓ Budget Priorities and Strategies are finalized</li> <li>✓ Enrollment projections and allotment assumptions are finalized</li> <li>✓ Major Budget Influencers and assumptions are finalized</li> <li>✓ State budget is approved, including QBE and Equalization Grant</li> <li>✓ Initial local digest is received</li> <li>✓ <i>Budget Timeline, Primer and Outlook Presentations</i></li> </ul>	<ul style="list-style-type: none"> <li>✓ Budget feedback is solicited from various stakeholder groups</li> <li>✓ Pre-Consolidated local digest received</li> <li>✓ Position allotments are finalized</li> <li>✓ Numerous advertisements are notices are published</li> <li>✓ Two public meetings regarding the budget are held</li> <li>✓ Tentative budget approval</li> <li>✓ Original budget approval</li> <li>✓ <i>Revenue &amp; Allotment, Tentative Budget and Original Budget Presentations</i></li> </ul>

## Budget Development Timeline

### FY2020 Budget Milestones







### FY2020 Public Meetings and Hearings, Press Releases, Advertisements and Notices





### Connecting the Budget to our Strategic Plan

The District uses a budgeting process called Budgeting for Outcomes (BFO). A cornerstone of BFO is based on the Board and district leadership identifying priorities (eight to ten high-level priorities) that reflect the desired results of the community. These priorities form the basis for organizing the budgeting process and are validated against *Strategic Plan Goal Areas* and *Performance Objectives* to confirm alignment of budget, strategic plan, community and district leadership.

STRATEGIC GOAL AREAS AND DESIRED RESULTS	
<b>1</b> GOAL AREA  Student Success for All	Desired Result 1: All Paulding County School District students will graduate prepared for success today and tomorrow.
<b>2</b> GOAL AREA  Communication and Engagement	Desired Result 2: Paulding County School District will engage and partner with the entire Paulding County community to support the children we serve.
<b>3</b> GOAL AREA  Cultivating and Retaining Quality Professionals	Desired Result 3: Paulding County School District will provide world-class faculty and staff that meet the needs and increase academic achievement for all learners.
<b>4</b> GOAL AREA  Organizational Excellence	Desired Result 4: Paulding County School District will provide financial stability and outstanding processes so schools have the resources to maximize academic achievement for all learners.

In April 2017, the Board adopted the 2017-2022 Strategic Plan. Goal Areas are an important part of the Strategic Plan. Performance Objectives, supported by Proposed Budget Initiatives, and Goal Areas represent an important cause and effect relationship with each other. Using this approach, an alignment between departments and schools is established, resulting in an effective implementation of the Strategic Plan.

**Strategic Goal Areas.** The framework used to describe the district's strategy to reach its mission and vision.

**Desired Results.** The anticipated achievements within the time frame of the plan in each Strategic Goal Area.

**Performance Objectives.** A key measurable value that demonstrates how effectively the District is achieving the desired result.

**Initiatives.** Specific programs and

projects assigned to collaborative teams to attain each Performance Objective.

For the most current version of the full Strategic Plan visit:

<https://www.paulding.k12.ga.us/domain/237>

### Correlating the Strategic Plan and BFO

Strategic Plan Goal Areas	Performance Objectives	FY20 Budget Priorities (Performance Objectives)	FY20 Budget Strategies (Initiatives)
<b>1</b> Student Success for All	<ol style="list-style-type: none"> <li>1. Improve student mastery of standards.</li> <li>2. Improve the performance of students in subgroups.</li> <li>3. Perform among the top-achieving districts in the state.</li> <li>4. Improve student preparation for post-secondary.</li> </ol>	<ul style="list-style-type: none"> <li>• Student Achievement</li> <li>• Literacy</li> <li>• STEM/STEAM</li> </ul>	<ul style="list-style-type: none"> <li>• Math Adoption</li> <li>• PCCA Launch</li> <li>• Maintain Class Size Ratios</li> <li>• ESEP/ESOL Support</li> <li>• ELA/WL Coordinator</li> <li>• STEM Funding/Allotments</li> <li>• STEM Coordinator</li> <li>• KSU iTeach Collaboration</li> <li>• Fine Arts Adoption</li> <li>• Computer Science Magnet</li> </ul>
<b>2</b> Communication and Engagement	<ol style="list-style-type: none"> <li>1. Increase effective advisement.</li> <li>2. Utilize effective communication strategies.</li> <li>3. Cultivate community partnerships that prepare students for college and careers.</li> </ol>	<ul style="list-style-type: none"> <li>• SEL/Mental Health</li> </ul>	<ul style="list-style-type: none"> <li>• Capturing Kid's Hearts</li> </ul>
<b>3</b> Cultivating and Retaining Quality Professionals	<ol style="list-style-type: none"> <li>1. Identify and retain highly qualified personnel.</li> <li>2. Build staff capacity.</li> <li>3. Increase succession planning at all levels.</li> </ol>	<ul style="list-style-type: none"> <li>• Recruit and Retain Highly Qualified Employees</li> <li>• Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>• 5% Pay Raise</li> <li>• Full Step Increase</li> <li>• 30-year Teacher Pay Scales</li> <li>• Transportation Initiatives</li> <li>• Substitute and Supply Teacher Pay</li> </ul>
<b>4</b> Organizational Excellence	<ol style="list-style-type: none"> <li>1. Enhance safe and effective learning environments.</li> <li>2. Maximize financial stewardship and operational efficiency.</li> </ol>	<ul style="list-style-type: none"> <li>• Facilities and Safety</li> <li>• Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Security Grants</li> <li>• Safety Officer</li> <li>• Custodial Services</li> </ul>

## Governance Structure: Board of Education



### Board of Education

From left to right: Dr. Brian Otott (Superintendent), Nicholas Chester (District 2), Theresa Lyons (District 1), John Dean (District 5), Glen Albright (District 4), Kim Cobb (District 3), Jeff Fuller (At-Large), Jason Anavitarte (District 6)

## Financial and Human Capital Allocation

The General Fund is the School District's primary operating fund and accounts for all transactions related to the District's operations except those required to be accounted for in other funds. Expenditures include all costs relating to the day-to-day operations of the District. The General Fund accounts for more than 80% of all District spending and is the main operating fund for the school district.

\$257.8 million or 87% of the General Fund Proposed Budget is Salaries and Benefits.

	FY19 Budget	FY20 Budget	Change	%
Salaries	\$ 165.4	\$ 180.3	\$ 15.0	9.0%
Benefits	72.8	77.5	4.7	6.5%
	<b>\$ 238.18</b>	<b>\$ 257.8</b>	<b>\$ 19.7</b>	<b>8.3%</b>
Professional Services	9.8	9.5	(0.3)	-3.4%
Technology	8.2	7.3	(0.9)	-10.4%
Utilities	5.1	5.1	0.0	0.8%
Textbooks and Books	2.7	2.8	0.1	4.0%
Supplies	1.6	2.8	1.2	75.6%
Vehicle Purchases	2.3	1.8	(0.5)	-19.7%
Fuel	1.5	1.6	0.1	6.9%
Other	7.7	7.3	(0.4)	-5.7%
	<b>\$ 38.9</b>	<b>\$ 38.3</b>	<b>(0.6)</b>	<b>-1.6%</b>
<b>Grand Total</b>	<b>\$ 277.1</b>	<b>\$ 296.1</b>	<b>\$ 19.1</b>	<b>6.9%</b>

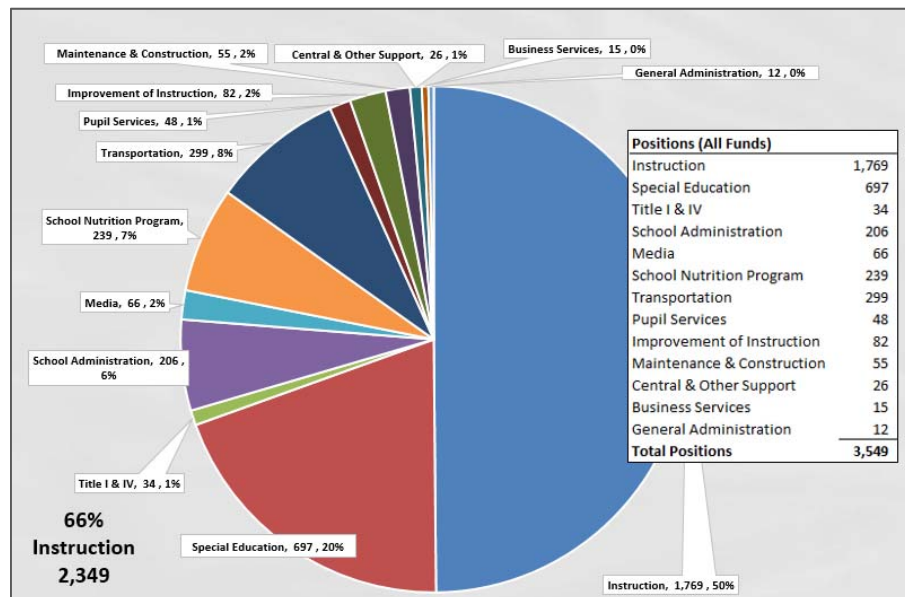
*\*Excludes Non-QBE Grants and Transfers to Other Funds*

The Proposed Budget anticipates 3,549 allotments, broken down by the following functions and programs. A strategy of the District is to allocate as much human capital as possible to the function of Instruction. On a basic level, Functions define "what we do". For example:

- Instruction
- Maintenance
- Transportation

66% or 2,349 of all Proposed Budget allotments are for the function of Instruction.

An allocation of the \$38.3 million or 13% of the General Fund Proposed Budget is dedicated to other operating expenditures (non-salaries and benefits related) by Division appears to the right.



The District is organized by six division, including:

- School Leadership
- Teaching & Learning
- Operations
- Business Services
- Technology
- Human Resources

	FY19 Budget	FY20 Budget	Change	%
<b>Divisions and Departments</b>				
(1) School Leadership Division*				
(2) Teaching & Learning Division				
Curriculum Department	\$ 1.3	\$ 1.2	\$ (0.0)	-2.4%
School Improvement Department	0.1	0.1	(0.0)	-16.6%
CTAE Department	0.1	0.1	0.0	0.0%
Student Services Department	0.9	0.5	(0.3)	-39.1%
(3) Operations Division				
Operations Department	1.2	0.9	(0.2)	-20.1%
Transportation Department	5.6	5.1	(0.5)	-9.1%
Maintenance Department	15.0	15.3	0.2	1.5%
(4) Technology Division	6.4	6.5	0.2	2.5%
(5) Business Services Division	0.5	0.5	0.0	0.4%
(6) Human Resources Division	0.1	0.1	0.0	15.4%
QBE & Local Funds Allocated to Schools	5.8	6.3	0.5	9.4%
Other <1%	1.9	1.5	(0.4)	-21.2%
<b>Total</b>	<b>\$ 38.9</b>	<b>\$ 38.3</b>	<b>\$ (0.6)</b>	<b>-1.6%</b>

\*Excludes Grants and Transfers to Other Funds. School Leadership is a new division, expenditures are reflected in the Operations Budget.

## Organizational Structure: First Level Administrative Personnel

The District is organized by six Divisions and eleven Departments.

### Superintendent



Dr. Brian Otott is the Superintendent of the District. Dr. Otott has served his entire educational career here in Paulding County.

Prior to being named Superintendent, Dr. Otott was serving as the school district's Associate Superintendent, overseeing the day-to-day operational departments, including transportation, school nutrition, central registration, and elementary through high school operations. He has also served as the Executive Director of Elementary Schools and Assistant Superintendent.

Before his work at the central office, Dr. Otott worked in a variety of roles at the District, including classroom teaching to principalships of three of the district's schools. He was the inaugural principal of three new Paulding County schools where he successfully navigated the logistical challenges of housing students on multiple campuses while facilities were being completed.

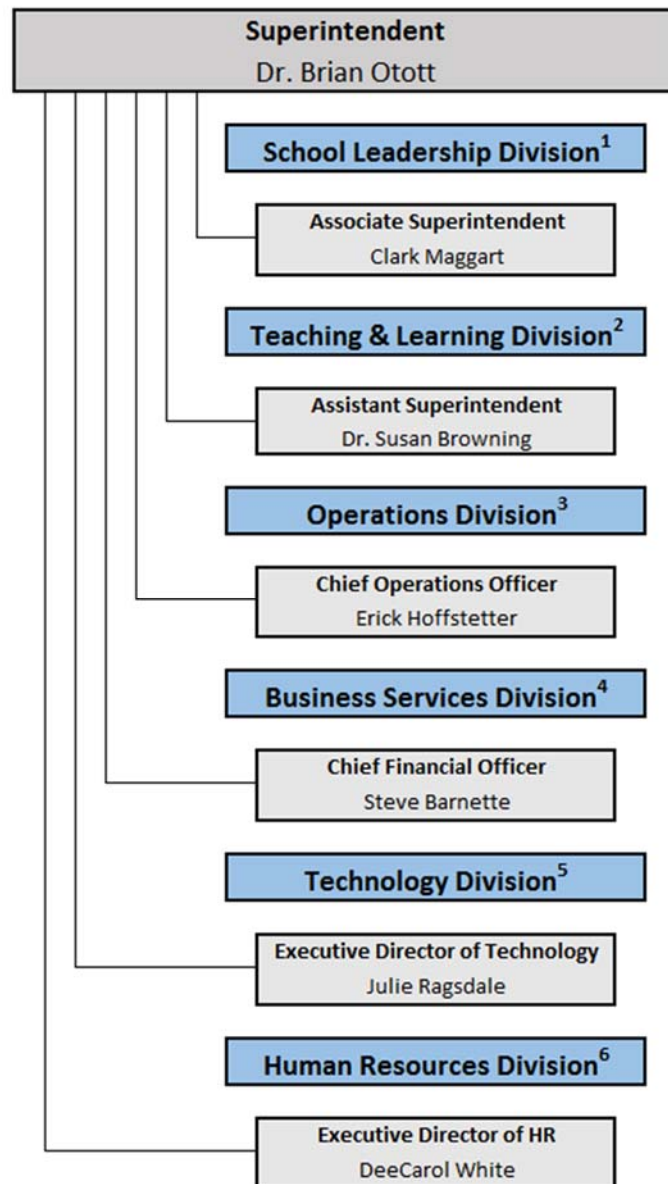
Dr. Otott is active in the Paulding County community. He has served a variety of organizations on their Board of Directors, including the Chamber of Commerce.

Dr. Otott is a graduate of the University of West Georgia. He is married with two children.



The Superintendent has the following  
Divisional direct reports:

1. Clark Maggart  
Associate Superintendent
2. Dr. Susan Browning  
Assistant Superintendent
3. Erick Hoffstetter  
Chief Operations Officer
4. Steve Barnette  
Chief Financial Officer
5. Julie Ragsdale  
Executive Director of Technology
6. DeeCarol White  
Executive Director of HR



## Executive Summary: Financial

### Proposed Budget: Revenues and Expenditure Summary

#### General Fund



The General Fund is the school system's primary operating fund. The General Fund is used to account for all financial transactions of the school system except those required to be accounted for in another fund. Ad Valorem taxes and State QBE funding represent the major revenue sources for the General Fund.

- Revenues \$296,131,639\*
- Expenditures \$296,131,638\*
- Grant Activities (revenue and expenditures): \$1,752,534
- Net Other Sources (Uses) -\$3,035,650

#### **Special Revenues Funds (Including Grants and School Activity)**

These funds are used to account for the proceeds of specific revenue that are legally restricted to specified purposes. The major revenue source for grant-related funds is the Federal Government - for special programs such as Title I, Title II-A, Title VI-B, etc. The School Activity Funds are used to account for funds generated and expended at the school level by and for various school activities including curricular, co-curricular and extra-curricular activities. School Activity Funds are comprised of both Special Revenue Funds and Fiduciary Funds. School Activity Funds accounted for within the Special Revenue Fund are not designated for a particular group but instead are raised and are to be expended for the benefit of the school as a whole. Those School Activity Funds accounted for within the Fiduciary Funds are raised and held for use by particular clubs, organizations and teams operating within each school.

- Revenues \$16,807,826
- Expenditures \$16,906,271

#### **School Nutrition Program Fund**

This fund is used to account for the United States Department of Agriculture (USDA) approved School Nutrition Program. The intent of the school system is that the costs of the School Nutrition Service Fund be financed or recovered primarily through Federal resources and users' charges. The School Nutrition Program Fund at Paulding County School District is a self-supported program.

- Revenues \$14,722,855
- Expenditures \$14,726,184

#### **Capital Projects Funds**

These funds manage resources which are used exclusively for acquiring school sites, constructing and equipping new school facilities, renovating existing facilities and purchasing specific types of long-term assets. The major revenue sources are proceeds from Special Purpose Local Option Sales Tax for education (E-SPLOST), a one-cent sales tax to help fund capital improvements, including debt repayment for capital projects.

- Revenues \$21,708,961
- Expenditures \$8,230,033
- Net Other Sources (Uses) -\$5,182,000

**Debt Service Funds**

These funds service all debts, mainly principal and interest payments, created as a result of a bond issue. The major revenue sources for this fund are Ad Valorem taxes and transfers from E-SPLOST.

- Revenues \$20,000
- Expenditures \$8,217,650
- Net Other Sources (Uses) \$8,217,650

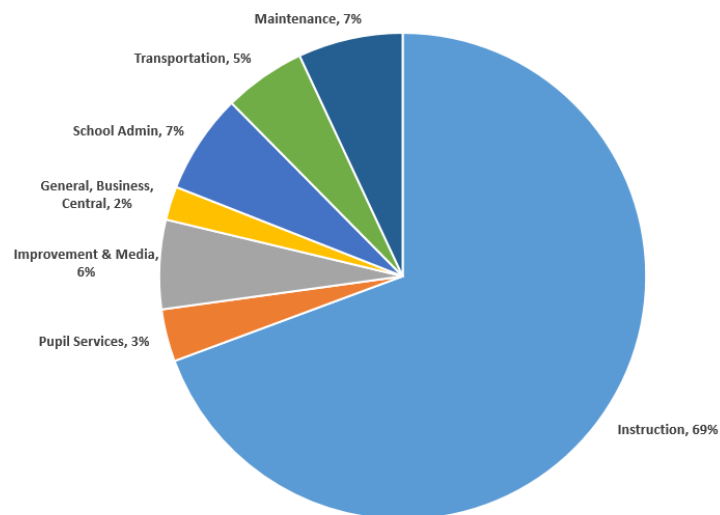
\*Excludes grants and transfers to other funds

## How will the General Fund Proposed Budget be spent?

Functions describe the activity for which a service or material is acquired. Simply put, Functions define “what we do.”

### **INSTRUCTION (69%)**

Instruction includes activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities.



### **PUPIL SERVICES (3%)**

Activities designed to assess and improve the well-being of students and to supplement the teaching process. Activities include guidance, counseling, testing, attendance, social work, health services, etc. Also include supplemental payments for additional duties such as coaching or supervising extracurricular activities.

### **IMPROVEMENT OF INSTRUCTIONAL SERVICES, INSTRUCTIONAL STAFF TRAINING AND EDUCATIONAL MEDIA SERVICES (6%)**

**IMPROVEMENT OF INSTRUCTIONAL SERVICES.** Technical and logistical support activities designed to aid teachers in developing the curriculum, preparing and using special curriculum materials, and understanding the various techniques that stimulate and motivate students. These services facilitate, sustain, and enhance instruction techniques.

**INSTRUCTIONAL STAFF TRAINING.** Activities associated with the professional development and training of instructional personnel. These include such activities as in-service training (including mentor teachers), workshops, conferences, demonstrations, courses for college credit (tuition reimbursement), and other activities related to the ongoing growth and development of instructional personnel.

**EDUCATIONAL MEDIA SERVICES.** Activities concerned with directing, managing and operating educational media centers. Included are school libraries, audio-visual services and educational television.

**GENERAL ADMINISTRATION, BUSINESS SUPPORT AND CENTRAL SUPPORT SERVICES (2%)**

GENERAL ADMINISTRATION. Activities concerned with establishing and administering policy for operating the LUA. These include the activities of the members of the Board of Education. Local activities in interpretation of the laws and statutes and general liability situations are charged here, as are the activities of external auditors. Also recorded here are activities performed by the superintendent, administrative support personnel and deputy, associate, or assistant superintendent having overall administrative responsibility.

BUSINESS SUPPORT SERVICES. Activities concerned with the fiscal operation of the LUA, including budgeting, financial and property accounting, payroll, inventory control, internal auditing and managing funds. Also included are purchasing, warehouse and distribution operations, and printing, publishing and duplicating operations.

CENTRAL SUPPORT SERVICES. Central Office activities other than general administration and business services. Included are personnel services, data processing services, strategic planning including research, development and evaluation on a system-wide basis; and public relations activities, such as writing, editing and other preparation necessary to disseminate information to students, staff and the general public.

**SCHOOL ADMINISTRATION (7%)**

Activities concerned with overall administrative responsibility for school operations. Included are activities of principals, assistant principals, full time department chairpersons and clerical staff.

**STUDENT TRANSPORTATION SERVICE (5%)**

Activities concerned with the conveyance of students to and from school and trips to school activities. These activities include supervision of student transportation, vehicle operation, servicing and maintenance, bus monitoring and traffic direction. Transportation insurance expenditures are charged to this function.

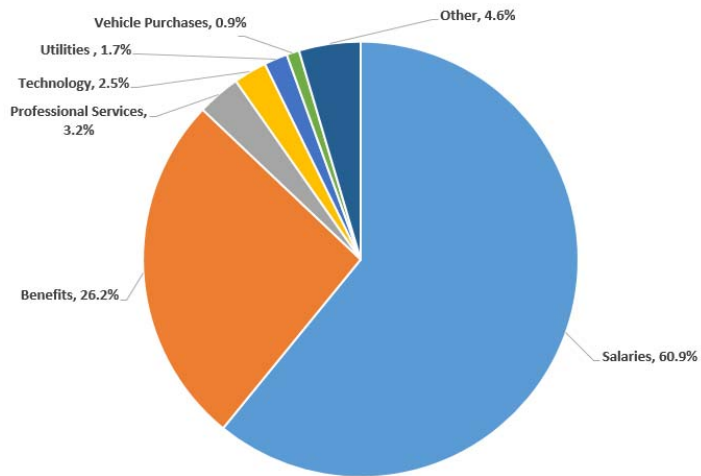
**MAINTENANCE AND OPERATION OF PLANT SERVICES (7%)**

Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. Property insurance expenditures are recorded in this function.

### General Fund by Object

Objects are used to describe the service or commodity obtained as the result of a specific expenditure. Simply put, Objects define “how” we spend our resources, including:

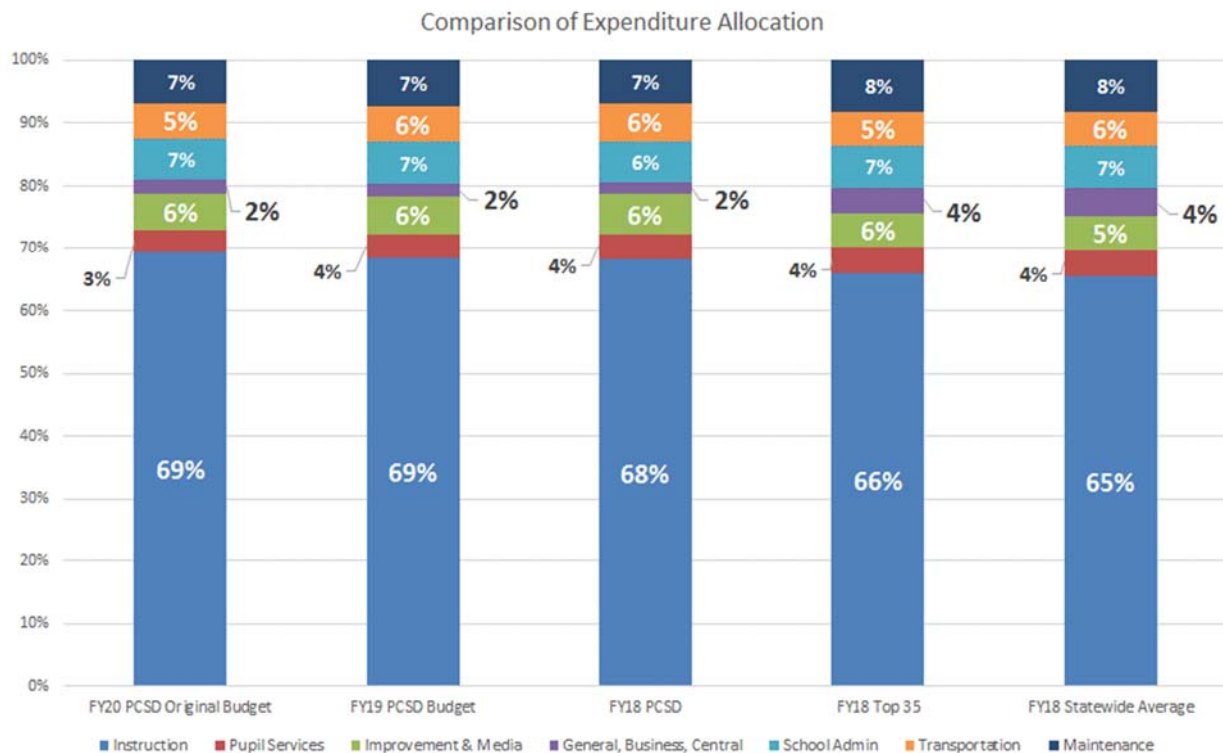
- Salaries
- Benefits
- Professional Services
- Technology-related
- Utilities
- Vehicle Purchases



See the Organization Section for more information on Functions and Objects.

### General Fund Proposed Budget Comparison by Function

Functions describe the activity for which a service or material is acquired. Simply put, Functions define “what we do.” The Proposed Budget anticipates 69% of the budget will be spend in the function of Instruction. This is in-line with prior years and exceeds comparable districts and the statewide average.



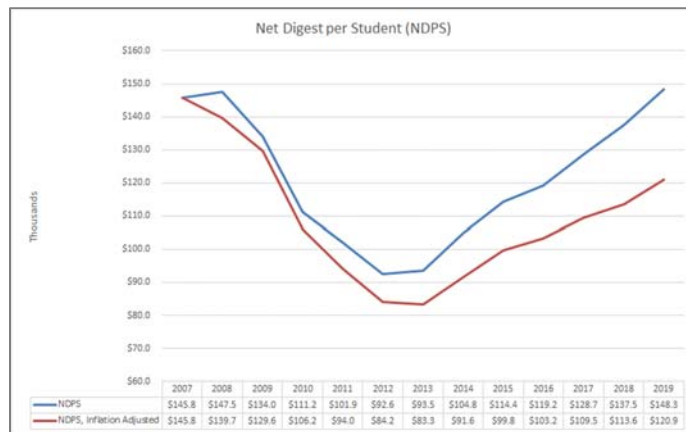
## Organization-wide Factors Influencing Decisions

### Demographic and Economic Factors

#### Economic Issues:

**Tax Digest.** The limited commercial and industrial tax base in Paulding County results in a lower net digest per student (“NDPS”), which reduces local funding. In tax year 2018, Paulding County’s NDPS was \$137.5 thousand, which was \$61,727 or 31% lower than the average for districts with over 10,000 students (large districts). With a projected enrollment of 30,139 K-12 students and compared to other large districts, this results in a tax digest deficit of \$1.9 billion or \$35 million in tax levy (with an 18.750 millage rate).

**Great Recession.** While Paulding County’s economy is recovering from the recession, the residual effect on the tax digest remains material. This is significant to note because approximately one-third of the District’s revenues comes from local sources.



For the Proposed Budget (tax year 2019), the inflation adjusted NDPS is projected to be \$120.9 thousand, which is \$24.9 thousand less or -17% than the pre-recession high of \$145.8 thousand.

#### Strategies to Address Economic Factors:

**Support Economic Development.** The District works with the Board of Commissioners, Economic Development, current and potential businesses to promote economic development. Examples include:

- CTAE Career Pathways designed for high-demand jobs
- Paulding College and Career Academy
- Representatives on committees with Paulding Chamber of Commerce Board of Directors, Economic Development and Chamber Workforce Development
- Various programs designed to support a strong local workforce, including reality fairs, career fairs, high-demand career day, work-based learning, internships, job shadow day and dual enrollment partnerships

**Communication and Engagement.** The District routinely engages the community and relevant stakeholders to foster an understanding of the impact of limited commercial and industrial development on the school system. Examples include presentations to the Paulding County Chamber of Commerce, Economic Development and various stakeholder events.

### Overview:

With limited commercial and industrial activity, the county's tax base is abnormally dependent on residential properties. In tax year 2018, only 20% of the tax digest was non-residential, compared to a large district average of 42%. The average for comparable districts (8), including Cobb, Cherokee, Richmond, Hall, Douglas, Coweta, Carroll and Bartow County was 40%.

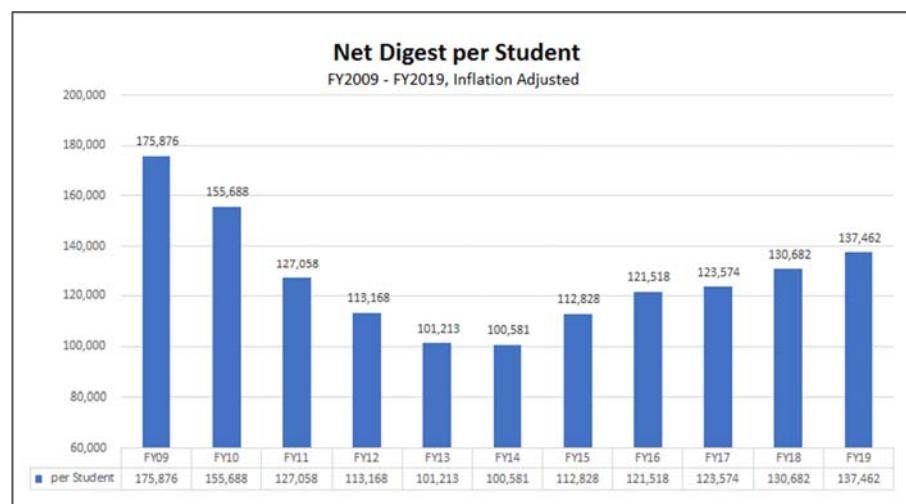
In tax year 2018, Paulding County's NDPS was \$137.5 thousand, which was \$61,727 or 31% lower than the average for districts with over 10,000 students (large districts).

With a projected enrollment of 30,139 K-12 students and compared to other large districts, this results in a tax digest deficit of \$1.9 billion or \$35 million in tax levy (with an 18.750 millage rate).

With its proximity to Atlanta, Paulding County blends attributes of a metropolitan area with a suburban-to-rural lifestyle. The county has a relatively low unemployment rate of 4.2%. However, 72% of working residents are employed outside of the county, commuting roughly 30 miles to metro Atlanta or another regional employment center.

Between fiscal years 2009 and 2014, the net digest decreased by 36% or \$1.5 billion. FY2019 net digest per student (NDPS) remains 22% or \$38,413 lower than FY2009, inflation adjusted.

Rank	Digest		
	Enrollment	% Non-Residential	Net Digest per Student
1	Cobb 110,878	Hall 53%	Cobb \$242,774
2	Cherokee 41,831	Richmond 52%	Coweta \$210,900
3	Avg Comp 36,135	Bartow 51%	Cherokee \$202,686
4	Avg >10k 33,334	Douglas 49%	Avg Comp \$200,373
5	Hall 30,756	Avg >10k 42%	Avg >10k \$199,189
6	<b>Paulding 29,710</b>	Carroll 40%	Bartow \$185,925
7	Richmond 29,662	Avg Comp 40%	Hall \$162,549
8	Douglas 26,331	Cobb 35%	Douglas \$156,241
9	Coweta 22,160	Cherokee 35%	Richmond \$152,155
10	Carroll 14,490	Coweta 35%	<b>Paulding \$137,462</b>
11	Bartow 12,973	<b>Paulding 20%</b>	Carroll \$125,263





**Economic and Employment Highlights:**

- Unemployment rate of 4.1%.<sup>2</sup>
- 72% of residents are employed outside the county.<sup>3</sup>
- PCSD is the largest employer in Paulding.<sup>4</sup>
- Only 3% of Paulding land is used for commercial or industrial purposes.<sup>5</sup>
- Paulding's top ten industries are typical for a bedroom community.<sup>6</sup>

**Key Economic Statistics<sup>7</sup>**

Top 10 Employers <sup>A</sup>	Count	%	Top 10 Industries (by Employment) <sup>B</sup>	%	Top 10 Tax Payers <sup>A</sup>	%
1) PCSD	3,405	4%	1) Government (Education)	22%	1) Greystone	0.86%
2) Wellstar	1,600	2%	2) Retail	19%	2) Georgia Transmission	0.56%
3) Paulding County	899	1%	3) Accommodations & Food Services	14%	3) IA Hiram Smith	0.34%
4) Walmart	750	1%	4) Healthcare & Social Services	13%	4) Norfolk Southern	0.30%
5) Kroger	265	0%	5) Construction	9%	5) Georgia Power	0.29%
6) Publix	245	0%	6) Admin, Supp & Waste Services	5%	6) City of Atlanta	0.26%
7) Metromont	241	0%	7) Manufacturing (all)	4%	7) American Homes 4 Rent	0.24%
8) Learning Bridge	180	0%	8) Other Services	3%	8) Ocean Harris Bridge	0.23%
9) Target	160	0%	9) Professional Services	2%	9) Walmart	0.22%
10) Home Depot	155	0%	10) Wholesale Trade	2%	10) BellSouth Communications	0.21%
<b>Total</b>	<b>7,900</b>	<b>10%</b>		<b>94%</b>	<b>Total</b>	<b>3.51%</b>
Education	3,585	4%	<b>Unemployment Rate<sup>B</sup></b>	<b>%</b>	<b>Commercial/Industrial Land Use<sup>C</sup></b>	<b>%</b>
Healthcare	1,600	2%	Paulding County	4.1%	Paulding County	3%
Retail	1,575	2%	Douglas County	4.9%	Douglas County	14%
Government	899	1%	Bartow County	4.6%	Bartow County	8%
Manufacturing	241	0%	Carroll County	5.0%	Coweta County	6%
<b>Total</b>	<b>7,900</b>	<b>10%</b>	Cobb County	4.1%		
<b>County Where Employed<sup>C</sup></b>						
Paulding		27.8%				
Other		72.2%				

<sup>2</sup> Georgia Department of Labor Statistics, Area Labor Profile Updated Nov 2017 on 1/16/18

<sup>3</sup> US Census Bureau, County-to-County Commuting Flows: 2006-2010 on 1/16/18

<sup>4</sup> 2017 Paulding County, Georgia Comprehensive Annual Financial Report

<sup>5</sup> Georgia Department of Revenue, Consolidated Digests on 1/16/18

<sup>6</sup> Georgia Department of Labor Statistics, Area Labor Profile Updated Nov 2017 on 1/16/18

<sup>7</sup> 2017 Paulding County, Georgia Comprehensive Annual Financial Report (A)

Georgia Department of Labor Statistics, Area Labor Profile Updated Nov 2017 on 1/16/18 (B)

US Census Bureau, County-to-County Commuting Flows: 2006-2010 on 1/16/18 (C)

Georgia Department of Revenue, Consolidated Digests on 1/16/18 (D)

**Demographic Issue: Large number of school-age children per household.** Tax digest issues are exacerbated, by the high number of school-age children per household in Paulding County, as there is not a correlating increase in funding, because local funding is based on property tax values not the number of school-age children living in the home.

*Strategies to Address Demographic Factors:*

**Communication and Engagement.** The District routinely engages the community and relevant stakeholders to address how planning and zoning decisions impact the school system. Examples include the Paulding County Board of Commissioners, Planning & Zoning and other governmental stakeholders.


**Overview:**

In Paulding County, 20.2% of the population are school age (5-18), compared to a statewide average of 17.8%. As a result, the county has 2.95 persons per household, 8.9% higher than the statewide average of 2.71.

The difference between population and housing unit percentages is more pronounced in Paulding County than comparable school

districts. As a result, the county has a higher average persons-per-household and school-age percentage than any of the comparable districts below.

	Paulding County	State of Georgia	%
Population, July 1, 2017 Estimate	159,445	10,429,379	1.5%
Population, 2010 Census	142,324	9,687,653	1.5%
Change	17,121	741,726	
% Change	12.0%	7.7%	
Housing Units, July 1, 2017	56,445	4,282,106	1.3%
Building Permits, 2017	1,662	51,240	3.2%
Persons per Household (2013-2017)	2.95	2.71	8.9%
Population Age 5 - 18	20.2%	17.8%	2.4%



**Population and Housing Highlights:<sup>8</sup>**

- Paulding accounts for approximately 1.5% of the population of Georgia. The population has grown approximately 9.5% since the 2010 census.
- Paulding accounts for approximately 1.3% of all housing units in Georgia.
- Persons-per-household are around 9.6% higher than the statewide average.
- School-age children (5-18) account for 20.5% of the county population, compared to the statewide average of 18.0%.

<sup>8</sup> [www.census.gov/quickfacts/](http://www.census.gov/quickfacts/) on 1/16/18

### Housing Statistics<sup>9</sup>

	Population		Housing		Var	Persons	
		%	Units	%		per HH	Age 5-18
Paulding County	159,445	1.5%	56,445	1.3%	0.2%	2.95	20.2%
Bartow County	105,054	1.0%	41,045	1.0%	0.0%	2.74	18.1%
Douglas County	143,882	1.4%	52,695	1.2%	0.1%	2.87	19.8%
Carroll County	117,812	1.1%	45,356	1.1%	0.1%	2.71	17.8%
Coweta County	143,114	1.4%	546,223	12.8%	-11.4%	2.72	18.7%
Cobb County	755,754	7.2%	300,545	7.0%	0.2%	2.66	17.7%
Average Comp	209,960	2.0%	90,347	2.1%	-0.1%	2.62	17.0%

Comparable Districts: Savannah-Chatham County (10), Muscogee County (11), Richmond County (13) and Houston County (14)

### Enrollment Factors

**Enrollment Issue: Enrollment Growth.** In the 8 years preceding the collapse of the housing market, PCSD experienced tremendous growth, with enrollment increasing over 80% during fiscal years 2000 through 2007. District enrollment sharply declined with the bursting of the housing bubble. By FY2012, enrollment was declining compared to increases statewide or -.06% and .05%, respectively. However, by FY2019, enrollment growth has clearly returned to PCSD, with an increase of 1.8% compared to a statewide average decline of -0.1%.

#### *Strategies to Address Factors:*

**Proactive Planning.** The District utilizes several planning mechanisms to maintain a proactive (not reactive) approach to enrollment growth. Examples include Facility Advisory Committees, Enrollment/Districting Committee, Five-year Facility Plan and Five-year Technology Plan.

**Support Economic Development.** The District works with the Board of Commissioners, Economic Development, current and potential businesses to promote economic development (see above).

**Communication and Engagement.** The District routinely engages the community and relevant stakeholders to foster an understanding of the impact of enrollment growth, coupled with limited commercial and industrial development, on the school system (see above).

<sup>9</sup> [www.census.gov/quickfacts/](http://www.census.gov/quickfacts/) on 1/16/18

## Overview:

With a projected enrollment of 30,139 students, PCSD is poised to become the 12<sup>th</sup> largest school district in the State of Georgia (out of 180). As a quintessential bedroom community, with almost 80% of the tax digest held in residential properties, the collapse of the housing market had a devastating impact on the local housing-centric economy, stifling enrollment growth for several years.

In the 8 years preceding the collapse of the housing market, PCSD experienced tremendous growth, with enrollment increasing over 80% during fiscal years 2000 to 2007. District enrollment sharply declined with the bursting of the housing bubble. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.

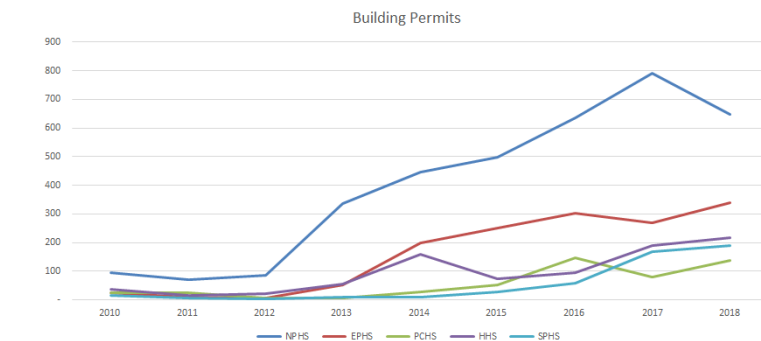
In 2010, Paulding County issued only 200 building permits. By 2018, over 1,500 were issued, with the majority of growth clustering around North and East Paulding High Schools.

In FY2020, PCSD is projected to serve 30,139 K-12 students, an increase of 429 or 1.4%. In addition, the District will serve approximately 250 special needs pre-school students.

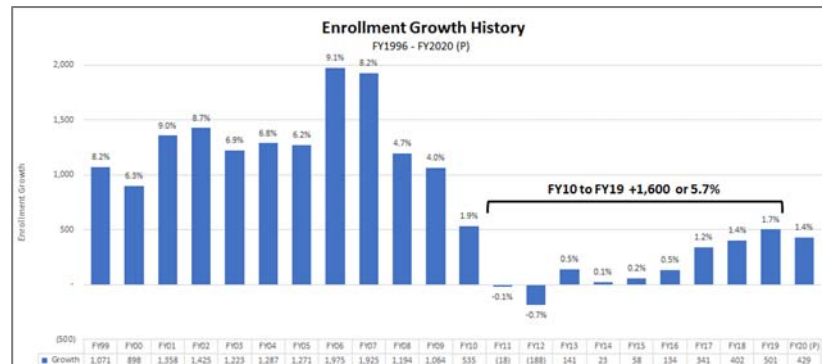
The current makeup of PCSD students is:

- 60% White
- 24% Black/African American
- 10% Hispanic
- 5% two or more races
- 1% Asian
- <1% American Indian/Alaska Native populations

	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth	%
NPHS	94	71	86	336	446	497	635	792	647	(145)	-18.3%
EPHS	26	10	7	53	199	251	304	268	340	72	26.9%
PCHS	25	25	6	7	28	53	146	81	137	56	69.1%
HHS	38	15	23	56	160	75	96	189	218	29	15.3%
SPHS	16	6	3	10	11	28	59	170	190	20	11.8%
Total	199	127	125	462	844	904	1,240	1,500	1,532	32	2.1%



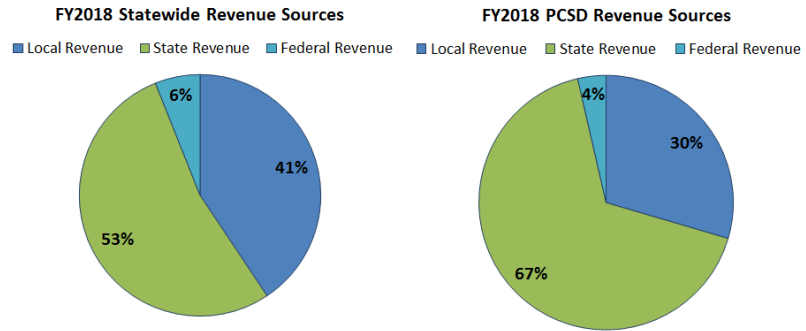
Source: Paulding County Economic Development on 2.12.2019



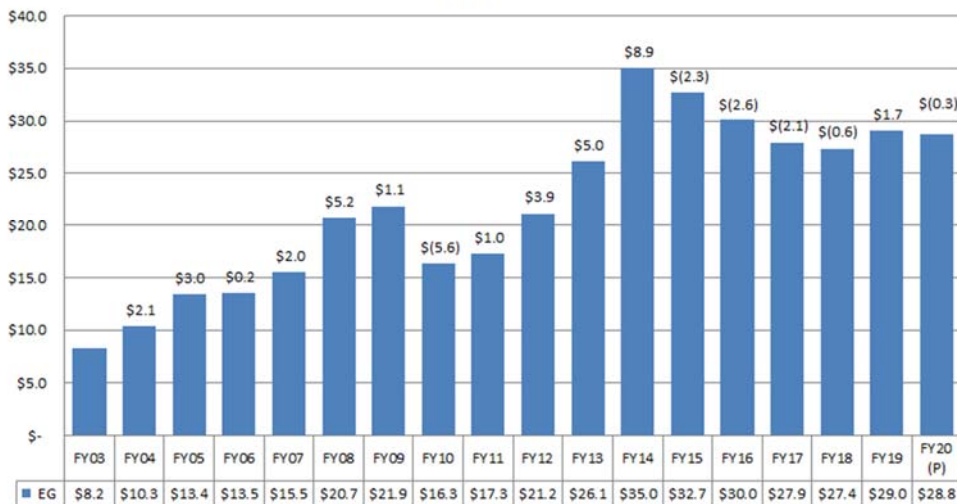
## Funding Factors

### Funding Issues:

**Low Wealth.** Despite favorable employment, income and free-and-reduced lunch statistics, PCSD is considered a low wealth school system due to a limited commercial and industrial tax base and the large number of school-age children per household. With approximately 67% of revenue coming from State sources (compared to a statewide average of 53%) the District is highly susceptible to changes in State funding, including austerity reductions, Equalization Grant funding and changes in the Quality Basic Education (QBE) methodology. PCSD will receive \$28.8 million in Equalization Grant funding in FY2020 (the third highest award statewide). Based on FY2018 comparative data, the most recent information available, PCSD continues to be heavily dependent on the Equalization Grant, which accounted for 10% of per-pupil revenue, compared to a statewide percentage of only 3%.



**Historical Equalization Grant**  
(millions)



**Millage Rate Changes.** Changes to the millage rate impact both local revenue and the Equalization Grant formula. Generally, reductions in the millage rate will result in the reduction of the grant award. Property Taxes (Ad Valorem) are expected to increase \$6.6 million or 8.7% in FY2020. This compares to FY2018 and FY2019 increases of 8.8% and 9.5%, respectively.

*Strategies to Address Factors:*

**Legislative Advocacy.** The District communicates various legislative priorities each school (funding) year. For FY2019, Priority 1 was funding, which included legislative actions and program specific observations.

Legislative Actions

- Approximately 68% of the Paulding County School District's revenue comes from State funding sources, compared to a statewide average of 53%. This means our District is extremely vulnerable to changes in State funding. Therefore, we request continued full funding of the QBE. Additionally, due to the complexities in State funding, the District would like to be engaged when changes in funding methodology are considered.
- As a low wealth school district, Paulding County School District is highly dependent on the State Equalization Grant. As the third largest recipient of equalization funds, this grant accounts for over 10% of our total annual revenue. Therefore, we support continuation of the Equalization Grant to support low wealth districts.
- As a District, our primary asset is our people. In fact, quality staff might be argued as the single greatest contributor to student achievement. Therefore, in order to attract high quality teachers and administrators, we request that measures be taken to protect and strengthen Georgia's Teacher Retirement System (TRS).
- Restore state funding for non-certified employees' health insurance and implement a statewide strategy for State Health Benefit Plan cost containment.
- Require all bills that have an impact on local school districts include a one-year delay in implementation and fiscal note detailing the budgetary impact.

Program-specific funding observations:

- Academic and Career Counseling and Opportunities
- School Based Instructional Technology Specialists, Infrastructure and Resources
- School Safety
- Student Physical, Mental and Behavioral Health
- Virtual Education
- Maintaining Highly Qualified Staff

**Support Economic Development.** The District works with the Board of Commissioners, Economic Development, current and potential businesses to promote economic development (see above).

**Communication and Engagement.** The District routinely engages the community and relevant stakeholders to foster an understanding of the impact of enrollment growth, coupled with limited commercial and industrial development, on the school system (see above).



## Overview:

As of 2017, median household incomes for Paulding County and Georgia were \$57,652 and \$52,977, respectively.<sup>10</sup> Often cited as an indicator for wealth, as of October 2018. 40.98% of Paulding County students are eligible for free and reduced meals, compared to a statewide average of 60.09%.<sup>11</sup> Driven by lower housing costs and its proximity to metro Atlanta, Paulding County is a growing community. Population rose from 142,324 residents in 2010 to 159,445 in 2017, an increase of 12.0% compared to only 7.7% statewide.

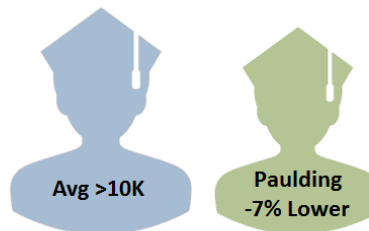
Regardless of these positive attributes, PCSD is considered a low wealth school system due to a limited commercial and industrial tax base and the number of school-age children per household. With approximately 67% of revenue coming from State sources (compared to a statewide average of 53%) the District is highly susceptible to changes in State funding, including austerity reductions, Equalization Grant funding and changes in Quality Basic Education (QBE) methodology. The Equalization Grant, which is designed to

support low wealth districts like PCSD, will provide \$28.8 million in funding during FY2020.

For FY2018, the most current data available, local sources were only 29.5% of PCSD revenue, compared to a statewide average of 40.6%. While local revenue has risen (from 24% in FY2014), PCSD continues to lag well behind the statewide average.

**Low Wealth.** Despite favorable employment, income and free-and-reduced lunch statistics, PCSD is considered low wealth due to a limited commercial and industrial tax base and the large number of school-age children per household.

- 13<sup>th</sup> Largest District as of FY2018
- 31<sup>st</sup> in Local Revenue per Student (128 vs 180)
  - ✓ Collect \$1,235 less than Average per Student or \$36 million
- 8<sup>th</sup> in State Revenue per Student (85 vs 180)
  - ✓ Collect \$775 more than Average per Student
- 29<sup>th</sup> in **Total Revenue** per Student (154 vs 180)
  - ✓ Collect \$710 or 7% less than Average per Student or \$21 million



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<sup>10</sup> [www.census.gov/quickfacts/](http://www.census.gov/quickfacts/) on 11/26/19

<sup>11</sup> Georgia Department of Education October 20198



## Operating Factors

**Issue: Rising Cost of Human Capital.** With around 85% of PCSD's budget focused on salaries and benefits, the rising cost of human capital is a major factor bearing on the District's future. These rising costs include, but are not limited to, the Teachers Retirement System (TRS) and State Health Benefit Plan, which have seen unprecedented increases over the past few years. As the demand for highly qualified teachers increases, the District must remain competitive in compensation and benefits.

### *Strategies to Address Factors:*

**Legislative Advocacy.** The District communicates legislative priorities each school (funding) year. FY2019 priorities included advocacy for the cost of human capital, including:

- As a District, our primary asset is our people. In fact, a quality staff is might be argued as the single greatest contributor to student achievement. Therefore, in order to attract high quality teachers and administrators, we request that measures be taken to protect and strengthen Georgia's Teacher Retirement System (TRS).
- Restore state funding for non-certified employees' health insurance and implement a statewide strategy for State Health Benefit Plan cost containment.
- Require all bills that have an impact on local school districts include a one-year delay in implementation and fiscal note detailing the budgetary impact.
- The Paulding County Board of Education supports addressing the long-term shortage of teachers in our classrooms by permitting retired educators to serve children full-time without losing their retirement benefit if they agree to pay a percentage of their salaries to TRS.

**Position Control:** PCSD maintains a robust position allotment and control process.

### **Overview:**

The Proposed Budget will begin with 3,549 General Fund budgeted positions, around 90% of all positions. Salaries, benefits and professional services account for almost 90% of the budget proposal, which is consistent with most school districts in Georgia. A continued priority for FY2020 is improving teacher retention and compensation, as teachers are the lifeblood of the district and have the most direct connection to student achievement. Creating a multi-year trend of increasing employee pay, the Proposed Budget includes a 5% raise for teachers and "step" increases, a tiered scale which is how the school system defines an employee's years of experience and compensates them accordingly. In addition, the Proposed Budget includes a 5% raise plus a step increase for all eligible non-teaching employees as well.

## Revenues and Expenditures for all Funds

Fund Category	Beginning Fund			Ending Fund	
	Balance	Revenue	Expenditures	Balance	
General	\$ 47,733,477	\$ 297,884,173	\$ 300,919,823	\$ 44,697,827	
Special Revenue	1,897,352	16,807,826	16,906,271	1,798,907	
School Nutrition	5,295,766	15,502,200	15,505,529	5,292,437	
Capital Projects	9,167,446	24,739,611	16,442,683	17,464,375	
Debt Service	132,520	8,237,650	8,217,650	152,520	
<b>Total</b>	<b>\$ 64,226,561</b>	<b>\$ 363,171,461</b>	<b>\$ 357,991,956</b>	<b>\$ 69,406,065</b>	

Category	Fund	Fund Name	Beginning Fund			Ending Fund	
			Balance	Revenue	Expenditures	Balance	
General	100	General Fund	\$ 46,569,351	\$ 297,884,173	\$ 300,919,823	\$ 43,533,701	
General	101	General Fund	1,164,126	-	-	1,164,126	
Debt Service	200	Debt Service Fund	132,520	20,000	-	152,520	
Debt Service	205	Debt Service Fund	-	-	-	-	
Debt Service	209	Debt Service Fund	-	-	-	-	
Debt Service	214	Debt Service Fund	-	8,217,650	8,217,650	-	
Capital Projects	300	Capital Projects Fund	6,277,216	4,095,650	3,340,000	7,032,866	
Capital Projects	311	Capital Projects Fund	-	-	-	-	
Capital Projects	312	Capital Projects Fund	2,890,230	20,643,961	13,102,683	10,431,509	
Capital Projects	333	Capital Projects Fund	-	-	-	-	
Capital Projects	340	Capital Projects Fund	-	-	-	-	
Special Revenue	402	Title I	-	4,698,012	4,698,012	-	
Special Revenue	404	Special Education	-	4,964,689	4,964,689	-	
Special Revenue	406	Vocational Education-Federal Funded	-	212,437	212,437	-	
Special Revenue	414	Title II	-	607,312	607,312	-	
Special Revenue	432	Education of Homeless Children	-	-	-	-	
Special Revenue	460	Title III	-	81,723	81,723	-	
Special Revenue	462	Title IV	-	266,092	266,092	-	
Special Revenue	482	Jr. ROTC	-	478,761	478,761	-	
Special Revenue	500	Principal's Account	1,686,591	5,068,799	4,816,025	1,939,365	
Special Revenue	536	Family Connection	-	50,000	50,000	-	
Special Revenue	581	PC School Foundation Rev	-	-	-	-	
Special Revenue	582	ESEP Partners in Ed	2,752	-	-	2,752	
Special Revenue	583	Transportation Partnr in Ed	683	-	-	683	
Special Revenue	584	Admin Hospitality	739	-	-	739	
Special Revenue	585	DWIC Hospitality	421	-	-	421	
Special Revenue	586	Hospitality - Maintenance	321	-	-	321	
Special Revenue	588	Local Donations	347	-	-	347	
Special Revenue	589	Dist Partners in Education Adm	245	-	-	245	
Special Revenue	590	Dist Honors Chorus	6,555	-	-	6,555	
Special Revenue	591	SPED Medicaid FeeForSrv Admin	21,588	180,000	356,220	(154,632)	
Special Revenue	592	SPED Medicaid ACE Admin	111,829	200,000	375,000	(63,171)	
Special Revenue	593	District Fine Arts	9,867	-	-	9,867	
Special Revenue	596	Misc Grants Admin	12,846	-	-	12,846	
Special Revenue	597	Central Regis Vending Admin	526	-	-	526	
Special Revenue	598	BOE RevTrak	4,010	-	-	4,010	
Special Revenue	599	Donations to Dist	38,032	-	-	38,032	
School Nutrition	600	School Nutrition	5,295,766	15,502,200	15,505,529	5,292,437	
<b>Total</b>			<b>\$ 64,226,561</b>	<b>\$ 363,171,461</b>	<b>\$ 357,991,956</b>	<b>\$ 69,406,065</b>	

Paulding County School District  
Fiscal Year Budget

**2020**

## Historical and Budget Forecast for all Funds

### Revenue by Fund

Category	Fund	Fund Name	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget
General	100	General Fund	\$ 236,253,074	\$ 247,618,414	\$ 262,728,823	\$ 278,578,489	\$ 297,884,173
General	101	General Fund	3,026	6,356	15,036	26,123	-
Debt Service	200	Debt Service Fund	29,977	26,087	27,420	17,570	20,000
Debt Service	205	Debt Service Fund	5,118	7,018	4,418	8,156	-
Debt Service	209	Debt Service Fund	4,286,100	4,269,100	4,253,600		
Debt Service	214	Debt Service Fund	3,941,200	3,928,850	3,939,200	8,222,700	8,217,650
Capital Projects	300	Capital Projects Fund	264,940	942,088	5,360,225	4,943,771	4,095,650
Capital Projects	311	Capital Projects Fund	15,097,552	5,989,333	-		
Capital Projects	312	Capital Projects Fund	3,869,429	20,172,173	16,644,202	22,971,385	20,643,961
Capital Projects	333	Capital Projects Fund	61				
Capital Projects	340	Capital Projects Fund	131,369				
Special Revenue	402	Title I	3,444,278	3,924,213	3,608,086	6,790,780	4,698,012
Special Revenue	404	Special Education	4,420,681	4,414,495	4,552,924	4,515,923	4,964,689
Special Revenue	406	Vocational Education-Federal Funded	193,828	200,758	189,043	212,179	212,437
Special Revenue	414	Title II	1,158,610	943,441	877,520	608,798	607,312
Special Revenue	432	Education of Homeless Children	33,159	52,471	30,743	19,573	
Special Revenue	460	Title III	56,377	66,997	57,629	85,429	81,723
Special Revenue	462	Title IV			113,616	228,756	266,092
Special Revenue	482	Jr. ROTC	396,627	399,304	428,821	450,288	478,761
Special Revenue	500	Principal's Account	4,332,687	4,302,961	4,241,097	4,314,095	5,068,799
Special Revenue	536	Family Connection	45,690	47,233	48,500	49,973	50,000
Special Revenue	581	PC School Foundation Rev	-		-		
Special Revenue	582	ESEP Partners in Ed	3,000	250	2,227	2,556	-
Special Revenue	583	Transportation Partnr in Ed	5,784	6,125	6,460	6,629	-
Special Revenue	584	Admin Hospitality	1,834	1,563	578	685	-
Special Revenue	585	DWIC Hospitality		421			
Special Revenue	586	Hospitality - Maintenance	147	126			-
Special Revenue	588	Local Donations	325	640	860	220	
Special Revenue	589	Dist Partners in Education Adm	2,661	6,761	9,838	6,333	-
Special Revenue	590	Dist Honors Chorus	3,610	3,360	4,970	15,555	
Special Revenue	591	SPED Medicaid FeeForSrv Admin	186,411	241,339	238,688	208,511	180,000
Special Revenue	592	SPED Medicaid ACE Admin	220,756	135,684	524,457	289,792	200,000
Special Revenue	593	District Fine Arts	2,524	5,910	13,629	9,393	-
Special Revenue	596	Misc Grants Admin	1,184,018	130,000	756,562	332,238	-
Special Revenue	597	Central Regis Vending Admin		105	176	245	-
Special Revenue	598	BOE RevTrak			28	3,982	-
Special Revenue	599	Donations to Dist	2,000	15,862	15,833	11,667	
School Nutrition	600	School Nutrition	14,032,213	14,104,663	13,747,229	15,423,275	15,502,200
<b>Total Revenue</b>			<b>\$ 293,609,065</b>	<b>\$ 311,964,102</b>	<b>\$ 322,442,437</b>	<b>\$ 348,355,069</b>	<b>\$ 363,171,461</b>



Paulding County School District  
Fiscal Year Budget

**2020**

**Expenditures by Fund**

Category	Fund	Fund Name	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget
General	100	General Fund	\$ 233,629,013	\$ 245,777,401	\$ 262,416,237	\$ 275,837,551	\$ 300,919,823
Debt Service	205	Debt Service Fund	5,118	5,718	5,718	8,156	-
Debt Service	209	Debt Service Fund	4,286,100	4,269,100	4,253,600		
Debt Service	214	Debt Service Fund	3,941,200	3,928,850	3,939,200	8,222,700	8,217,650
Capital Projects	300	Capital Projects Fund	253,600	129,106	1,237,672	3,811,361	3,340,000
Capital Projects	311	Capital Projects Fund	21,819,869	9,736,874	144,911	517	-
Capital Projects	312	Capital Projects Fund	5,723,894	17,352,081	15,793,869	18,091,163	13,102,683
Capital Projects	333	Capital Projects Fund	131,366				
Capital Projects	340	Capital Projects Fund	131,467				
Special Revenue	402	Title I	3,444,278	3,924,213	3,608,086	6,790,780	4,698,012
Special Revenue	404	Special Education	4,420,681	4,414,495	4,552,924	4,515,923	4,964,689
Special Revenue	406	Vocational Education-Federal Funded	193,828	200,758	189,043	212,179	212,437
Special Revenue	414	Title II	1,158,610	943,441	877,520	608,798	607,312
Special Revenue	432	Education of Homeless Children	33,159	52,471	30,743	19,573	-
Special Revenue	460	Title III	56,377	66,997	57,629	85,429	81,723
Special Revenue	462	Title IV			113,616	228,756	266,092
Special Revenue	482	Jr. ROTC	396,627	399,304	428,821	450,288	478,761
Special Revenue	500	Principal's Account	4,129,811	4,470,124	4,086,984	4,326,184	4,816,025
Special Revenue	536	Family Connection	45,690	47,233	48,500	49,973	50,000
Special Revenue	582	ESEP Partners in Ed	2,943	212	1,347	1,670	-
Special Revenue	583	Transportation Partnr in Ed	6,459	5,799	6,034	9,201	-
Special Revenue	584	Admin Hospitality	2,400	1,720	576		
Special Revenue	586	Hospitality - Maintenance	294				
Special Revenue	588	Local Donations	590	644	1,017	252	
Special Revenue	589	Dist Partners in Education Adm	2,650	1,931	15,079	10,035	-
Special Revenue	590	Dist Honors Chorus	3,364	2,301	2,691	12,990	-
Special Revenue	591	SPED Medicaid FeeForSrv Admin	71,621	324,177	451,581	201,709	356,220
Special Revenue	592	SPED Medicaid ACE Admin	362,163	443,066	97,709	608,579	375,000
Special Revenue	593	District Fine Arts	1,636	4,796	14,996	7,882	-
Special Revenue	596	Misc Grants Admin	1,184,018	127,399	754,637	323,917	-
Special Revenue	599	Donations to Dist	810	6,429	6,069	7,217	-
Special Revenue	801	Capital Assets Governmental	11,627,216	12,034,092	12,997,094	12,971,771	
Special Revenue	900	Long Term Debt Adm	(178,137)	(185,956)	(194,235)	(529,767)	
Special Revenue	901	Long Term Debt - Comp Abs Adm	5,873	32,441	54,264	28,255	
School Nutrition	600	School Nutrition	12,992,132	15,134,940	14,867,190	14,907,609	15,505,529
<b>Total Expenditures</b>			<b>\$ 309,886,719</b>	<b>\$ 323,652,157</b>	<b>\$ 330,861,119</b>	<b>\$ 351,820,652</b>	<b>\$ 357,991,956</b>

Paulding County School District  
Fiscal Year Budget

**2020**

**Fund Balance by Fund**

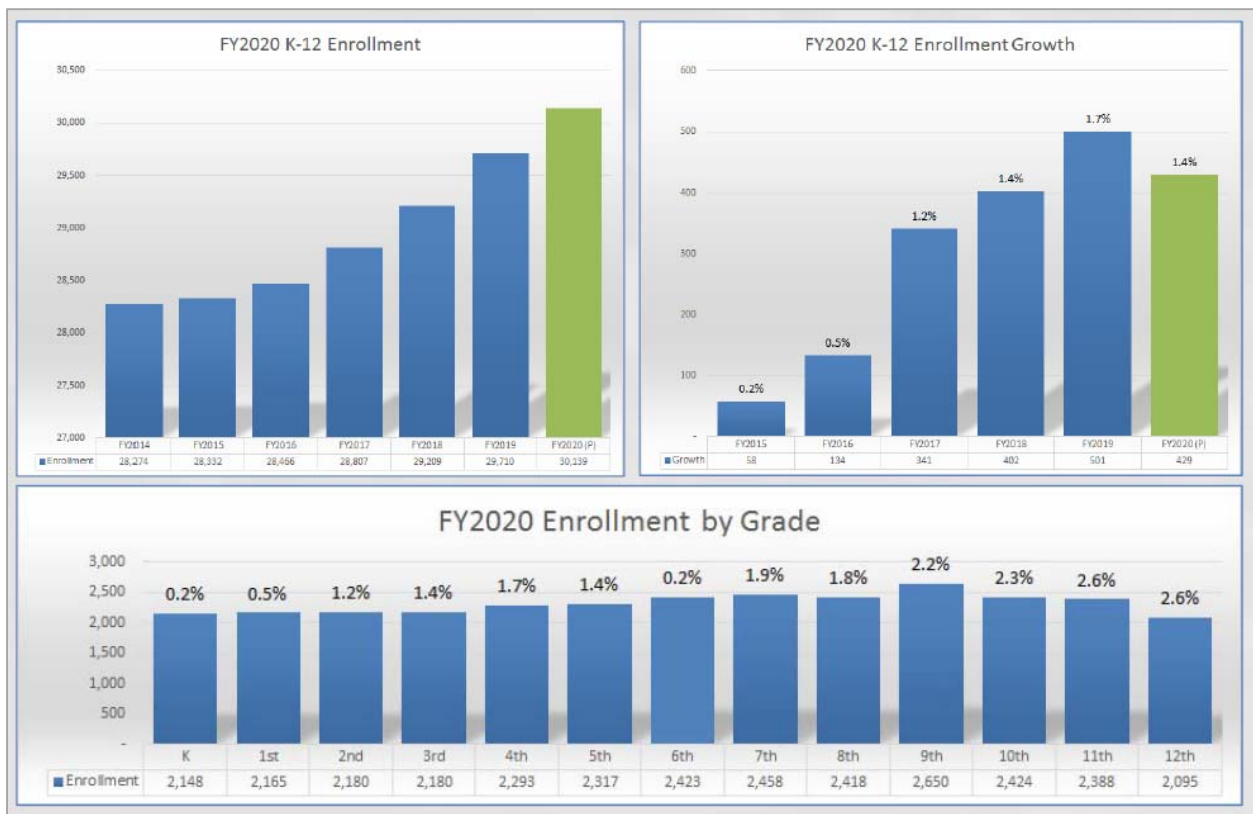
Category	Fund	Fund Name	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget
General	100	General Fund	41,674,814	43,515,827	43,828,413	46,569,351	43,533,701
General	101	General Fund	1,116,612	1,122,968	1,138,003	1,164,126	1,164,126
Debt Service	200	Debt Service Fund	61,443	87,530	114,950	132,520	152,520
Debt Service	205	Debt Service Fund	-	1,300	-	-	-
Capital Projects	300	Capital Projects Fund	209,270	1,022,252	5,144,805	6,277,216	7,032,866
Capital Projects	311	Capital Projects Fund	3,892,968	145,427	517	-	-
Capital Projects	312	Capital Projects Fund	(5,660,417)	(2,840,325)	(1,989,992)	2,890,230	10,431,509
Capital Projects	333	Capital Projects Fund	-	-	-	-	-
Capital Projects	340	Capital Projects Fund	-	-	-	-	-
Special Revenue	404	Special Education	-	-	-	-	-
Special Revenue	500	Principal's Account	1,711,729	1,544,566	1,698,680	1,686,591	1,939,365
Special Revenue	580	Athletic Fines Admin	706	706	706	706	706
Special Revenue	582	ESEP Partners in Ed	947	986	1,866	2,752	2,752
Special Revenue	583	Transportation Partnr in Ed	2,504	2,829	3,255	683	683
Special Revenue	584	Admin Hospitality	209	52	54	739	739
Special Revenue	585	DWIC Hospitality	-	421	421	421	421
Special Revenue	586	Hospitality - Maintenance	195	321	321	321	321
Special Revenue	587	Fund 911 Adm	17	17	17	17	17
Special Revenue	588	Local Donations	540	536	379	347	347
Special Revenue	589	Dist Partners in Education Adm	4,358	9,188	3,947	245	245
Special Revenue	590	Dist Honors Chorus	652	1,710	3,989	6,555	6,555
Special Revenue	591	SPED Medicaid FeeForSrv Admin	310,517	227,679	14,787	21,588	(154,632)
Special Revenue	592	SPED Medicaid ACE Admin	311,250	3,868	430,616	111,829	(63,171)
Special Revenue	593	District Fine Arts	8,610	9,723	8,357	9,867	9,867
Special Revenue	596	Misc Grants Admin	-	2,601	4,525	12,846	12,846
Special Revenue	597	Central Regis Vending Admin	-	105	281	526	526
Special Revenue	598	BOE RevTrak	-	-	28	4,010	4,010
Special Revenue	599	Donations to Dist	14,385	23,818	33,582	38,032	38,032
Special Revenue	801	Capital Assets Governmental	401,463,652	406,135,934	404,353,856	395,951,825	395,951,825
Special Revenue	900	Long Term Debt Adm	-	-	-	(0)	(0)
Special Revenue	901	Long Term Debt - Comp Abs Adm	(313,570)	(346,011)	(400,274)	(428,529)	(428,529)
Special Revenue	902	LTD Capital Lease Adm	(10,288)	(301,214)	(161,766)	(17,984)	(17,984)
Special Revenue	600	School Nutrition	6,887,728	5,896,506	4,816,867	5,295,766	5,292,437

## Executive Summary: Informational

### Student Enrollment Trends and Forecast

The District is projected to educate 30,139 students in the Proposed Budget year (school year 2019-2020), an increase of 429 students or 1.4%.

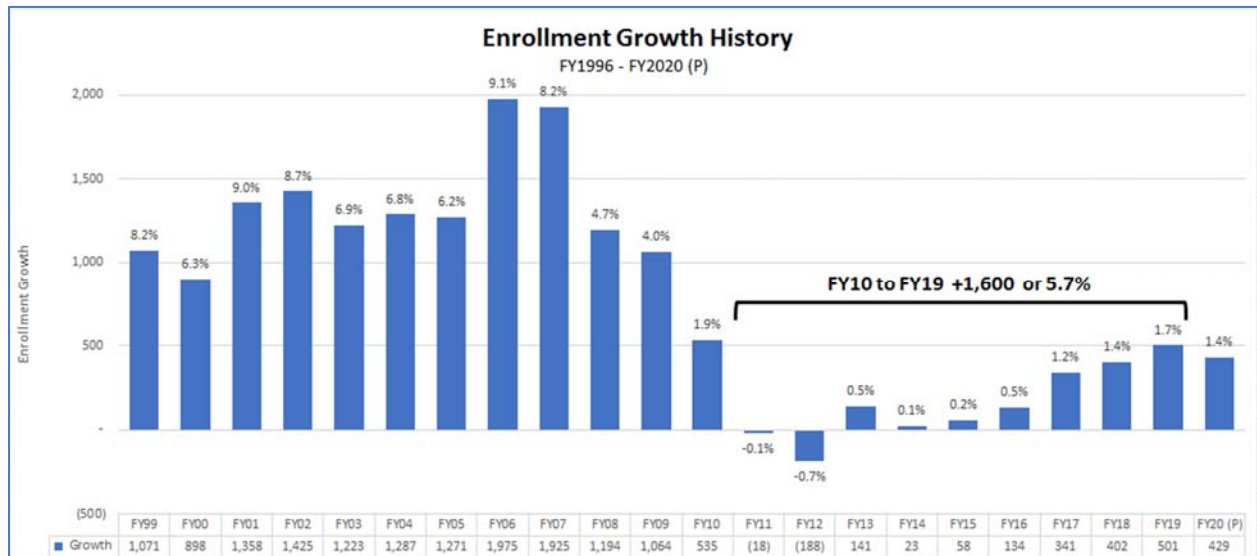
- Elementary School Growth: 13,283 Students an Increase of 168 or 1.3%
- Middle School Growth: 7,299 Students an Increase of 99 or 1.4%
- High School Growth: 9,557 Students an Increase of 162 or 1.7%





## Historical Enrollment Growth

In the 8 years preceding the collapse of the housing market, the district experienced tremendous enrollment growth, increasing over 80% from fiscal years 2000 to 2007. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.



## Student Enrollment for Eight Years

See the following *FY2020 Projection Summary Report*, which includes the following:

- Three years of enrollment history
- Current year enrollment
- Proposed Budget year enrollment projection
- Three years of enrollment forecasts



Paulding County School District  
Fiscal Year Budget

2020

FY2020 Projection Summary Report

Elementary Schools

					Current Year				FY2020 Projection			Three-Year Forecast		
	2015	2016	2017	2018	2018-2019				2019-2020			2021	2022	2023
					Rank	2019	Var	% Var	2020	Growth	% Var			
34 Abney Elementary	937	1033	998	1054	1	1,251	197	18.7%	1,370	119	9.5%	1,500	1,643	1,799
20 Allgood Elementary	856	856	840	888	4	879	(9)	-1.0%	908	29	3.3%	938	969	1,001
23 Baggett Elementary	695	640	628	632	11	632	-	0.0%	632	-	0.0%	632	632	632
31 Burnt Hickory Elementary	885	896	923	952	3	1,001	49	5.1%	1,032	31	3.1%	1,064	1,097	1,131
2 Dallas Elementary*	468	417	412	425	17	446	21	4.9%	448	2	0.4%	450	452	454
26 Dugan Elementary	703	721	704	715	7	674	(41)	-5.7%	625	(49)	-7.3%	580	537	498
3 Hiram Elementary	633	695	726	782	6	809	27	3.5%	836	27	3.3%	864	893	923
33 Hutchens Elementary	795	778	738	707	8	670	(37)	-5.2%	639	(31)	-4.6%	609	581	554
5 McGarity Elementary	539	553	566	573	12	567	(6)	-1.0%	616	49	8.6%	669	727	790
18 Nebo Elementary	765	716	702	673	10	633	(40)	-5.9%	634	1	0.2%	635	636	637
6 New GA Elementary*	343	333	311	306	19	305	(1)	-0.3%	317	12	3.9%	329	342	356
15 Northside Elementary	436	432	418	468	15	497	29	6.2%	546	49	9.9%	600	659	724
16 Panter Elementary	543	535	554	526	14	528	2	0.4%	525	(3)	-0.6%	522	519	516
25 Poole Elementary	400	419	403	419	18	436	17	4.1%	448	12	2.8%	460	473	486
32 Ragsdale Elementary	661	646	650	603	13	558	(45)	-7.5%	528	(30)	-5.4%	500	473	447
19 Roberts Elementary	625	655	665	711	9	659	(52)	-7.3%	613	(46)	-7.0%	570	530	493
24 Russom Elementary	801	814	840	887	5	876	(11)	-1.2%	837	(39)	-4.5%	800	764	730
14 Shelton Elementary	1064	1106	1221	1215	2	1,202	(13)	-1.1%	1,219	17	1.4%	1,236	1,254	1,271
8 Union Elementary*	481	468	448	464	16	492	28	6.0%	510	18	3.7%	529	548	568
All Total Elementary	12,630	12,713	12,747	13,000	19	13,115	115	0.9%	13,283	168	1.3%	13,487	13,730	14,012

Middle Schools

					2018-2019				2019-2020					
	2015	2016	2017	2018	Rank	2019	Var	% Var	2020	Growth	% Var	2021	2022	2023
27 Austin Middle	877	927	979	927	3	894	(33)	-3.6%	841	(53)	-5.9%	791	744	700
17 Dobbins Middle	793	735	707	673	7	643	(30)	-4.5%	624	(19)	-3.0%	606	588	570
9 East Paulding Middle	841	885	909	919	2	964	45	4.9%	966	2	0.2%	968	970	972
10 Herschel Jones Middle	737	723	726	714	4	778	64	9.0%	856	78	10.0%	942	1,036	1,140
22 Moses Middle	575	548	587	640	6	725	85	13.3%	797	72	9.9%	876	963	1,059
29 McClure Middle	1166	1185	1232	1317	1	1,368	51	3.9%	1,374	6	0.4%	1,380	1,386	1,392
36 Ritch Middle	654	605	637	599	8	624	25	4.2%	654	30	4.8%	685	718	753
35 Scoggins Middle	695	693	703	714	5	741	27	3.8%	722	(19)	-2.6%	703	685	668
11 South Paulding Middle	506	483	481	462	9	463	1	0.2%	465	2	0.4%	467	469	471
All Total Middle School	6,844	6,784	6,961	6,965	9	7,200	235	3.4%	7,299	99	1.4%	7,419	7,560	7,725

High Schools

Note: Includes AltEd

					2018-2019				2019-2020					
	2015	2016	2017	2018	Rank	2019	Var	% Var	2020	Growth	% Var	2021	2022	2023
12 East Paulding High	1666	1681	1646	1685	4	1,743	58	3.4%	1,837	94	5.4%	1,936	2,040	2,151
21 Hiram High	1636	1634	1676	1601	5	1,517	(84)	-5.2%	1,418	(99)	-6.5%	1,325	1,239	1,158
30 North Paulding High	2034	2109	2201	2295	1	2,434	139	6.1%	2,484	50	2.1%	2,535	2,587	2,640
13 Paulding County High	1748	1724	1738	1799	3	1,827	28	1.6%	1,899	72	3.9%	1,974	2,052	2,132
28 South Paulding High	1774	1821	1838	1864	2	1,874	10	0.5%	1,919	45	2.4%	1,965	2,012	2,061
All Total High School	8,858	8,969	9,099	9,244	5	9,395	151	1.6%	9,557	162	1.7%	9,735	9,930	10,142

Total Enrollment

					2018-2019				2019-2020					
	2015	2016	2017	2018	Rank	2019	Var	% Var	2020	Growth	% Var	2021	2022	2023
Total	28,332	28,466	28,807	29,209		29,710	501	1.7%	30,139	429	1.4%	30,642	31,221	31,879

Closed for School Choice - FY19

Closed for School Choice - FY18 and FY19

Closed for School Choice - FY18

\* Mobiles in Use for Instruction (Union ES 7, Dallas ES 3 and New GA ES 2)

## Tax Base and Millage Rate Trends

The budget assumes an 18.750 millage rate for the maintenance and operation (M&O) of the District, which is slightly below average among comparable school districts. Coupled with above average school-aged persons per household, this results in an extremely low levy and local revenue per student. The chart to the right shows comparative data for 2018, the most current data available.

### M&O Millage Rate History

The last material change to the M&O Millage Rate occurred in 2007, an increase of 2.500 mills.

Lowered Three Times in Last 20 Years:

- 2013 -0.030
- 2003 -0.881
- 2002 -1.610

Raised Twice in Last 20 Years:

- 2007 +2.500
- 2001 +2.500

Millage Rate Reduction Considerations:

- ✓ Perpetual Loss of Revenue
- ✓ Loss will Compound as Digest Grows
- ✓ Impact on Equalization Grant
- ✓ Low Wealth School District
- ✓ Net Digest per Pupil Not Back to Pre-Recession Levels (Inflation Adjusted)

	Millage Rate		Levy*	Revenue
	2018			
	Millage Rate (Actual)			
Rank	Option A: Fixed	%	Levy per Student	Local Revenue per Student
1	Muscogee 23.321	Muscogee 23.5%	Cobb \$4,588	Cobb \$4,597
2	Richmond 19.965	Richmond 5.8%	Coweta \$3,921	Coweta \$4,127
3	Douglas 19.700	Douglas 4.3%	Avg Comp \$3,914	Cherokee \$3,911
4	Avg Comp 19.534	Avg Comp 3.5%	Cherokee \$3,841	Muscogee \$3,748
5	Avg >10k 19.191	Avg >10k 1.7%	Avg >10k \$3,823	Avg >10k \$3,743
6	Cherokee 18.950	Cherokee 0.4%	Muscogee \$3,791	Bartow \$3,664
7	Cobb 18.900	Cobb 0.1%	Bartow \$3,505	Avg Comp \$3,619
8	Paulding 18.879		Douglas \$3,078	Richmond \$3,190
9	Bartow 18.850	Bartow -0.2%	Richmond \$3,038	Douglas \$3,097
10	Coweta 18.590	Coweta -1.5%	Paulding \$2,595	Paulding \$2,743
11	Carroll 17.998	Carroll -4.7%	Carroll \$2,254	Carroll \$2,615

### Bond Millage

In FY2012, the District eliminated the Bond millage rate of 2.963, with debt service now funded through E-SPLOST.

### 2019 Millage Rate Highlights:

- An M&O millage rate of 18.750 was utilized in the FY2020 Budget.
- Bond millage rate of 0.000 will be maintained in the FY2020 Budget, with bond principal and interest paid through E-SPLOST. A bond millage of approximately 1.840 would be required to meet FY2020 debt service.
- Net M&O Digest is projected to increase \$387m or 9.5% to \$4.5 billion.
- Changes in assessed property values (reassessment) will increase 2019 property taxes by an average 7.9%.

- Other changes to the digest will increase 2019 property taxes by 0.9%.
- Net Taxes or levy will increase 8.7%.

### Current Tax Digest and Five-Year History of Assessed Value and Taxes Levied

Below is a five-year history (2014-2018) and 2019 or FY2020, the Proposed Budget year, of assessed value of taxable property, tax rates, and taxes levied. In addition, the information below provides an analysis of the millage rate's effect on the average taxpayer for the same period.

<b>Paulding County Board of Education</b> <b>CURRENT 2019 TAX DIGEST AND FIVE YEAR HISTORY OF LEVY</b>						
The Paulding County Board of Education does hereby announce that the millage rate will be established at a meeting to be held at the Paulding County Board of Education Board Room on June 25, 2019 at 8:30 AM EST and pursuant to the requirements of O.C.G.A 48.5.32, do hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.						
County School	2014	2015	2016	2017	2018	2019
Real & Personal Ad Valorem	\$ 3,144,502,642	\$ 3,566,536,251	\$ 3,843,751,629	\$ 4,267,812,331	\$ 4,695,351,018	\$ 5,197,039,026
Motor Vehicle Ad Valorem	270,511,790	197,077,380	147,754,190	109,114,430	84,458,480	69,422,580
Mobile Home Ad Valorem	2,278,520	1,951,153	1,862,849	1,781,714	1,646,786	1,644,067
Timber Ad Valorem (100%)	962,133	292,950	324,868	1,068,015	501,435	208,158
Heavy Duty Equipment	57,125	58,443	153,533	942,267	133,553	49,891
<b>Gross Digest</b>	<b>3,418,312,210</b>	<b>3,765,916,177</b>	<b>3,993,847,069</b>	<b>4,380,718,757</b>	<b>4,782,091,272</b>	<b>5,268,363,722</b>
Less M&O Exemptions	(452,043,930)	(511,439,573)	(563,602,175)	(626,135,711)	(698,086,901)	(797,100,194)
<b>Net Digest</b>	<b>2,966,268,280</b>	<b>3,254,476,604</b>	<b>3,430,244,894</b>	<b>3,754,583,046</b>	<b>4,084,004,371</b>	<b>4,471,263,528</b>
Gross M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Less Millage Rate Rollbacks						
<b>Net M&amp;O Millage Rate</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.750%</b>
<b>Net Taxes Levied</b>	<b>\$ 56,000,179</b>	<b>\$ 61,441,264</b>	<b>\$ 64,759,593</b>	<b>\$ 70,882,773</b>	<b>\$ 77,101,919</b>	<b>\$ 83,836,191</b>
Net Taxes \$ Increase	\$ 6,160,962	\$ 5,441,085	\$ 3,318,330	\$ 6,123,180	\$ 6,219,145	\$ 6,734,273
Net Taxes % Increase	12.4%	9.7%	5.4%	9.5%	8.8%	8.7%
Note: M&O is Maintenance and Operations. In 2019, Forest Land Protection Act (FLPA) was removed from the Current 2019 Tax Digest and Five Year History of the Levy. 2019 Net Taxes Levied reflects 18.750, pending Paulding County Board of Education adoption of 2019 Millage Rate. Updated June 10, 2019 (TCv4).						
<b>Impact on Taxpayer</b>						
Homestead Exemption	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)
Market Value	\$ 150,000	\$ 164,574	\$ 173,463	\$ 189,864	\$ 206,522	\$ 224,561
40% Market Value, less Exemption	\$ 58,000	\$ 63,830	\$ 67,385	\$ 73,946	\$ 80,609	\$ 87,824
M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Ad Valorem Taxes	\$ 1,095	\$ 1,205	\$ 1,272	\$ 1,396	\$ 1,522	\$ 1,647
<b>Increase</b>	<b>\$ 76</b>	<b>\$ 110</b>	<b>\$ 67</b>	<b>\$ 124</b>	<b>\$ 126</b>	<b>\$ 125</b>
<b>% Increase</b>	<b>7.4%</b>	<b>10.1%</b>	<b>5.6%</b>	<b>9.7%</b>	<b>9.0%</b>	<b>8.2%</b>
<b>Tax Rates and Collections</b>						
M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Taxes Levied	\$ 56,000,179	\$ 61,441,264	\$ 64,759,593	\$ 70,882,773	\$ 77,101,919	\$ 83,836,191
Collections	\$ 54,976,574	\$ 59,978,589	\$ 64,551,710	\$ 70,766,355	\$ 77,067,557	\$ 84,028,718
<b>% Collections vs Levy</b>	<b>98.2%</b>	<b>97.6%</b>	<b>99.7%</b>	<b>99.8%</b>	<b>100.0%</b>	<b>100.2%</b>
Collections Less 2.5% Fee*	\$ 53,602,159	\$ 58,479,124	\$ 62,937,917	\$ 68,997,196	\$ 75,140,868	\$ 81,928,000
* Reflects the Collection Fee charged by the Tax Commissioner of Paulding County.						



## Proposed Budget Personnel Changes

The Proposed Budget contemplates the addition of 80 positions to support student-to-teacher ratios, school-based allotment assumptions, in addition to administrative, clerical and operational demands. Below is a list of allotment changes contained in the Proposed Budget.

	Allotment Change Form	Allotment Changes	Rationale
<b>FY19 Ending Allotments</b>		<b>3,473</b>	
<b>General Fund Positions</b>			
<b>Teaching and School Based</b>			
Teaching Allotment Changes	1	15	Various enrollment-driven teaching allotment changes designed to maintain class size ratios.
Teaching Allotment Changes	n/a	5	Contingency allotments to address potential mid-year growth.
School-based Assumption Changes	2	7	Various enrollment-driven teaching and administration changes designed to align programs to enrollment. Examples include changes to ES specials, gifted teachers, counselors, ESOL, etc.
<b>Student Services Department</b>			
ESEP Changes	3a	23	Various need-driven allotment changes designed to address ESEP students (school based positions).
ESEP Changes	3b	9	Various need-driven allotment changes designed to address ESEP students (central office based positions).
SLP	31	4	Current Speech Language Pathologist positions shifting from contract labor to staff.
DHH Teacher	32	1	DHH teacher position shifting from contract labor to staff.
<b>Leadership Changes</b>			
COO	26	1	Addition of a Chief Operations Officer.
<b>Curriculum Department</b>			
STEM Coordinator	36	1	Addition of a central office based STEM Coordinator to facilitate STEM-related initiatives at all school.
ELA/World Language Coordinator	37	1	Addition of a central office based ELA/World Language Coordinator.
STEM Teachers	44	3	Addition of ES STEM teachers, to support STEAM program at all elementary schools.
<b>Operations Department</b>			
Lead Safety Officer	33	1	Addition of a second Safety Officer.
Operations Secretary II	34	1	Addition of an Operations secretary to support the COO.
<b>Transportation Department</b>			
Additional Drivers for growth	11	4	Addition of BUS drivers to address additional routes required for student growth.
PCCA Drivers	46	2	Addition of BUS drivers to support the Paulding College and Career Academy.
<b>Human Resources Department</b>			
HR Clerk	25	1	Addition of clerical staff in HR.
<b>Business Services Department</b>			
Inventory Control, Special Revenue Accountant, Dir of Procurement	38	3	Addition of a Director of Procurement, converting current procurement position to Vendor Compliance. Addition of a Special Revenue Accountant to address increased grant and construction activity. Potential addition of an Inventory Control position to manage/oversee district inventory and capital assets.
<b>PCCA</b>			
PCCA Instructors	16,17,18,19	4	Teaching position for the Paulding College and Career Academy.
PCCA Receptionist/Clerical	15	1	Clerical position to support the Paulding College and Career Academy.
<b>Grant Positions</b>			
ESEP Allotment Changes	4	2	Various grant funded, need-driven allotment changes designed to address ESEP students (school based positions).
State PreK Para	27	(1)	Changes required by grant management and/or funding.
State PreK Para	28	(1)	Changes required by grant management and/or funding.
Title Changes	5	(7)	Changes required by grant management and/or funding. Will revisit once new award is received.
<b>FY20 Beginning Allotments</b>		<b>80</b>	

## Benchmark Data

### Per-Pupil Revenue

Below is per-pupil revenue data for the District, comparable districts and the statewide average, based on the most current data available (FY2018). District highlights include:

- Although the 13<sup>th</sup> largest district by enrollment, PCSD ranks 154 out of all 180 statewide districts in total per-pupil revenue
- PCSD ranks 128 in local per-pupil revenue

School District	FTE	Rank	FTE %	Local Revenue per FTE		State Revenue per FTE		Federal Revenue per FTE		Total Revenue per FTE	
				FTE	%	FTE	%	per FTE	%	FTE	Total %
Paulding County Allocation	29,492	13	1.7%	\$ 2,743	1.1%	\$ 6,208	2.0%	\$ 334	0.9%	\$ 9,284	1.6%
				29.5%		66.9%		3.6%		100.0%	
Hall County	28,376	15	1.7%	\$ 3,286	1.3%	\$ 5,229	1.6%	\$ 508	1.4%	\$ 9,024	1.5%
Douglas County	26,705	17	1.6%	\$ 3,097	1.2%	\$ 5,858	1.7%	\$ 539	1.4%	\$ 9,495	1.5%
Bartow County	13,265	27	0.8%	\$ 3,664	0.7%	\$ 5,542	0.8%	\$ 536	1.1%	\$ 9,742	0.7%
Carroll County	14,444	23	0.8%	\$ 2,616	0.5%	\$ 6,373	1.0%	\$ 644	1.5%	\$ 9,634	0.8%
Richmond County	29,688	12	1.7%	\$ 3,190	1.3%	\$ 5,214	1.7%	\$ 924	4.4%	\$ 9,328	1.6%
Houston County	28,658	14	1.7%	\$ 2,841	1.2%	\$ 6,213	1.9%	\$ 515	2.4%	\$ 9,568	1.6%
Muscogee County	31,055	11	1.8%	\$ 3,748	1.6%	\$ 5,135	1.7%	\$ 794	4.0%	\$ 9,677	1.7%
Average	24,599	-	1.4%	\$ 3,206	1.1%	\$ 5,652	1.5%	\$ 637	2.5%	\$ 9,495	1.3%
Variance to PCSD				\$ 463		\$ (556)		\$ 304		\$ 211	
% Variance to PCSD				16.9%		-9.0%		91.1%		2.3%	
<b>State Totals</b>	<b>1,717,384</b>	<b>-</b>	<b>100.0%</b>	<b>\$ 4,112</b>	<b>\$ 5,397</b>	<b>\$ 610</b>	<b>\$ 10,119</b>				
Allocation				40.6%	53.3%	6.0%	100.0%				
Variance to PCSD				\$ 1,369	\$ (811)	\$ 276	\$ 835				
% Variance to PCSD				49.9%	-13.1%	82.9%	9.0%				

### Per-Pupil Expenditures

Below is per-pupil expenditure data for the District, comparable districts and the statewide average, based on the most current data available (FY2018). District highlights include:

- Although the 13<sup>th</sup> largest district by enrollment, PCSD ranks 142 out of all 180 statewide districts in per-pupil expenditures
- Ranks 105 in per-pupil expenditures for Instruction, reflecting a commitment to spending available resources in the function of Instruction

School District	FTE	Instruction per FTE		Pupil Services per FTE		Improvement & Media per FTE		General, Business, Central per FTE		School Admin per FTE		Transportation per FTE		Maintenance per FTE		Total per FTE
		FTE	%	FTE	%	FTE	%	FTE	%	FTE	%	FTE	%	FTE	%	
Paulding County	29,492	\$ 6,204	68.2%	\$ 363	4.0%	\$ 584	6.4%	\$ 175	1.9%	\$ 582	6.4%	\$ 564	6.2%	\$ 619	6.8%	\$ 9,092
Hall County	28,376	\$ 6,006	67.7%	\$ 406	4.6%	\$ 506	5.7%	\$ 315	3.6%	\$ 544	6.1%	\$ 539	6.1%	\$ 553	6.2%	\$ 8,871
Douglas County	26,705	\$ 6,247	68.0%	\$ 332	3.6%	\$ 465	5.1%	\$ 349	3.8%	\$ 680	7.4%	\$ 485	5.3%	\$ 623	6.8%	\$ 9,181
Bartow County	13,265	\$ 6,264	69.0%	\$ 311	3.4%	\$ 314	3.5%	\$ 304	3.3%	\$ 631	7.0%	\$ 523	5.8%	\$ 726	8.0%	\$ 9,072
Carroll County	14,444	\$ 6,299	67.9%	\$ 322	3.5%	\$ 393	4.2%	\$ 224	2.4%	\$ 708	7.6%	\$ 575	6.2%	\$ 761	8.2%	\$ 9,283
Richmond County	29,688	\$ 5,978	63.1%	\$ 392	4.1%	\$ 528	5.6%	\$ 369	3.9%	\$ 798	8.4%	\$ 471	5.0%	\$ 932	9.8%	\$ 9,467
Houston County	28,658	\$ 6,263	66.5%	\$ 486	5.2%	\$ 446	4.7%	\$ 324	3.4%	\$ 677	7.2%	\$ 455	4.8%	\$ 768	8.2%	\$ 9,419
Muscogee County	31,055	\$ 6,088	64.0%	\$ 367	3.9%	\$ 563	5.9%	\$ 509	5.4%	\$ 637	6.7%	\$ 479	5.0%	\$ 865	9.1%	\$ 9,507
Average	24,599	\$ 6,164	66.6%	\$ 374	4.0%	\$ 459	5.0%	\$ 342	3.7%	\$ 668	7.2%	\$ 504	5.4%	\$ 747	8.1%	\$ 9,257
Variance to PCSD		\$ (40)	-1.7%	\$ 10	0.0%	\$ (125)	-1.5%	\$ 167	1.8%	\$ 86	0.8%	\$ (60)	-0.8%	\$ 128	1.3%	\$ 165
% Variance to PCSD		-0.7%		2.8%		-21.4%		95.0%		14.8%		-10.6%		20.6%		1.8%
<b>State Totals</b>	<b>1,717,384</b>	<b>\$ 6,447</b>	<b>\$ 423</b>	<b>\$ 536</b>	<b>\$ 436</b>	<b>\$ 670</b>	<b>\$ 543</b>	<b>\$ 800</b>	<b>\$ 9,856</b>							
Allocation		65.4%	4.3%	5.4%	4.4%	6.8%	5.5%	8.1%	100.0%							
Variance to PCSD		\$ 243	\$ 60	\$ (48)	\$ 260	\$ 88	\$ (20)	\$ 181	\$ 764							
% Variance to PCSD		3.9%	16.5%	-8.2%	148.5%	15.1%	-3.6%	29.2%	8.4%							

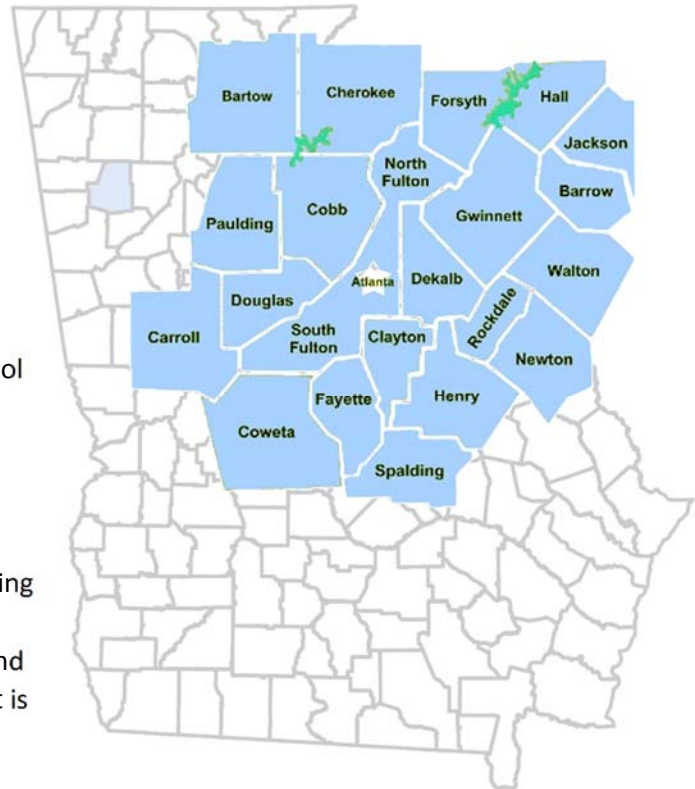
## Organizational Section

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### About Paulding County School District

Paulding County School District (“PCSD” or “District”) was established under the laws of the State of Georgia and operates under the guidance of a Board of Education (“BOE” or “Board”) elected by the voters and a Superintendent appointed by the Board. The school district is organized as a separate legal entity and has the power to request the levy of taxes and issue bonds. Its budget is not subject to approval by any other entity. Accordingly, the school district is a primary government and consists of all the organizations that compose its legal entity.

The District provides public education for Pre-K (Special Education) and Kindergarten through 12<sup>th</sup> grade students in Paulding County, Georgia. Paulding County is located in the northwestern part of the State of Georgia. It is a suburban Atlanta county and a part of the metropolitan Atlanta. The county seat is Dallas.



## Fast Facts, Enrollment, and Campuses

### Paulding County School District *Fast Facts!*



#### Number of Schools

19	Elementary Schools, grades K-5 (ESEP pre-k available in some schools)
9	Middle Schools, grades 6-8
5	High Schools, grades 9-12 (including the Paulding College & Career Academy)
33	Schools plus the New Hope Education Center

#### Enrollment<sup>1</sup>

29,710

#### Free/Reduced Meals<sup>2</sup>

41.0% Eligible

#### Employees<sup>3</sup>

3,471

#### Racial Diversity<sup>2</sup>

White	Black	Ethnic Hispanic	Multi-ethnic	Other
59%	25%	10%	5%	1%

#### Financial Efficiency Rating<sup>4</sup>

4.0	4.0	4.0
FY2016	FY2017	FY2018

#### Financial<sup>1</sup>

General Fund Budget (millions)	GF per Pupil	M&O Millage	Bond Millage
\$278.4	\$9,369	18.879	0.000

#### CCRPI Score<sup>4</sup>

76.1	77.5	75.4
FY2016	FY2017	FY2018

<sup>1</sup> FY2019 December Working Budget and October 2018 FTE Count

<sup>2</sup> FY2019 (October 2018), GaDOE

<sup>3</sup> FY2019 (February 2019) GaDOE

<sup>4</sup> FY2018 GOSA Financial Efficiency Star Rating



### Schools and Enrollment Projections

#### Elementary Schools

		2018-2019				2019-2020			
		Rank	2019	Var	% Var	2020	Growth	% Var	Usage
34 Abney Elementary	NE	1	1,251	197	18.7%	1,370	119	9.5%	114%
20 Allgood Elementary	SW	4	879	(9)	-1.0%	908	29	3.3%	98%
23 Baggett Elementary	SE	11	632	-	0.0%	632	-	0.0%	84%
31 Burnt Hickory Elementary	NE	3	1,001	49	5.1%	1,032	31	3.1%	112%
2 Dallas Elementary	NW	17	446	21	4.9%	448	2	0.4%	85%
26 Dugan Elementary	SE	7	674	(41)	-5.7%	625	(49)	-7.3%	71%
3 Hiram Elementary	SE	6	809	27	3.5%	836	27	3.3%	96%
33 Hutchens Elementary	SE	8	670	(37)	-5.2%	639	(31)	-4.6%	69%
5 McGarity Elementary	NE	12	567	(6)	-1.0%	616	49	8.6%	99%
18 Nebo Elementary	SE	10	633	(40)	-5.9%	634	1	0.2%	69%
6 New GA Elementary	SW	19	305	(1)	-0.3%	317	12	3.9%	70%
15 Northside Elementary	NW	15	497	29	6.2%	546	49	9.9%	78%
16 Panter Elementary	SE	14	528	2	0.4%	525	(3)	-0.6%	78%
25 Poole Elementary	NW	18	436	17	4.1%	448	12	2.8%	60%
32 Ragsdale Elementary	SW	13	558	(45)	-7.5%	528	(30)	-5.4%	57%
19 Roberts Elementary	NE	9	659	(52)	-7.3%	613	(46)	-7.0%	91%
24 Russom Elementary	NE	5	876	(11)	-1.2%	837	(39)	-4.5%	96%
14 Shelton Elementary	NE	2	1,202	(13)	-1.1%	1,219	17	1.4%	102%
8 Union Elementary	SW	16	492	28	6.0%	510	18	3.7%	113%
<b>All Total Elementary</b>		<b>19</b>	<b>13,115</b>	<b>115</b>	<b>0.9%</b>	<b>13,283</b>	<b>168</b>	<b>1.3%</b>	<b>87%</b>

#### Middle Schools

		2018-2019				2019-2020			
		Rank	2019	Var	% Var	2020	Growth	% Var	Usage
27 Austin Middle	SE	3	894	(33)	-3.6%	841	(53)	-5.9%	96%
17 Dobbins Middle	SE	7	643	(30)	-4.5%	624	(19)	-3.0%	92%
9 East Paulding Middle	NE	2	964	45	4.9%	966	2	0.2%	99%
10 Herschel Jones Middle	NW	4	778	64	9.0%	856	78	10.0%	98%
22 Moses Middle	NE	6	725	85	13.3%	797	72	9.9%	118%
29 McClure Middle	NE	1	1,368	51	3.9%	1,374	6	0.4%	122%
36 Ritch Middle	NE	8	624	25	4.2%	654	30	4.8%	73%
35 Scoggins Middle	SW	5	741	27	3.8%	722	(19)	-2.6%	80%
11 South Paulding Middle	SE	9	463	1	0.2%	465	2	0.4%	78%
<b>All Total Middle School</b>		<b>9</b>	<b>7,200</b>	<b>235</b>	<b>3.4%</b>	<b>7,299</b>	<b>99</b>	<b>1.4%</b>	<b>96%</b>

#### High Schools

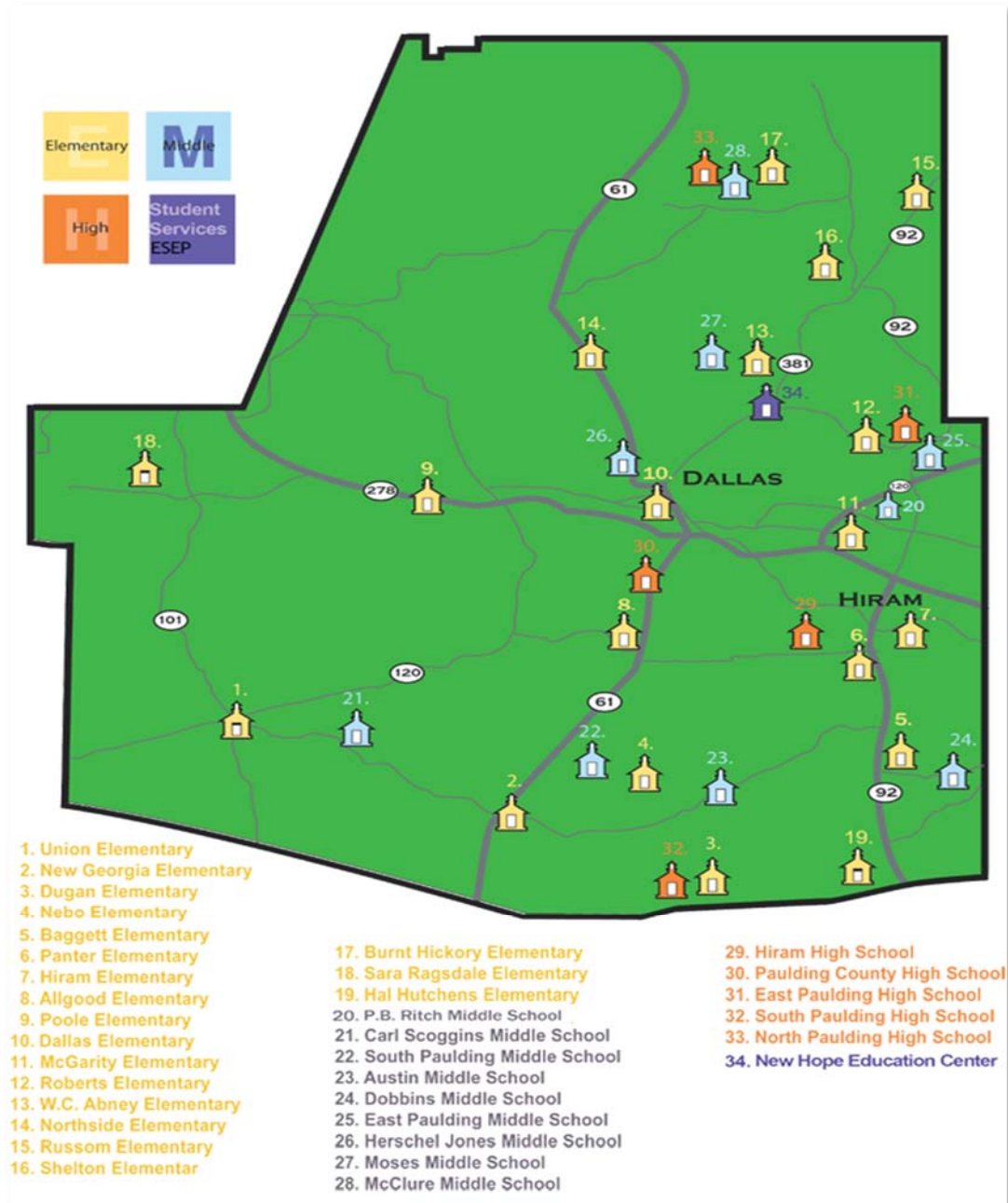
Note: Includes AltEd

		2018-2019				2019-2020			
		Rank	2019	Var	% Var	2020	Growth	% Var	Usage
12 East Paulding High	NE	4	1,743	58	3.4%	1,837	94	5.4%	97%
21 Hiram High	SE	5	1,517	(84)	-5.2%	1,418	(99)	-6.5%	79%
30 North Paulding High	NE	1	2,434	139	6.1%	2,484	50	2.1%	118%
13 Paulding County High	SE	3	1,827	28	1.6%	1,899	72	3.9%	107%
28 South Paulding High	SE	2	1,874	10	0.5%	1,919	45	2.4%	104%
<b>All Total High School</b>		<b>5</b>	<b>9,395</b>	<b>151</b>	<b>1.6%</b>	<b>9,557</b>	<b>162</b>	<b>1.7%</b>	<b>101%</b>

#### Total Enrollment

		2018-2019				2019-2020		
		Rank	2019	Var	% Var	2020	Growth	% Var
<b>Total</b>			<b>29,710</b>	<b>501</b>	<b>1.7%</b>	<b>30,139</b>	<b>429</b>	<b>1.4%</b>

### School Locations



## Governance Structure

### Paulding County Board of Education

The District is governed by an elected seven-member Board which selects the Superintendent of Schools. The seven-member Board, elected for four-year terms, includes six post positions and an at-large position. Elected annually by the Board, the Chair and Vice Chair facilitate Board business and meetings. The primary duties of the Board include selecting a Superintendent, enacting Board policies and approving the annual budget. The Superintendent and District Staff enforce the District's strategic mission and board policies to ensure that each student has an equal opportunity for a quality education.



### Board of Education

From left to right: Dr. Brian Otott (Superintendent), Nicholas Chester (District 2), Theresa Lyons (District 1), John Dean (District 5), Glen Albright (District 4), Kim Cobb (District 3), Jeff Fuller (At-Large), Jason Anavitarte (District 6)



## District Leadership and Organizational Chart

### Organizational Structure

The District is organized by six Divisions and eleven Departments.

### Superintendent



Dr. Brian Otott is the Superintendent of the District . Dr. Otott has served his entire educational career here in Paulding County.

Prior to being named Superintendent, Dr. Otott was serving as the school district's Associate Superintendent, overseeing the day-to-day operational departments, including transportation, school nutrition, central registration, and elementary through high school operations. He has also served as the Executive Director of Elementary Schools and Assistant Superintendent.

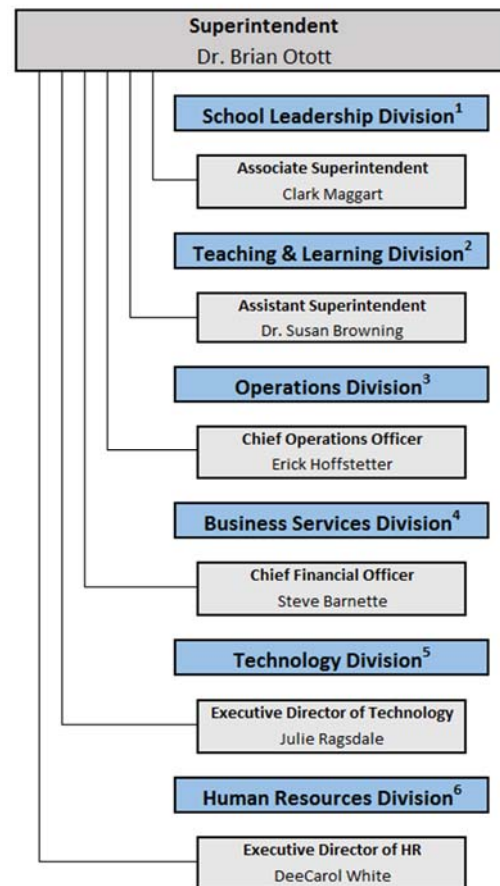
Before his work at the central office, Dr. Otott worked in a variety of roles at the Paulding County School District, including classroom teaching to principalships of three of the district's schools. He was the inaugural principal of three new Paulding County schools where he successfully navigated the logistical challenges of housing students on multiple campuses while facilities were being completed.

Dr. Otott is active in the Paulding County community. He has served a variety of organizations on their Board of Directors, including the Chamber of Commerce.

Dr. Otott is a graduate of the University of West Georgia. He is married with two children.

The Superintendent has the following Divisional direct reports:

7. Clark Maggart, Associate Superintendent
8. Dr. Susan Browning, Assistant Superintendent
9. Erick Hoffstetter, Chief Operations Officer
10. Steve Barnette, Chief Financial Officer
11. Julie Ragsdale, Executive Director of Technology
12. DeeCarol White, Executive Director of HR



## Associate Superintendent



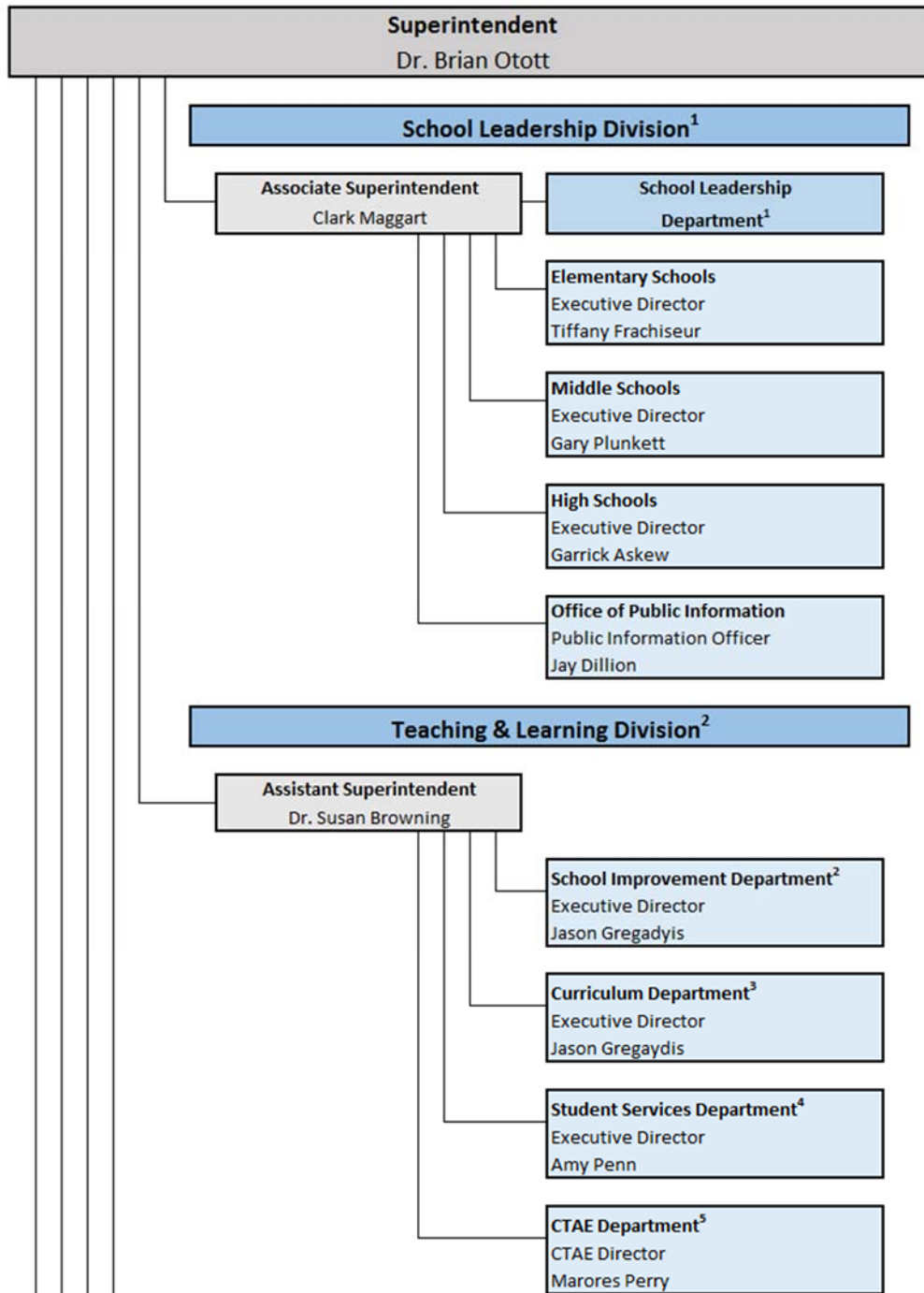
Mr. Clark Maggart has worked in education 34 years, including 13 years with Paulding County School District. He has served as a teacher, assistant Principal, Associate Principal, Principal, Director of Policy and Planning, Executive Director of Middle Schools and Chief Human Resources Officer. Mr. Maggart graduated from Carson Newman College and University of West Georgia with a Bachelor of Arts degree in History and Education, Master of Education in Secondary Education and a Specialist in Education degree in Leadership.

## Chief Financial Officer



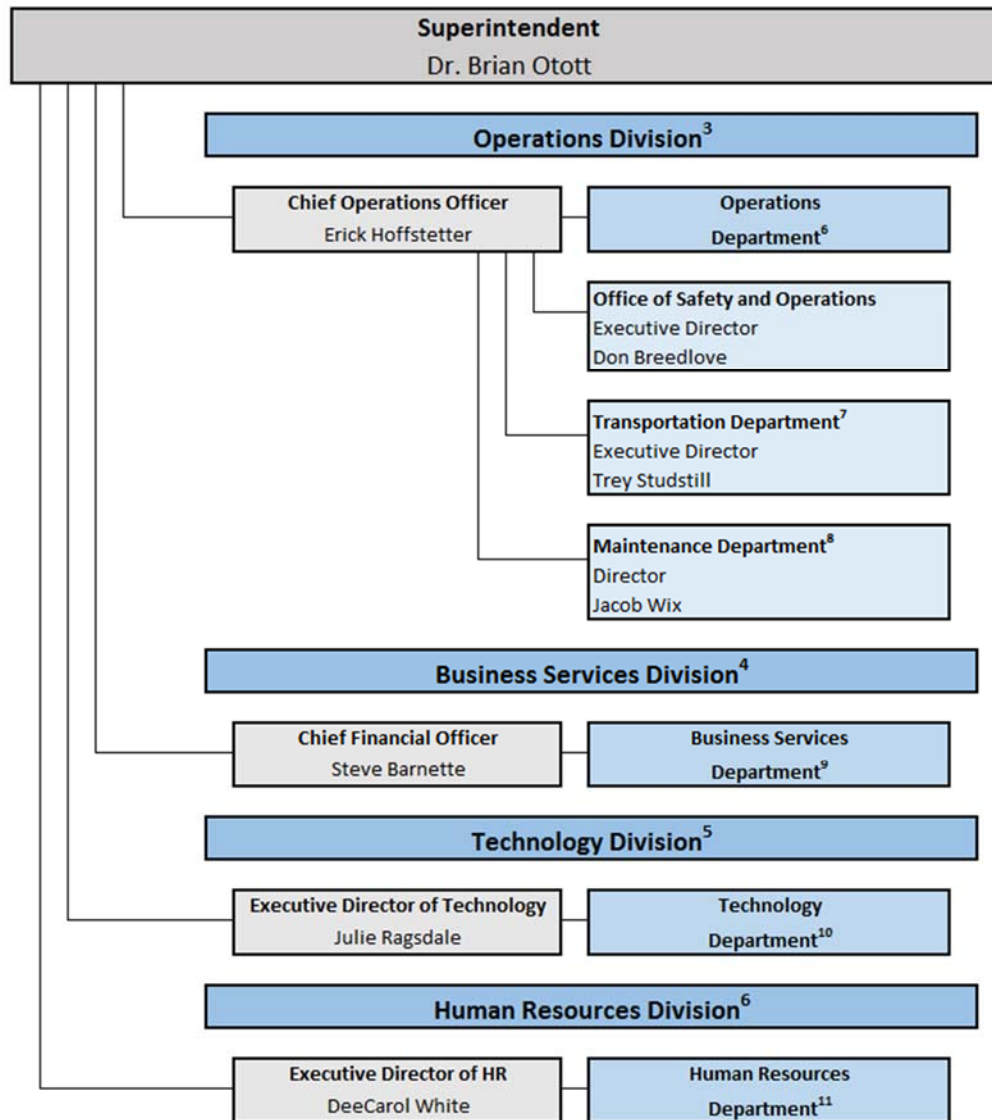
Mr. Steve Barnette has worked in accounting and finance for 30 years, serving as Corporate Controller, Chief Operating Officer, Senior Vice President and Principal and Chief Financial Officer. He has worked in education for 8 years as a Director of Accounting Services and as Chief Financial Officer. He received his undergraduate and master's degree, in Finance and Business Administration, from Kennesaw State University.

Paulding County School District  
Organizational Chart



(continued on next page)

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PCSD Local School Administration can be found in the Informational Section



## Performance Foundations - Vision, Mission, and Beliefs

### Our Vision

The vision of the Paulding County School District is to prepare ALL students for success today and tomorrow.

### Our Mission

Engage. Inspire. Prepare.

### Our Beliefs

- We believe preparing students is our first priority.
- We believe in fostering a culture of high expectations in student achievement and personal development.
- We believe all students are inspired to learn when provided rigorous and relevant instruction and positive relationships.
- We believe students thrive best when provided a safe, challenging, and healthy environment.
- We believe in the use of collaborative learning communities where best practices are partnered with data driven decisions.
- We believe in engaging all stakeholders in student success.

## Strategic Plan 2017-2022

In June of 2016, the Board voted to utilize a process developed by the Georgia School Boards Association (GSBA) and Georgia Leadership Institute for School Improvement ("GLISI") to create an updated strategic plan for the school district. This extensive process engaged the community and all stakeholder groups to create universal ownership and support for district and school improvement. Highlights of the process included:

- A comprehensive community engagement component that allowed stakeholders to have a voice in the strategic planning process
- A diverse planning team that represented stakeholder groups to develop the plan
- An intensive planning process that assisted the planning and action teams in analyzing the strengths, weaknesses, opportunities and threats of the school district and developing/defining the mission, vision, beliefs, goal areas and elements of the strategic plan
- A facilitated process to work with experts within the district and community on developing initiatives and action steps to implement the plan

The desired outcome of the District's Strategic Plan is to align the work of the district from the boardroom to the classroom for the purpose of increasing student achievement and organizational effectiveness of the district. Specifically, the Board wanted a strategic plan that would allow the district to:

1. Achieve its goals and objectives
2. Show progress towards its mission and vision
3. Meet the needs of all stakeholders
4. Measure impact and progress
5. Utilize resources efficiently and to the greatest effect
6. Work within Board policy

In April of 2017, the Board discussed the opportunity that this Strategic Plan afforded the District and approved the 2017-2022 *Paulding County School District Strategic Plan* in its entirety. Implementation of the plan began in earnest at the beginning of the 2017-2018 school year. According to O'Donovan and Flower (2013), strategic planning should utilize an adaptive strategy approach. This fluid approach will allow districts to implement the plan with fidelity and sustain structures for monitoring and accountability while remaining adaptive to changing national, state and county conditions. Following this research, the Paulding County School District has put in place a strong process for refining and updating the strategic plan.

A monitoring and data collection process for the district's plan has been developed with each of the District's Departments. This process encourages ongoing district improvement, provides evidence of impact of their work, and provides an informed basis for decision-making and planning. Each department provides reports on the continuous improvement cycle of the plan. The protocol used for the progress checks includes the following:

**Plan:** Explain each goal area, performance objectives and initiatives that your department is working on and report current progress.

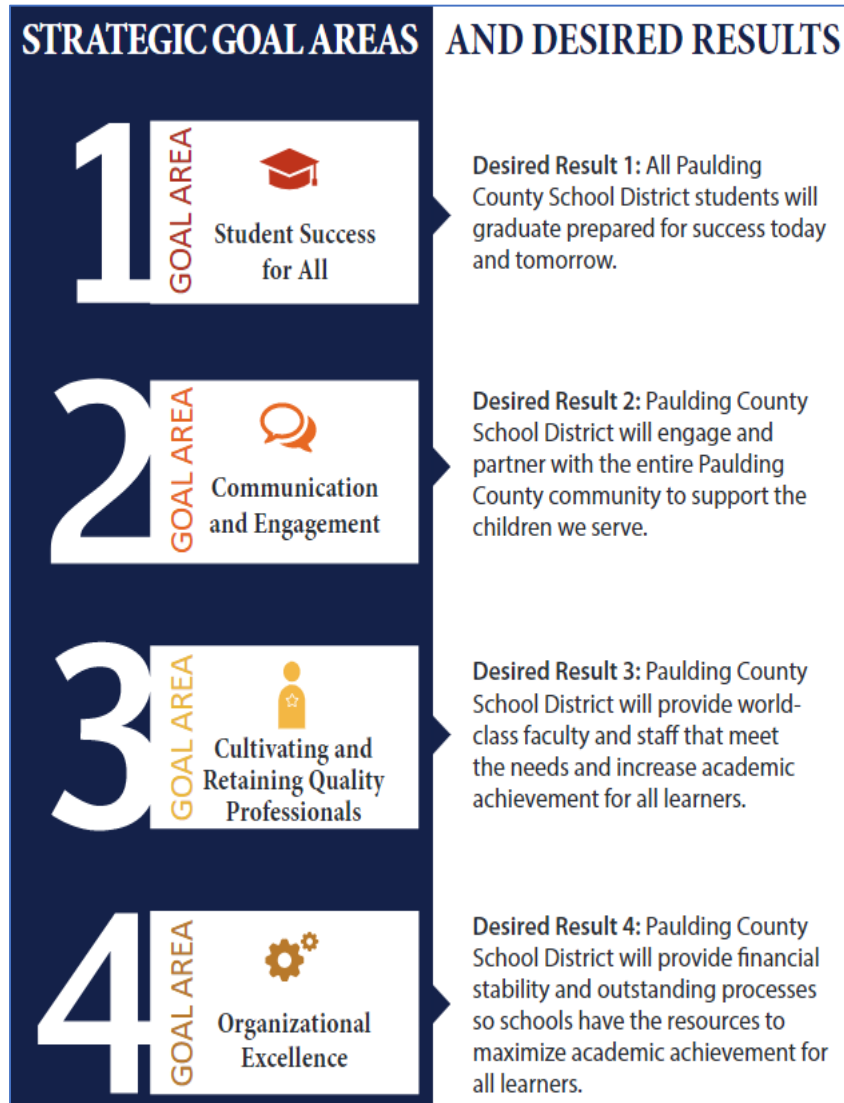
**Do:** Outline the next steps for implementation.

**Check:** Analyze any barriers to reaching performance targets and desired results.

**Act:** Identify any additional initiatives and actions that need to be made to the strategic plan to ensure future success on the desired results.

At the school level, principals have led their school teams using the strategy and framework of the district's strategic plan to create school improvement plans. The teams have conducted a comprehensive needs assessment aligned to the Paulding County School District Strategic Plan. The school teams analyzed multiple data sources and validated their improvement needs that align to the district's plan. Paulding County School District has created a robust strategic plan evaluation and review process that is ongoing and pervasive throughout the system for the purpose of learning, continual improvement and development.

## Strategic Plan Structure and Common Terms



**Strategic Goal Areas.** The framework used to describe the District's strategy to reach its Mission and Vision.

**Desired Results.** The anticipated achievements within the time frame of the plan in each Strategic Goal Area.

**Performance Objectives.** A key measurable value that demonstrates how effectively the District is achieving the desired result.

**Initiatives.** Specific programs and projects assigned to collaborative teams to attain each Performance Objective.

**Measurements.** A measurement of outcomes and results which generates reliable data on the effectiveness and efficiency of programs.

**Return on Investment.**

*Initiatives* represent an

**Investment** in the Strategic Plan and are organized under *Performance Objectives* which represent the desired result or **Return** on investment. Measurements are defined to gauge Performance Objective success.

For the most current version of the full Strategic Plan visit:

<https://www.paulding.k12.ga.us/domain/237>

Measuring Success – Balanced and Goal Scorecard

For the most current Balanced and Goal Scorecard visit:

<https://simbli.eboardsolutions.com/StrategicPlan/MeasureScorecard.aspx?S=4125&PID=4968>

**STRATEGIC GOAL AREA 1:**  
**Student Success for All**



**Key Performance Measures:**

- Increase K-12 Georgia Milestones in ELA, math, science and social studies
- Increase Georgia Milestones scores in ELA and math for Students with Disabilities, English Learners and Economically Disadvantaged students
- Increase Paulding County School District CCRPI score
- Increase Pathway completers
- Increase the four-year graduation rate
- Decrease students needing remedial college courses
- Increase the Reading Inventory Lexile scores and the Math Inventory Quantile scores

**STRATEGIC GOAL AREA 2:**  
**Communication and Engagement**



**Key Performance Measures:**

- Increase the number of positive responses on the needs assessment/survey related to staff interactions
- Increase the number of the district and school two-way partnerships
- Increase stakeholder engagement in the student advisement process
- Increase teacher knowledge of and capacity to deliver effective advisement
- Increase percentage of staff completing effective communication training

**STRATEGIC GOAL AREA 3:**  
**Cultivating and Retaining Quality Professionals**



**Key Performance Measures:**

- Decrease the percentage of employees leaving Paulding County Schools District for reasons other than retirement
- Increase the percentage of leadership positions filled by participants of the Paulding County School District leadership programs
- Reduce the gap in the percentage of minority students compared to the percentage of minority staff members
- Increase the percentage of staff with advanced degrees
- Increase percentage of teachers scoring proficient or higher on the summative evaluation
- Increase the percentage of teachers making progress toward or attaining their professional learning goals
- Increase succession planning at all levels

**STRATEGIC GOAL AREA 4:**  
**Organizational Excellence**



**Key Performance Measures:**

- Decrease the percentage of students with 6 days or more of absences
- Decrease the number of students with one or more days of In School Suspension or Out of School Suspension
- Increase the percentage of buildings with the highest efficiency ratings
- Increase the percentage of students participating in the school breakfast and lunch programs
- Increase the percentage of on time bus arrivals
- Successful annual financial audits and efficiency rating
- Maintain at least 65% of budget allocation for instruction
- Enhance and maintain technology infrastructure
- Enhance and maintain technology maintenance and replacement schedule
- Increase rate of work order completion
- Increase number of positive responses on facility maintenance customer service survey

## Fund Descriptions and Structure

### Fund Accounting

Fund accounting is a system of accounting used by governments to track specific activities. The focus of fund accounting is on accountability, rather than profitability. *Funds* are categorized by *Fund Type* and have separate rules about what money goes in and how it is spent.

### Fund Financial Statements

**Fund financial statements, which are used as the reporting basis for the Budget Book,** provide detailed information about the School District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund, the capital projects fund, and the debt service fund.

**Governmental Funds:** Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The District reports the following appropriated major governmental funds:

- The **General Fund** is the District's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund. All Departments operate within the General Fund.
  - **Special Revenue Funds** account for resources that are legally restricted for specific purposes. Although reported within the General Fund for audited financial reporting, Special Revenue Funds are presented separately for budget appropriation and internal reporting purposes.
- **Capital Projects Funds** account for and reports financial resources including education Special Purpose Local Option Sales Tax (E-SPLOST), bond proceeds and grants from the Georgia State Financing and Investment Commission that are restricted, committed or assigned for capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.
- **Debt Service Funds** account for and reports financial resources that are restricted, committed or assigned including taxes (property and sales) legally restricted for the payment of general long-term principal and interest and paying agent's fees.

**Fiduciary Funds:** The District is the trustee, or fiduciary, for assets that belong to others, such as school clubs and organizations within the school activity accounts. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. Fiduciary Funds are not appropriated in the budget.

The District reports the following fiduciary fund type:

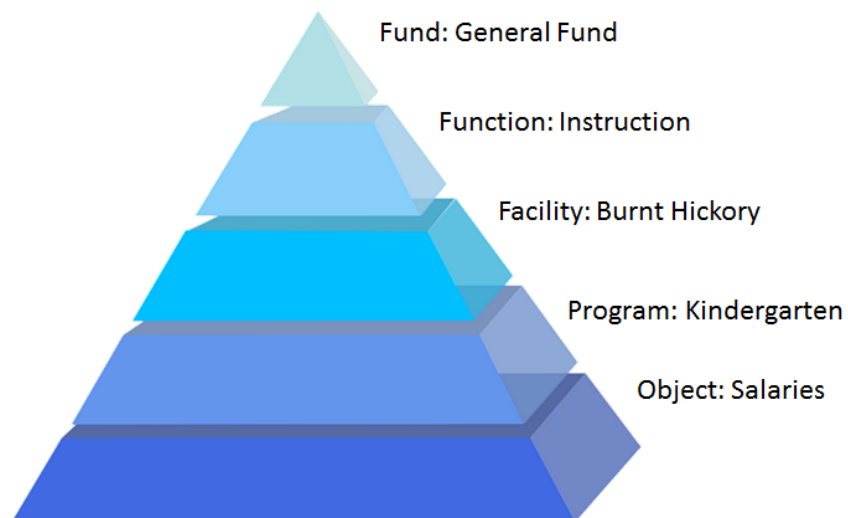
- **Agency Funds** are used to report resources held by the School District in a purely custodial capacity (assets equal liabilities) and do not involve measurement to results of operations.

## Accounting Structure

### Chart of Accounts

The chart of accounts is a listing of all accounts, or nomenclature, used in the general ledger of an organization to aggregate information into an entity's financial statements. PCSD's chart of accounts is organized by fund, function, facility, program and object.

To the right is a visual representation of the chart of accounts and an example of each level.



When thinking about the chart of accounts structure, it is best to consider the who, what, where, when, why and how.

- Who = *Fund*, for example, General Fund
- What we do = *Function*, for example, Instruction, Maintenance, etc.
- Where = *Facility*, for example, Burnt Hickory ES
- When = What accounting period
- Why = *Program*, for example, kindergarten
- How = *Object*, for example, salaries

There is one other component to the cart of accounts. *Reporting Area* is an internal reporting and/or workflow designation.



## Budgeting

Budgeting is the allocation of resources (often scarce) among various competing alternatives.

### Classifications of Revenue

A complete list of revenue terms and definitions can be found that the Georgia Department of Education:

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/LUA-Chart-of-Accounts.aspx>

- Local Sources (Taxes) and Other Local Sources
  - Typically includes revenues often associated with taxes, sales, tuition, dues and fees and donations.
- State Source
  - Typically includes revenues associated with the State of Georgia, like Quality Basic Education (QBE) and grants.
- Federal
  - Typically includes revenues associated with federal grants.

### Classifications of Expenditures

As discussed under Chart of Accounts, expenditures are primarily classified and/or organized by fund, function, facility, program and object. A description of functions and objects appear below. A complete list of expenditure terms and definitions can be found that the Georgia Department of Education:

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/LUA-Chart-of-Accounts.aspx>

### Functions

Functions describe the activity for which a service or material is acquired. Functions are classified into five broad areas: Instruction, Support Services, Operation of Non-Instructional Services, Facilities Acquisition and Construction, and Other Outlays. Functions are further broken down into sub-functions and areas of responsibility.

#### **INSTRUCTION (1000)**

Instruction includes activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium such as television, radio, telephone, and correspondence. Included here are the activities of aides or classroom assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process. Note: Counselors and



Technology Specialists funded through QBE are allowable charges to this function for expenditure control purposes.

#### **PUPIL SERVICES (2210)**

Activities designed to assess and improve the well-being of students and to supplement the teaching process. Activities include guidance, counseling, testing, attendance, social work, health services, etc. Also include supplemental payments for additional duties such as coaching or supervising extracurricular activities.

#### **IMPROVEMENT OF INSTRUCTIONAL SERVICES (2210)**

Technical and logistical support activities designed to aid teachers in developing the curriculum, preparing and using special curriculum materials, and understanding the various techniques that stimulate and motivate students. These services facilitate, sustain, and enhance instruction techniques. Includes costs associated with technology personnel (Technology Specialists), contracted support services, systems planning and analysis, systems application development, network support services, and other technology-related costs that relate to the support of instructional activities. Effective FY 2018 – All Instructional Staff Training (professional development) costs will be reported using Function 2213. Training and professional development for other, non-instructional employees should be reported in their respective functions.

#### **INSTRUCTIONAL STAFF TRAINING (2213)**

Activities associated with the professional development and training of instructional personnel. These include such activities as in-service training (including mentor teachers), workshops, conferences, demonstrations, courses for college credit (tuition reimbursement), and other activities related to the ongoing growth and development of instructional personnel. Training that supports the use of technology for instruction should be included in this code. The incremental costs associated with providing substitute teachers in the classroom (while regular teachers attend training) should be captured in this function code. All costs should be charged to this code regardless of whether training services are provided internally or purchased from external vendors. It should be noted that the salary of a teacher who is attending training would still be reported in function 1000.

#### **EDUCATIONAL MEDIA SERVICES (2220)**

Activities concerned with directing, managing and operating educational media centers. Included are school libraries, audio-visual services and educational television.

#### **FEDERAL GRANT ADMINISTRATION (2230)**

Activities concerned with the demands of Federal Programs grant management. Federal Indirect Cost Charges should continue to be charged to 2300-880.

#### **GENERAL ADMINISTRATION (2300)**

Activities concerned with establishing and administering policy for operating the LUA. These include the activities of the members of the Board of Education. Local activities in interpretation of the laws and statutes and general liability situations are charged here, as are the activities of external auditors. Also recorded here are activities performed by the superintendent, administrative support personnel and deputy, associate, or assistant superintendent having overall administrative responsibility.

**SCHOOL ADMINISTRATION (2400)**

Activities concerned with overall administrative responsibility for school operations. Included are activities of principals, assistant principals, full time department chairpersons and clerical staff.

**SUPPORT SERVICES – BUSINESS (2500)**

Activities concerned with the fiscal operation of the LUA, including budgeting, financial and property accounting, payroll, inventory control, internal auditing and managing funds. Also included are purchasing, warehouse and distribution operations, and printing, publishing and duplicating operations.

**MAINTENANCE AND OPERATION OF PLANT SERVICES (2600)**

Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. Property insurance expenditures are recorded in this function.

**STUDENT TRANSPORTATION SERVICE (2700)**

Activities concerned with the conveyance of students to and from school and trips to school activities. These activities include supervision of student transportation, vehicle operation, servicing and maintenance, bus monitoring and traffic direction. Transportation insurance expenditures are charged to this function.

**SUPPORT SERVICES – CENTRAL (2800)**

Central Office activities other than general administration and business services. Included are personnel services, data processing services, strategic planning including research, development and evaluation on a system-wide basis; and public relations activities, such as writing, editing and other preparation necessary to disseminate information to students, staff and the general public.

**OTHER SUPPORT SERVICES (2900)**

All other support services not properly classified elsewhere in the 2000 series.

**SCHOOL NUTRITION PROGRAM (3100)**

Activities concerned with providing food to students and staff in a school or LUA. This service area includes the preparation and serving of regular and incidental meals or snacks in connection with school

activities and delivery of food. Activities should be recorded in Fund 600 (School Nutrition Program) except when paid by federal funds from fund 100 on behalf of the food service operation due to a shortage of funds or by special arrangement.

#### **ENTERPRISE OPERATIONS (3200)**

Activities that are financed and operated in a manner similar to private business enterprises - where the intent is to recover costs through user charges. Examples: LUA operated bookstore, cannery or freezer plant operation, stadium operation, etc.

#### **COMMUNITY SERVICES OPERATIONS (3300)**

Activities concerned with providing community services to students, staff or other community participants. Examples of this function would be the operation of a community swimming pool, a recreation program for the elderly, a child care center for working mothers, etc.

#### **FACILITIES ACQUISITION AND CONSTRUCTION SERVICES (4000)**

Activities concerned with the acquisition of land and buildings; renovating buildings; the construction of buildings and additions to buildings, initial installation or extension of service systems and other build-in equipment; and improvements to sites.

#### **OTHER OUTLAYS (5000)**

Outlays which cannot be properly classified as expenditures but require budgetary or accounting control. Transfers to other funds are recorded as 5000-930.

#### **DEBT SERVICE (5100)**

Outlays to retire the long-term debt (obligations in excess of one year) of the LUA. Included are payments of principal, interest and paying agents' fees. Interest on current loans (repayable within one year) is charged to function 2500.

### **Objects**

Objects are used to describe the service or commodity obtained as the result of a specific expenditure. There are nine major object categories which may be further subdivided.

- 100 Personnel Services (Salaries)
- 200 Personnel Services (Employer Benefit Costs)
- 300 Purchased Professional and Technical Services
- 400 Purchased Property Services
- 500 Other Purchased Services
- 600 Supplies
- 700 Property

- 800 Other Objects
- 900 Other Uses

A complete list of Objects may be found at:

<https://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/LUA-Chart-of-Accounts.aspx>

#### Fund Balance

Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund.

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District's fund balances are classified as follows:

- Non-spendable
- Restricted
- Committed
- Assigned
- Unassigned

The Board authorizes the Chief Financial Officer to assign Fund Balance.

A minimum Fund Balance of 1.5 months of budgeted expenditures should be maintained in the General Fund (unassigned).

## Measurement Basis of Accounting and Budgeting

### Basis of Budgeting

All Governmental Funds use the modified accrual basis of accounting. The District's Basis of Budgeting and Accounting are the same.

Revenues are recognized when susceptible to accrual (i.e. when they are "measurable and available"). The revenue budget should include all revenues anticipated within the fund in a given fiscal year, and generally they are segregated by source (e.g., property taxes, Quality Basic Education Act revenues). In addition to revenues, the category "other financing sources" also may be used. Generally, this category describes financial resources that are nonrevenue receipts, but are treated as revenue to an individual fund within the LUA. Included in this classification are proceeds from the sale of bonds, sale (or compensation for the loss) of fixed assets, and interfund operating transfers in. The available fund balance at the beginning of the fiscal year, which may be spent in the subsequent year's budget, is also considered a financial resource for budget purposes.

Revenues are recognized when the revenue source is considered measurable and available. Measurable meaning the amount of revenue can be determined and available meaning that the revenue has been collected or will be collected soon enough after the end of the year (typically within 60 days) to pay liabilities outstanding at year end.

Generally, expenditure budgets are considerably more detailed than revenue budgets. Governmental expenditures are classified in several ways.

#### PCSD Board Policy DB: Planning, Programming, Budgeting System

The Board of Education will adopt the non-appropriated budget at the aggregate level as its legal level of control (by fund type – i.e. governmental fund type).

The Board will continue to prepare and present the annual budget by fund type, fund, function and object for management control; however, the level of control will be set at the aggregate level.

Annual budgets are adopted for all funds except trust and agency funds.

The Board of Education must approve the annual budget as required by Georgia law and the Georgia Board of Education. The Superintendent, as Treasurer of the Board of Education, is authorized and directed to spend funds of the Board in accordance with this policy and other approved policies and procedures.

The Superintendent is authorized by the Board to approve adjustments of less than ten (10) percent of the amount budgeted for expenditures in any budget function for any fund. The Superintendent will report to the Board concerning such adjustments not later than the next regular meeting of the Board. If at any time during the budget year expenditure of funds in any budget function for any fund is anticipated to exceed by ten (10) percent or more the amount budgeted for that function in the Board-approved budget, the Superintendent is directed to request the additional anticipated expenditures.

Under no circumstances is the Superintendent or other staff authorized to spend funds that exceed the total budget as approved by the Board of Education.



An important aspect of expenditure budgets are the legal level of budgetary control. This is the level which may not be over expended without the school board's approval. PCSD Board Policy DB (Planning, Programming, Budgeting System) governs this level of control.

In addition to expenditures, the category "other financing uses" may be used. This category is reported similarly to "other financing sources" and includes transactions that reduce equity in an individual fund but do not reduce the total equity of the LUA.

Expenditures are recognized when:

- the transaction is measurable (i.e., the LUA can determine the amount of the expenditure, usually once the invoice is received); and
- the liability has been incurred (i.e., the goods or services have been received); or
- the liability has or will be liquidated from current revenues (i.e., the LUA pays the invoice in the current year or shortly thereafter).

### **Basis of Accounting<sup>13</sup>**

The basis of accounting determines when transactions are reported on the financial statements. The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the School District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, sales taxes, grants and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from sales taxes is recognized in the fiscal year in which the underlying transaction (sale) takes place. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

The School District uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

**Governmental funds** are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The School District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. The School District considers all intergovernmental revenues to be available if they are collected within 120 days after year-end. Property taxes, sales taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-

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<sup>13</sup> Annual Financial Report, Basic Financial Statements Note 2

term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under capital leases are reported as other financing sources.

The School District funds certain programs by a combination of specific cost-reimbursement grants, categorical grants and general revenues. Thus, when program costs are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the School District's policy to first apply grant resources to such programs, followed by cost-reimbursement grants and then general revenues.

The District does not have any Proprietary Funds and Fiduciary Funds are not included in the budget.

## Financial Policies

### Budget Policy

1. The Board will adopt the non-appropriated budget at the aggregate level as its legal level of control (by fund type – i.e. governmental fund type).
2. The Board will continue to prepare and present the annual budget by fund type, fund, function and object for management control; however, the level of control will be set at the aggregate level.
3. Annual budgets are adopted for all funds except trust and agency funds (Fiduciary Funds).
4. The Board will approve an annual budget on or before June 30<sup>th</sup>.
5. In accordance with O.C.G.A 36-81-5, the budget revenues and expenses must be balanced. Each budget may use fund balance as a source of revenue to fund expenditures as long as it is in concurrence with the fund balance policy. Fund balance may be used for one-time purchases but should not be used to fund annually recurring expenditures.

Reference:

Board Policy DB – Planning, Programming, Budgeting System

### Debt Management Policies

1. The bonded indebtedness cannot exceed ten (10) percent of the assessed value of all taxable property in the county.
2. The District will limit short-term borrowing to cover cash flow shortages through the issuance of tax anticipation notes.
3. The District will maintain a minimum balance of E-SPLOST proceeds to ensure adequate resources to fund future debt service.

Reference:

Board Policy DFD – Bond Sales

Board Policy DFE – Short Term Notes

### Fund Balance Policy

1. Fund balance is a measurement of available financial resources and is the difference between total assets and total liabilities in each fund.
2. Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's fund balances are classified as follows:
  - a. Nonspendable consists of resources that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

- b. Restricted consists of resources that can be used only for specific purposes pursuant constraints either (1) externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.
  - c. Committed consists of resources that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board. The Board is the School District's highest level of decision-making authority, and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the Board. Committed fund balance also should incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.
  - d. Assigned consists of resources constrained by the School District's intent to be used for specific purposes, but are neither restricted nor committed. The intent should be expressed by (1) the Board or (2) the budget or finance committee, or the Superintendent, or designee, to assign amounts to be used for specific purposes.
  - e. Unassigned consists of resources within the general fund not meeting the definition of any aforementioned category. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it may be necessary to report a negative unassigned fund balance.
3. The Board authorizes the Chief Financial Officer to assign Fund Balance.
  4. A minimum Fund Balance of 1.5 months of budgeted expenditures should be maintained in the General Fund (unassigned).

Reference:  
Board Policy DCL – Fund Balance

### **Investment Policy**

1. The primary objective, in priority order, of investment activities shall be safety, liquidity and yield.
2. Suitable investments are U.S. Treasury obligations, certificates of deposit, repurchase agreements whose underlying securities consist of aforementioned instruments, and money market mutual funds regulated by the SEC and whose portfolios consist only of dollar denominated securities.
3. Authority to manage the investment program is granted to the Chief Financial Officer.

Reference:  
Board Policy DFL – Investment Earnings

### **Purchasing Policy**

1. All purchases must be made by an authorized purchasing agent.

2. All purchases shall be evaluated based on quality, performance and price.
3. Purchases will be made by one of the following methods, are subject to the following limits and must adhere to Board regulations:
  - a. Purchases greater than or equal to \$25,000
    - i. Formal Bid
    - ii. Competitive Negotiation
    - iii. Request for Proposal (RFP)
  - b. Purchases between \$1,000 and \$25,000
    - i. Informal Quote
  - c. Purchases less than or equal to \$1,000
    - i. Best Judgement

Reference:

Board Policy DJED – Bids and Quotations



## Budget Development Methodology: Budgeting for Outcomes

Paulding County School District (PCSD) utilizes a Budgeting for Outcomes (BFO) model. BFO is a framework or performance budgeting process that is based on the Board of Education (BOE) and district leadership identifying priorities that reflect the results that the community want.

BFO goals include:

- Efficiency
- Transparency
- Innovation

Once the desired results and priorities are identified, specific strategies (initiatives) are developed to accomplish those priorities. These strategies are collaboratively developed by Business Services and district leadership and staff, encouraging new ideas, innovation, cooperation, and improvement within the school district's budget.

At its core, the philosophy of BFO requires each activity to be justified on the basis of cost-benefit analysis – at its essence, a budget constructed from the bottom-up (a modified zero-based budget).

The Price of Government and Major Budget Influencers must also be identified and considered within the framework, especially changes in funding and new or expanding influences on the budget, which may be positive or negative and short-term or long-term.

PCSD uses a BFO model as a systematic basis for resource allocation in order to create sustainable and effective budgets that fund programs and services that align with the communities' desired results, regardless of funding availability or budget constraints. Results are measured by the Financial Efficiency Star Rating system (see Performance Results: Financial Efficiency Star Rating section).

- PCSD budgets its governmental funds based on the modified accrual basis of accounting. Governmental funds include the General Fund, Special Revenue Funds, Capital Project Funds and Debt Service Funds of the District.
- Local school budgets are developed collaboratively with school administration, allowing for flexibility with their resources to best meet the needs of their specific student population.

## Budget Development Process

### Budget Framework Period

The budget framework is developed 12 to 6 months before the original budget is presented to the Board of Education (BOE) in June. There are two distinct phases to the Budget Framework Period:

- Budget Process Review Phase
- Budget Framework Development Phase

#### Initial Budget Development Phase

The **Budget Process Review Phase** typically starts in July, approximately 12 months before the original budget is presented to the BOE. From July to September, Business Services will review the prior year's processes and develop a timeline for the next fiscal year budget – contingent upon the approved meeting schedule of the BOE. Budget-brainstorming sessions are held with key stakeholders to review the previous year's budget processes (successes and areas of improvement). Enhancements to the budget development process and reports are identified and work begins to make these adjustments well in advance of the Budget Development Timeline period (see below).

Highlights of the *Budget Process Review Phase* includes:

- ✓ Budget feedback is solicited from various stakeholder groups
- ✓ Develop timeline for the next fiscal year budget
- ✓ Key stakeholders review the previous year's budget processes
- ✓ Enhancements to the budget development process and reports are identified and work begins to make these adjustments
- ✓ Review begins on the Strategic Plan, including Performance Objectives, Initiatives and Measures

#### Budget Framework Phase

The **Budget Framework Phase** typically starts in October, approximately 9 months before the original budget is presented to the BOE. From October to December, Business Services will work with the BOE, community, district leadership and staff to identify desired results and Budget Priorities. In addition, Major Budget Influencers, Budget Initiatives (Strategies) and Price of Government are identified.

Highlights of the *Budget Framework Phase* includes:

- ✓ Budget feedback is solicited from various stakeholder groups
- ✓ Feedback begins on Budget Priorities (Performance Objectives)
- ✓ Feedback begins on Budget Strategies (Initiatives)

- ✓ Initial Major Budget Influencers are identified
- ✓ An early outlook on the next budget is developed
- ✓ Initial enrollment projections and allotment assumptions are developed

**Definitions:**

**Major Budget Influencers.** Business Services defines what might materially influence the budget, especially new or expanding influences, which may be positive or negative.

**Early Outlook.** Business Services produces an early outlook on the next budget, incorporating known major budget influencers.

**Budget Priorities.** The district identifies a relatively small number of high-level priorities that reflect the desired results of the community. These priorities form the basis for organizing the budgeting process. These are typically grouped by Strategic Plan Goal Areas and serve as validation of the alignment of plan and community.

In addition, priorities related to allotment allocation and funding by functional category are determined.

**Initial Enrollment Projections.** During this period initial enrollment projections are developed, after the October enrollment count. These early enrollment projections are pending kindergarten registration, school choice and magnet program changes. For information on the enrollment projection process refer to the Enrollment Projection Process section.

## **Budget Development Timeline Period**

During this period Major Budget Influencers and Budget Initiatives are refined. A timeline of milestones and deliverables is published (see below), culminating in approval of a tentative and original budget. There are three distinct phases to the Budget Development Timeline Period:

- Budget Development Phase I
- Budget Development Phase II
- Millage Rate Phase

### **Budget Development Phase I**

The ***Budget Development Phase I*** typically starts in January, approximately 6 months before the original budget is presented to the BOE. From January to March, Major Budget Influencers and Budget Priorities are refined.

Highlights of the ***Budget Development Phase I*** include:

- ✓ Budget feedback is solicited from various stakeholder groups
- ✓ Budget Priorities and Strategies are finalized

- ✓ Enrollment projections and allotment assumptions are finalized
- ✓ Major Budget Influencers and assumptions are finalized
- ✓ State budget is approved, including QBE and Equalization Grant
- ✓ Initial local digest is received
- ✓ *Budget Timeline, Primer and Outlook Presentations*

**Definitions:**

**Budget Initiatives (Strategies).** Members of the Budget Committee make specific budget proposals. These proposals are evaluated on the basis of how likely they are to help achieve the Budget Priorities. Proposals that are recommended for funding are Budget Initiatives. These are typically grouped by Strategic Plan Goal Areas, serving as validation of the alignment of plan, community and district leadership.

**Price of Government.** Funding availability is determined and allocated to support Budget Priorities and Initiatives.

**Allotments and Major Budget Assumptions.** During this period allotment allocation methodology and major budget assumptions are reviewed, including funding by functional category.

**General Assembly Session.** The General Assembly meets in regular session starting on the second Monday in January and for no longer than 40 legislative (rather than calendar) days each year.

**Initial QBE and Equalization Grant Funding.** Preliminary state funding estimates are typically received in February.

**Initial Local Digest.** Preliminary local digest projection information is typically received in February.

**State Budget Approval.** The Governor typically signs the state budget in late April or early May.

**Final Enrollment Projections.** Enrollment projections are finalized, including the impacts of kindergarten registration, school choice and magnet program changes. For information on the enrollment projection process refer to the Enrollment Projection Process section.

**Budget Timeline Presentation.** In January, after the BOE has approved their meeting schedule for the upcoming calendar year, a budget timeline is presented which details budget milestones, key deliverables, required BOE actions, public meetings, public hearings, press releases, advertisements and notices.

**Budget Primer Presentation.** In March, a budget primer is presented to the BOE and community. This presentation highlights demographic, enrollment and funding trends for PCSD and its comparable districts.

**Revenue and Allotment Presentation.** In March, initial revenue and allotment projections are presented.

## **Budget Development Phase II**

The *Budget Development Phase II* typically starts in April, approximately 3 months before the original budget is presented to the BOE. From April to June, the tentative and original budgets are finalized and presented to the BOE and community.

Highlights of *Budget Development Phase II* include:

- ✓ Budget feedback is solicited from various stakeholder groups
- ✓ Pre-Consolidated local digest received
- ✓ Position allotments are finalized
- ✓ Numerous advertisements and notices are published
- ✓ Two public meetings regarding the budget are held
- ✓ Tentative budget approval
- ✓ Original budget approval
- ✓ *Revenue & Allotment, Tentative Budget and Original Budget Presentations*

### **Definitions:**

**Pre-Consolidation Digest.** Received from the Tax Commissioner, the pre-consolidated digest is the final draft of the county tax digest.

**Final Allotments.** Position allotments are finalized, based on enrollment projections and budget assumptions related to position control.

**Current Tax Digest and Five-Year History.** Once the pre-consolidated digest is received, the Current Tax Digest and Five-Year History is produced, which provides an overview of digest and tax levy. (see Property Taxes and Values)

**Two Public Meetings.** In April and May, public meetings are held on the Proposed Budget, which is in accordance with O.C.G.A 20-02-167.1.

**Tentative and Original Budgets Approved.** In May and June, the tentative and original budgets are presented and approved by the BOE, respectively.

Georgia Code requires a budget to be adopted on or before June 30<sup>th</sup>.



### **Millage Rate Phase**

If the proposed millage rate exceeds the rollback rate (see Property Taxes and Values section), a press release is issued, and three public hearings are advertised and held.

#### **Definitions:**

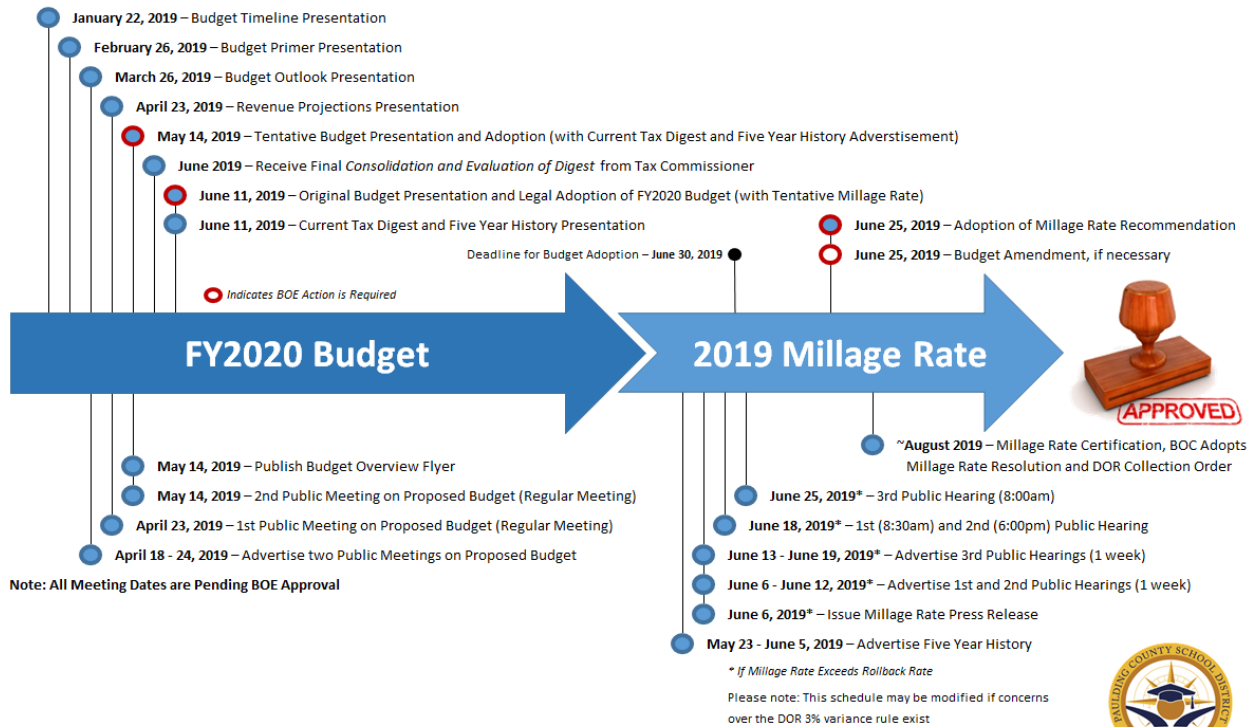
**Current Tax Digest and Five-Year History.** The current tax digest and five-year history is advertised. (see Property Taxes and Values)

**Adoption of the Millage Rate.** In July, the BOE adopts a millage rate recommendation. This recommended rate is delivered to the Paulding County Board of Commissioners (BOC), the tax levying authority in Paulding County.

**Millage Rate Finalized.** By August, the digest is certified and consolidated, the BOC adopts a millage rate resolution and the Georgia Department of Revenue issues collection orders to the Paulding County Tax Commissioner.

## Budget Development Timeline

### FY2020 Budget Milestones



### FY2020 Public Meetings and Hearings, Press Releases, Advertisements and Notices



## Communication and Engagement Strategy

Best Practice: The budget process should include a plan to inform participants, stakeholders, and the general public about how the budget process works, why each decision was made and how to provide input in the process. Below are *Components* and *Implementation* methods of an effective Communication and Engagement Strategy.

### Components

The components of an effective Communication and Engagement Strategy includes defining the general budget process; stakeholder engagement; and explanation of decisions.

#### Process Overview

Best Practice: Demonstrate the budget process is collaborative, accessible, and transparent, as compromise is required for every budget process. Describe how the budget is developed, including key dates and deadlines, how decisions are made, and the process through which the public can provide input – all guided by established principals and strategic goals for the district.

- 1) Principles and Strategic Goals Guiding the Budget
  - a. Mission: Engage. Inspire. Prepare.
  - b. Vision: Our vision is to prepare ALL students for success today and tomorrow.
  - c. Core Beliefs
    - i. We believe preparing students is our first priority.
    - ii. We believe in fostering a culture of high expectations in student achievement and personal development.
    - iii. We believe all students are inspired to learn when provided rigorous and relevant instruction and positive relationships.
    - iv. We believe students thrive best when provided a safe, challenging, and healthy environment.
    - v. We believe in the use of collaborative learning communities where best practices are partnered with data driven decisions.
    - vi. We believe in engaging all stakeholders in student success.
  - d. Strategic Goal Areas
    - i. Student Success for All
    - ii. Communication and Engagement
    - iii. Cultivating and Retaining Quality Professionals
    - iv. Organizational Excellence
- 2) Budget Development
  - a. Development Calendar
  - b. Timeline of Major Milestones
  - c. Methodology

- i. Major Budget Influencers
  - ii. Cost of Government
  - iii. Priorities and Strategies
  - iv. Validation to Strategic Plan
- d. Public Education and Input
  - i. Public Presentations – Budget Primer,
  - ii. Budget Documents -
  - iii. Public Meetings on Budget – Allow for
  - iv. Public Hearings on Millage Rate
  - v. Budget Email

### **Stakeholder Engagement**

Best Practice: Develop methods to solicit stakeholder input as part of the budget process. A stakeholder-engagement process should be designed with a clear understanding of the challenge or problem that stakeholder engagement is intended to help address. The design of the stakeholder-engagement process should then follow that purpose.

### **Explanation of Decisions**

Best Practice: Once an adopted budget for the upcoming year has been produced, a district needs to clearly communicate the outcomes and the corresponding rationale and how they differ from the prior years. The message should be led by a description of the context for the budget and the environment in which the decisions were made. The major decisions and their impact should then be presented in a way that is accessible to the non-expert audience member. This presentation should include a clearly articulated rationale for the choices made, a description of the tradeoffs that were considered, and the basic principles that guided the decisions.

## **Implementation**

Implementing an effective Communication and Engagement Strategy requires identifying the messengers; identifying the target audience and messages; selecting specific communication channels; and gathering and responding to feedback.

### **Identify the Messengers**

- 1) Board of Education
- 2) Superintendent
- 3) Chief Financial Officer
- 4) Budget Committee
- 5) Principals - Principals are also in the position to help teachers become effective communicators of the message to parents.

To reduce the potential for confusion, messengers should be provided with a limited number of key points to present and a plan for responding to questions.

**Identify the target audience and tailor messages accordingly**

Best Practice: Identify target audiences. However, all information should be available to all groups, but consider tailoring message to the different parties. Often, it can be difficult for different stakeholders to appreciate the scope of the entire budget. PCSD attempts to make district-wide budget concepts and rationales more apparent to all stakeholders by:

- 1) Sharing information widely. Examples include:
  - a. Numerous public presentations are made discussing key budget concepts and rationales
  - b. Publish and present Budget Primer
  - c. Internal presentations, such as Admin Pre-planning
  - d. Community presentations, such as Stakeholder Meetings and Chamber of Commerce
- 2) Budget simulation
  - a. Student Groups, such as Student Impact and Business Pathway
- 3) Use funding formulas. Examples include:
  - a. QBE Allocation (PL, Schools, etc.)
  - b. Position Allotment Assumptions
- 4) Maintaining a Budget Committee
- 5) Engaging influential outsiders

Target Audiences:

- 1) Administrators
- 2) Teachers
- 3) Staff
- 4) Parents
- 5) Students
- 6) Community at Large

**Define communication channels (out)**

Best Practice: Develop a variety of methods for communicating with different audiences. Given the importance of the budget, priority should be placed on the methods that afford the broadest reach possible.

Communication Channels:

- 1) Website – Budget and Millage Rate Presentations and reports are available online
- 2) Publish Press Releases, Advertisements and Meeting Notifications (website, social media, and newspaper)
- 3) Public Meeting – Two public meetings are held specifically for the budget



- 4) Public Hearings – Three public hearings may be held concerning the proposed millage rate
- 5) Public Presentations – Seven public presentations are typically made on the Proposed Budget
- 6) Budget Overview Flyers – Overviews are published for the Tentative and Original Budgets
- 7) School/Division/Departmental Meetings
- 8) Stakeholder Meetings, including:
  - a. Quarterly Stakeholder's Meeting
  - b. Teacher Advisory Group
  - c. Principal Advisory Group (Principal's Meeting)
- 9) Budget Overview Flyer
- 10) Student Engagement
- 11) Budget Messengers

#### **Gather feedback (in) and adjust**

Best Practice: It is imperative that stakeholders have an opportunity to provide feedback during and after the decision-making process. A variety of avenues should be available for providing feedback. At the same time, feedback methods must be carefully structured to provide useful input.

Feedback Channels:

- 1) Messenger Feedback
  - a. School/Division/Departmental
  - b. Budget Committee
- 2) Stakeholder Feedback
  - a. Teacher Advisory Feedback – Keep, Explore or Evaluate Exercise (Reported by Division)
  - b. Principal Advisory – Keep, Explore or Evaluate Exercise (Division)
- 3) Online budget feedback link (email)
  - a. [budget@paulding.k12.ga.us](mailto:budget@paulding.k12.ga.us) (Division)

#### **Feedback Response**

Once feedback has been gathered, a district must respond accordingly, adjusting processes or decisions where appropriate. Failure to respond to feedback can severely harm the credibility of the budgeting process. Further, it is important to adapt the communication plan to new and changing circumstances throughout the budget process so that the message remains relevant and credible.

## Benchmarking

The district utilizes several benchmarking techniques, including but not limited to:

### Comparable

Comparing current processes and key performance indicators (KPIs) against comparable school districts.

The processes or KPI's observed will often dictate the comparable. For example, revenues are compared against districts with a similar size, economy and /or geographical region. PCSD is the 13<sup>th</sup> largest school system in Georgia. Districts with a rank of 11, 12, 14 and 15 are often averaged together as one "comp." Variances to these comparable districts are then analyzed. The example below examines revenue from FY2017.

School District	FTE	Rank	FTE %	Local Revenue per FTE %		State Revenue per FTE %		Federal Revenue per FTE %		Total Revenue per FTE %		FTE Rank	Local Revenue per FTE Rank	State Revenue per FTE Rank	Federal Revenue per FTE Rank	Total Revenue per FTE Rank
Paulding County Allocation	29,154	13	1.7%	\$ 2,502	1.1%	\$ 5,994	2.0%	\$ 343	0.9%	\$ 8,839	1.6%	13	134	62	170	153
				28.3%		67.8%		3.9%		100.0%						
Hall County	28,008	15	1.6%	\$ 3,166	1.3%	\$ 4,963	1.6%	\$ 517	1.3%	\$ 8,646	1.5%	15	90	139	146	165
Douglas County	26,537	17	1.6%	\$ 2,894	1.1%	\$ 5,618	1.7%	\$ 551	1.4%	\$ 9,063	1.5%	17	104	93	140	139
Bartow County	13,524	26	0.8%	\$ 3,406	0.7%	\$ 5,362	0.8%	\$ 572	1.2%	\$ 9,340	0.8%	26	73	107	136	119
Carroll County	14,484	24	0.8%	\$ 2,504	0.5%	\$ 6,026	1.0%	\$ 626	1.5%	\$ 9,156	0.8%	24	133	58	124	134
Richmond County	30,039	12	1.8%	\$ 3,147	1.4%	\$ 4,928	1.7%	\$ 878	4.3%	\$ 8,954	1.6%	12	92	141	69	150
Houston County	28,212	14	1.7%	\$ 2,908	1.2%	\$ 5,831	1.9%	\$ 489	2.2%	\$ 9,228	1.6%	14	103	76	150	129
Muscogee County	30,792	11	1.8%	\$ 3,643	1.7%	\$ 4,968	1.8%	\$ 812	4.0%	\$ 9,423	1.8%	11	66	138	79	107
Average	24,514	-	1.4%	\$ 3,096	1.1%	\$ 5,385	1.5%	\$ 635	2.5%	\$ 9,116	1.4%					
Variance to PCSD				\$ 594		\$ (609)		\$ 292		\$ 277						
% Variance to PCSD				23.7%		-10.2%		85.1%		3.1%						
<b>State Totals</b>	<b>1,714,366</b>	<b>-</b>	<b>100.0%</b>	<b>\$ 3,919</b>		<b>\$ 5,080</b>		<b>\$ 626</b>		<b>\$ 9,626</b>						
Allocation				40.7%		52.8%		6.5%		100.0%						
Variance to PCSD				\$ 1,418		\$ (914)		\$ 283		\$ 787						
% Variance to PCSD				56.7%		-15.2%		82.4%		8.9%						
<b>Others:</b>																
Cobb County	115,086	2	6.7%	\$ 4,277	13.1%	\$ 4,479	10.5%	\$ 486	9.0%	\$ 9,242		2	41	169	151	126
Polk County	7,582	48	0.4%	\$ 2,189	0.4%	\$ 6,198	1.0%	\$ 595	0.7%	\$ 8,982		48	152	49	131	147
Haralson County	3,288	95	0.2%	\$ 2,887	0.3%	\$ 7,084	0.5%	\$ 676	0.4%	\$ 10,648		95	105	13	109	39
Coweta County	22,164	19	1.3%	\$ 3,927	2.3%	\$ 4,621	2.1%	\$ 436	1.6%	\$ 8,983		19	54	162	155	146

### Business Process Improvement (BPI)

Seeks to improve specific processes by eliminating waste, redundancy, and other inefficiencies - by mapping out current processes, identifying inefficiencies, redesigning the processes and benchmarking against key performance indicators (KPIs). Third-party sources are specific to the process but include BusinessPLUS ERP system processes.

**Salary Study**

Used to define a fair and competitive salary structure for employees, in order to recruit and retain the most highly-qualified individuals possible. Third-party sources, in addition to commissioned studies, include the annual Metro RESA Teacher and Non-Teaching Salary Surveys.

**Staffing Study**

Review staffing structure, workload, performance measures and those of comparable governments to assess appropriate staffing needs. Initial actions may consist of an overall review of organizational structure, positions and respective responsibilities.

**Best Practice Benchmarking**

Comparing current processes and key performance indicators (KPIs) against the best practices of other organizations in order to improve operational efficiency and effectiveness. The District utilizes various benchmarking methods. For example, Hanover K-12 Research and EAB Strategic Research KPIs for District Operation.

## Proposed Budget Priorities and Strategies

Strategic Plan Goal Areas	Performance Objectives	FY20 Budget Priorities (Performance Objectives)	FY21 Budget Strategies (Initiatives)
<b>1</b> Student Success for All	5. Improve student mastery of standards. 6. Improve the performance of students in subgroups. 7. Perform among the top-achieving districts in the state. 8. Improve student preparation for post-secondary.	<ul style="list-style-type: none"> <li>• Student Achievement</li> <li>• Literacy</li> <li>• STEM/STEAM</li> </ul>	<ul style="list-style-type: none"> <li>• Math Adoption</li> <li>• PCCA Launch</li> <li>• Maintain Class Size Ratios</li> <li>• ESEP/ESOL Support</li> <li>• ELA/WL Coordinator</li> <li>• STEM Funding/Allotments</li> <li>• STEM Coordinator</li> <li>• KSU iTeach Collaboration</li> <li>• Fine Arts Adoption</li> <li>• Computer Science Magnet</li> </ul>
<b>2</b> Communication and Engagement	4. Increase effective advisement. 5. Utilize effective communication strategies. 6. Cultivate community partnerships that prepare students for college and careers.	<ul style="list-style-type: none"> <li>• SEL/Mental Health</li> </ul>	<ul style="list-style-type: none"> <li>• Capturing Kid's Hearts</li> </ul>
<b>3</b> Cultivating and Retaining Quality Professionals	4. Identify and retain highly qualified personnel. 5. Build staff capacity. 6. Increase succession planning at all levels.	<ul style="list-style-type: none"> <li>• Recruit and Retain Highly Qualified Employees</li> <li>• Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>• 5% Pay Raise</li> <li>• Full Step Increase</li> <li>• 30-year Teacher Pay Scales</li> <li>• Transportation Initiatives</li> <li>• Substitute and Supply Teacher Pay</li> </ul>
<b>4</b> Organizational Excellence	3. Enhance safe and effective learning environments. 4. Maximize financial stewardship and operational efficiency.	<ul style="list-style-type: none"> <li>• Facilities and Safety</li> <li>• Succession Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Security Grants</li> <li>• Safety Officer</li> <li>• Custodial Services</li> </ul>

## FY2020 Major Budget Influencers and Price of Government

### **Major Budget Influencers (Business Services):**

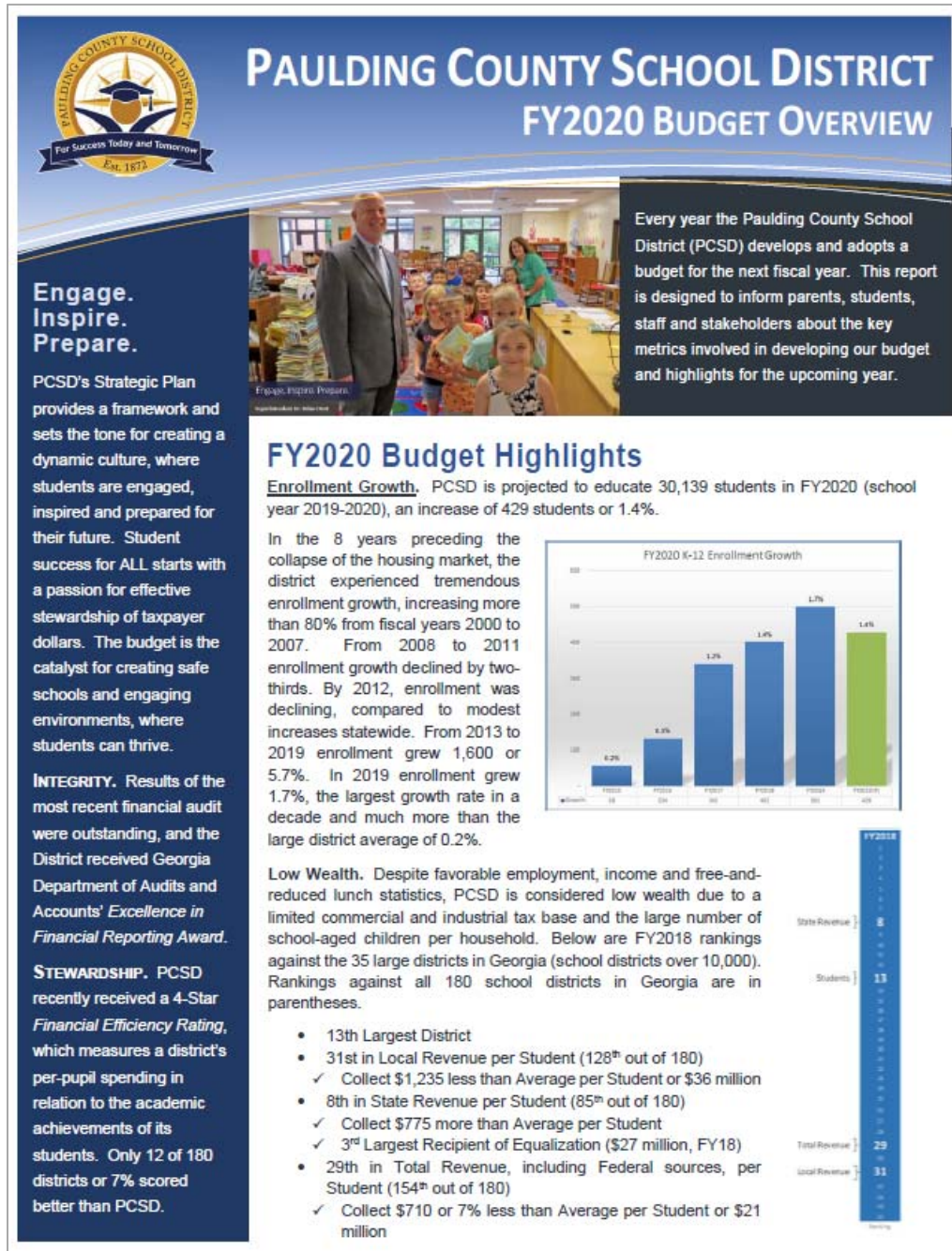
- Dramatic increases in benefit costs
- Austerity reductions
- Equalization grant
- Millage rollback
- Custodial services outsourcing

### **Price of Government (Business Services):**

	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	School Nutrition Program	Total Governmental Fund Types
<u>Estimated Revenues:</u>						
Local Taxes	\$ 85,245,000		\$ 16,759,918	\$ 20,000		\$ 102,024,918
Local Sources	1,762,995	\$ 4,633,380	100,000		\$ 4,760,663	11,257,038
State Sources	190,413,252		6,586,516		334,956	197,334,724
Federal Sources		9,830,317			8,429,737	18,260,054
Transfers from Other Funds	475,000		2,965,592	8,230,200	763,282	12,434,074
Total Estimated Revenues	\$ 277,896,247	\$ 14,463,697	\$ 26,412,026	\$ 8,250,200	\$ 14,288,638	\$ 341,310,808

## FY2020 Budget Overview Flyer

PCSD produces two Budget Overview Flyers – for the Tentative and Original Budgets. The Original Budget version of the flyer is illustrated below.



Front



## Demographics and Statistics

### Paulding County

- 1.5% State Population
- 1.3% Housing Units
- 9% More Persons per Household (Age 5-18)
- 3% Commercial / Industrial Land Use

### PCSD

- 19 Elementary Schools
- 9 Middle Schools
- 5 High Schools
- Alternative Education
- College & Career Academy (Opening FY2020)
- 3,549 Employees
- 2,349 Instructional (65%)

### PCSD Rank out of 180 School Districts in GA

- 13<sup>th</sup> in Enrollment
- 128<sup>th</sup> in Local Revenue \$36 million deficit, compared to the statewide average
- 85<sup>th</sup> in State Revenue
- 154<sup>th</sup> in Total Revenue \*Per Pupil, GaDOE FY2018

### PCSD Funding Sources

- 30% Local (41% Average)
- 66% State (53% Average)
- 4% Federal \*GaDOE FY2018

### \$355.0m FY2020 Budget

#### All Funds

- General Fund (84%)
- Special Revenue (5%)
- Capital Projects (5%)
- Debt Service (2%)
- School Nutrition (4%)



The vision of the Paulding County School District is to prepare ALL students for success today and tomorrow.

### General Fund Revenue Highlights: QBE Increases and a Millage Rate Decrease

The General Fund accounts for approximately 84% of all PCSD spending and is the main operating fund for the school district. Projected revenues for FY2020 total \$296.1 million, an increase of \$19.5 million or 7.1%.

As a low wealth school district, PCSD will receive a \$28.8 million Equalization Grant in FY2020. Funding under the state Quality Basic Education (QBE) formula is set to increase \$10.8 million, primarily due to an increase in teacher's salaries.

	FY2019	FY2020	Change
QBE Funding, net	\$ 160.9	\$ 171.3	\$ 10.4
Equalization Grant	29.0	28.8	(0.3)
Local Taxes	84.8	93.8	9.0
Other Local Sources	1.8	2.2	0.5
<b>Total GF Revenue</b>	<b>\$ 276.6</b>	<b>\$ 296.1</b>	<b>\$ 19.5</b>

\*Excludes Grants and Transfers to Other Funds

PCSD will lower the maintenance and operations (M&O) millage rate to 18.750 in FY2020, the first material reduction since 2003. The bond millage rate will remain 0.000, as bond principal and interest are funded through the educational Special Purpose Local Option Sales Tax (SPLOST V) program.

### General Fund Expenditure Highlights: Instruction, Human Capital and Safety

PCSD, after collaboration with the Board of Education, district and school leadership and the community, established FY2020 priorities in January 2019. Working with the Business Services Division and utilizing a zero-based budgeting system, district leadership developed specific initiatives or strategies to accomplish these priorities under the framework of our Strategic Plan. Highlights below include a continued focus student success for all, cultivating and retaining quality professionals and safety. PCSD allocates more of its resources to instruction than statewide averages, while central office-type expenditures are half the size of the average district. 87% of the budget is spent on salaries and benefits. With an across-the-board pay raise and full step increase, the budget supports the recruitment and retention of a highly qualified staff. The remaining 13% of the General Fund budget covers all other operating expenditures, including critical areas such as safety, technology and textbooks.

**Budget Priorities (BOE, Community and Leadership) and Initiatives (Leadership):**  
Grouped by Strategic Plan Goal Areas, which serves as validation of the alignment of plan, community and district leadership.

#### Student Success for All

- Student Achievement
  - ✓ Math Adoption
  - ✓ PCCA Launch
  - ✓ Maintain Class Size Ratios
  - ✓ Increased ESE and ESOL Support
- Literacy Initiatives
  - ✓ ELA/World Languages Coordinator
- STEM/STEAM
  - ✓ STEM Teaching Allotments and Funding
  - ✓ STEM Coordinator
  - ✓ KSU Teach Collaboration
  - ✓ Fine Arts Adoption
  - ✓ Computer Science Magnet

#### Cultivating & Retaining Quality Professionals

- Recruit & Retain Highly-Qualified Employees
  - ✓ 5% Pay Raise
  - ✓ Full Step Increase

#### Continued

- ✓ 30-year Teacher Pay Scales
- ✓ Transportation Initiatives
- ✓ Substitute and Supply Teacher Pay
- Succession Planning

#### Organizational Excellence

- Facilities and Safety
  - ✓ Security Guards
  - ✓ Safety Officer
  - ✓ Custodial Services
- Technology Initiatives

#### Communication and Engagement

- SEL/Mental Health
  - ✓ Capturing Kid's Hearts

Projected expenditures for FY2020 total \$296.1 million, an increase of \$19.1 million or 6.9%.

Please visit our website at [www.paulding.k12.ga.us](http://www.paulding.k12.ga.us) for more information and sources for the information presented in this report. For questions or comments please email us at [budget@paulding.k12.ga.us](mailto:budget@paulding.k12.ga.us).

BASED ON THE ORIGINAL BUDGET PRESENTATION ON JUNE 11, 2019

Back

## Budget Administration and Management

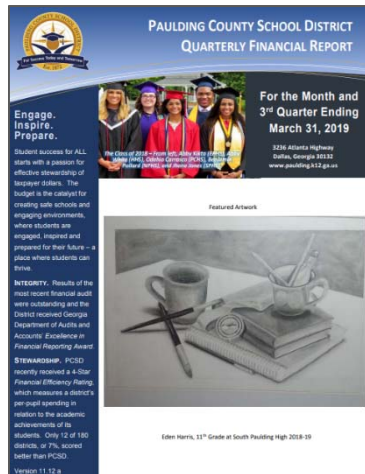
The budget is administered and managed by the Chief Financial Officer and Budget Coordinator. Reporting occurs monthly and on-demand, including the following routine reporting opportunities.

### Monthly General Fund Financial Updates

A one-page Budget Update on the General Fund is provided monthly to the Board of Education and general public.

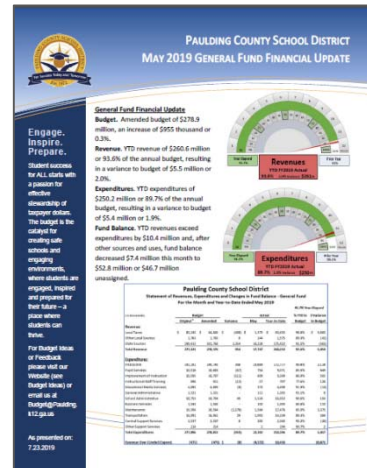
### Quarterly Financial Updates

More detailed Quarterly Financial Updates are provided to the Board of Education and general public on a quarterly basis. These reports address all fund categories.



Actual updates can be viewed on the District's website at:

<https://www.paulding.k12.ga.us/Page/38816>.



### Other Documents

Other budget-related documents available on the Districts website include:

- Annual Audit Report
- Budget Documents and Presentations
- Georgia Department of Education Report
- SPLOST Activity

The documents are located at <https://www.paulding.k12.ga.us/domain/196>.

## Financial Section

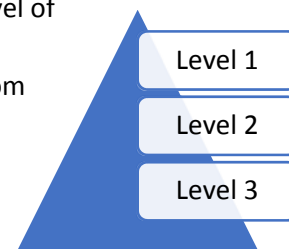
### Financial Section Format

The Financial Section uses a pyramid approach in communicating the district financials. The pyramid approach begins at a broad level and drills down into more detail as each level of the pyramid is addressed. Each level provides revenues, expenditures, fund balance, other financing sources/uses, and an explanation of major shifts from current year.

Level One: Summary of Total Budget (All Funds Combined)

Level Two: Summary Data for Operating Funds

Level Three: Summary Data for Individual Funds



In addition to other details, each level presents revenues by source and expenditures by state object code for eight years, including three (3) prior years of actual (comparative) results, the current year estimated actual results (1), Proposed Budget year (1), and three (3) years of forecasted data.

### Original Budget Presentation

The government-wide original (proposed) budget was approved by the Board of Education by a vote of 7-0 on June 11, 2019. This presentation format reports transfers with revenues and expenditures.

Government-wide revenues totaled \$363.2 million. Expenditures totaled \$358.0 million.

Original Budget Presentation Paulding County School District July 1, 2019 through June 30, 2020						
The budget will be considered for final adoption by the Board of Education at 6:15 PM EST, June 11, 2019 in the Board Room of the Paulding County School District.						
General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	School Nutrition Program	Total Governmental Fund Types	
<u>Estimated Revenues:</u>						
Local Taxes	\$ 93,811,000	\$ 17,365,038	\$ 20,000		\$ 111,196,038	
Local Sources	2,240,000	\$ 5,068,799	100,000	\$ 5,617,505	13,026,304	
State Sources	201,833,174		4,243,923	336,078	206,413,175	
Federal Sources		11,739,027		8,769,272	20,508,299	
Transfers from Other Funds	-	3,030,650	8,217,650	779,345	12,027,645	
Total Estimated Revenues	\$ 297,884,174	\$ 16,807,826	\$ 24,739,611	\$ 8,237,650	\$ 15,502,200	\$ 363,171,461
<u>Estimated Expenditures:</u>						
Instruction	\$ 206,464,798	\$ 9,684,041			\$ 216,148,839	
Pupil Services	10,546,550	1,596,050			12,142,599	
Improvement of Instructional Services	11,882,368	215,026			12,097,395	
Instructional Staff Training	577,661	2,418,705			2,996,367	
Educational Media Services	5,173,009	-			5,173,009	
Grant/Program Administration		454,475			454,475	
General Administration	1,482,956	172,656			1,655,612	
School Administration	19,639,544	13,042			19,652,586	
Business Services	2,011,873	-			2,011,873	
Maintenance	20,655,830	-			20,655,830	
Transportation	16,286,621	942,688			17,229,310	
Central Support Services	2,949,571	5,000			2,954,571	
School Nutrition Program		-		\$ 14,726,184	14,726,184	
Community Services	-	-			-	
Other Support Services	3,244,040	50,000			3,294,040	
Facilities Acquisition / Construction	5,000	-	\$ 8,230,033		8,235,033	
Other Outlays	-	-	8,212,650		8,991,995	
Debt Service		-	\$ 8,217,650	779,345	8,217,650	
Local School Activity and Other		1,354,588			1,354,588	
Total Estimated Expenditures	\$ 300,919,823	\$ 16,906,271	\$ 16,442,683	\$ 8,217,650	\$ 15,505,529	\$ 357,991,956
Estimated Fund Balance (July 1, 2019)	41,993,000	2,151,263	16,748,263	114,500	4,370,407	65,377,433
Estimated Fund Balance (June 30, 2020)	\$ 38,957,351	\$ 2,052,817	\$ 25,045,191	\$ 134,500	\$ 4,367,078	\$ 70,556,937
* No Proprietary Funds exist						
** Annual budgets are not adopted for Fiduciary Funds						

## Level One: Summary of Total Budget (All Funds Combined)

### Total Funds

The **General Fund** is the School District's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund is where the recurring operating costs of the school are recorded.

The District reports the following appropriated major governmental funds:

- The **General Fund** is the District's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund.
  - The **Special Revenue Funds** accounts for resources that are legally restricted for specific purposes. Although reported within the General Fund for audited financial reporting, the Special Revenue Fund is presented separately for budget appropriation and internal reporting purposes.
    - The **School Nutrition Fund** accounts for activities associated with the District's School Nutrition Program (SNP). Although a Special Revenue Fund, the School Nutrition Fund is presented separately for budget appropriation and internal reporting purposes.
- The **Capital Projects Fund** accounts for and reports financial resources including Education Special Purpose Local Option Sales Tax (E-SPLOST), bond proceeds and grants that are restricted, committed or assigned for capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.
- The **Debt Service Fund** accounts for and reports financial resources that are restricted, committed or assigned including taxes (property and sales) legally restricted for the payment of general long-term principal and interest and paying agent's fees.

### Major (Significant) Funding Sources and Uses (Expenditure Categories)

#### General Fund

The general fund is significantly funded through Quality Basic Education (QBE), the Equalization Grant Revenue, and Property Tax Revenue. Major expenditures include salaries, benefits, and purchased services.

#### Special Revenue Fund

Federal revenue is the significant contributor to special revenue. Major expenditures for the special revenue fund are salaries, benefits, and purchased services due to funding provided for the grant programs.

#### School Nutrition Fund

The National Child Nutrition Program (Federal Revenue) accounts for 59.6% of the revenue budget for School Nutrition. Salaries, benefits, and purchased food are the major expenditures for the fund category.

### **Capital Projects Fund**

Major funding for the Capital Projects Fund is E-SPLOST, which is a one-percent sales tax used for capital improvements. Other funding is provided through the State Capital Outlay program (GSFIC) to ensure all public-school students are housed in facilities that have adequate space, are safe, and that are well-maintained.

Capital construction projects and E-SPLOST capital projects are the major expenditures for this fund.

### **Debt Service Fund**

Transfers-In is the primary source of funding for the debt service fund, which comes from E-SPLOST funding. Debt services expenditures make up 100% of the budget.

## Underlying Assumptions and Significant Trends for Major Funding Sources and Uses

### State Funding Sources: Quality Basic Education (QBE) and Equalization Grant

- As the digest improves Local Fair Share (LFS) will continue to increase, reducing QBE funding
- As Net Digest per Student (NDPS) improves, in comparison to the statewide average, the Equalization Grant award will decline
- Increasing the State Pay Scale for Teachers will result in additional QBE funding
- QBE will continue to underfund allotment quantity, total compensation and benefits

### Local Revenue Sources: Property Taxes

- As a low wealth school district, local funding will continue to lag behind statewide averages
- With an above average number of school-age children per household, increases in enrollment and the associated local revenue, will not adequately support the related expenditure growth

### Salaries, Benefits and Purchased Services

- Increases in enrollment place higher demands on staff, resulting in the need for more teaching, administrative and support positions
- The cost of human capital will continue to rise
- Salaries, Benefits and Purchased Services will continue to consume the majority of resources
- When grant awards do not fully support the initiative, local revenue sources (General Fund) may be required to address allotment quantity, total compensation and benefits.

### Federal Funding Sources

- For most grants, should the funding of these programs be eliminated or reduced, it is likely that the services provided would be negatively impacted unless another funding source is identified.
- Each grant is adjusted in the current year before funds are spent based on the actual grant award for that year.
- Increases in enrollment, especially enrollment in Exceptional Students Educational Programs (ESEP), should continue to increase grant opportunities, but will also likely place higher demands on local resources.

#### Transfers-In

- Debt service is primarily funded through E-SPLOST V (transferred from the Capital Projects Fund). An underlying assumption is the anticipated collection of E-SPLOST proceeds.

#### Debt Service

- No changes in the Amortization Schedule are anticipated during the Proposed Budget.

### **Significant Trends or Factors Influencing Budget Decisions:**

#### **Demographic and Economic Factors**

Tax Digest. The limited commercial and industrial tax base in Paulding County results in a lower net digest per student (NDPS), which reduces local funding.

Great Recession. While Paulding County's economy is recovering from the recession, the residual effect on the tax digest remains material. This is significant to note because approximately one-third of the District's revenues comes from local sources.

Large number of school-age children per household. Tax digest issues are exacerbated by the high number of school-age children per household in Paulding County, as there is not a correlating increase in funding. Local funding is based on property tax values and not the number of school-age children living in the home.

Free and Reduced-Price Meal Benefits Program Eligibility. *Free and Reduced-Price Meal Benefits Program (FRL)* is a part of the National Child Nutrition Program. This program makes free or reduced priced meals available to qualifying households. Qualifications are based on the gross income of all household members and the number of persons living in the house.

FRL participation is a measurement of student wealth and is directly impacted by the demographic and economic conditions of Paulding County.

The FRL participation percentage decreased 1.41% from October 2012 to October 2018, from 42.39% to 40.98%, respectively.

The Statewide participation percentage increased 0.50%, from 59.59% to 60.09%.



ESEP Enrollment. ESEP enrollment has increased dramatically over the past several years. In FY2018, the average additional cost per ESEP student was approximately \$2,100.

Local Economy. E-SPLOST collections are directly impacted by the economy of Paulding County. Which is expected to perform at historical levels during the projected budget period.

### **Enrollment Factors**

Enrollment Growth. Increases in enrollment may result in additional grant awards, but funding may not cover all the additional costs associated with required services. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.

### **Funding Factors**

Low Wealth. Despite favorable employment, income and free-and-reduced lunch statistics, PCSD is considered a low wealth school system due to a limited commercial and industrial tax base and the large number of school-age children per household. With approximately 67% of general fund revenue coming from State sources (compared to a statewide average of 53%) the District is highly susceptible to changes in State funding, including austerity reductions, State Pay Scale Adjustments, Equalization Grant funding and changes in the Quality Basic Education (QBE) methodology.

Millage Rate Changes. Changes to the millage rate impact both local revenue and the Equalization Grant formula. Generally, reductions in the millage rate will result in the reduction of the grant award.

Federal Budget. Changes in the appropriations for grants and/or the allocation methodology.

Grant Requirements. Specific requirements, including restrictions on expenditures may impact decisions regarding grant application, especially when local funds are required to fully support the initiative.

Meal Purchases. The limited commercial and industrial tax base in Paulding County results in a lower net digest per student (NDPS), which reduces local funding.

SPLOST Receipts. Capital Projects and Debt Service funds are primarily funded through E-SPLOST collections. Georgia State University's Andrew Young School of Policy Studies (Fiscal Research Center) provided the collection projections for E-SPLOST V. Although volatile, collections have historically exceeded projections. As of June 30, 2019, the cumulative variance to projections was 4.3%.

### **Operating Factors**

Rising Cost of Human Capital. With much of the budget focused on salaries, benefits, and purchased services for the General Fund, Special Revenue Fund, and School Nutrition Fund, the rising cost of human capital is a major factor bearing on the District's future. These increases include, but are not limited to, the Teachers Retirement System (TRS) and State Health Benefit Plan, which have seen

unprecedented increases over the past few years. As the demand for highly qualified teachers increases, the District must remain competitive in compensation and benefits.

Construction Costs. Operating factors could include the cost of construction.

New Debt Issuances. Operating factors could include the issuance of new debt or the advance-refunding of existing bond issues. There are no plans for either during the Proposed Budget year.

#### Material Changes (Shifts) from Current Year Budget

##### **General Fund**

Material Changes for the general fund include an increase in QBE funding due to State Teacher Salary Scale adjustment and a change in property Tax (Ad Valorem) due to a reduction in the millage rate and changes to the tax digest. Salaries and benefits experienced the greatest change for the general fund due to allotment changes and compensation adjustments.

##### **Special Revenue Fund**

Special Revenue fund is expected to see a decline due to receiving the majority of the Striving Readers grant funding in FY2019, which in turn reduces expenditures. Most federal grants are funded through a reimbursable basis.

##### **Capital Projects Fund**

Capital Projects Fund has also experienced a decrease for both revenue and expenditures due to the completion of the Paulding College and Career Academy.

##### **School Nutrition Fund and Debt Service Fund**

School Nutrition Fund and the Debt Service Fund does not expect material changes from the current budget.

#### Significant Changes in Fund Balance

General Fund and School Nutrition Fund expect to have a decline in the next three-year forecast to bring fund balance more in line with industry standards.

Capital Projects Fund has a slight increase from current year due to different capital projects between fiscal years.

Special Revenue Fund and the Debt Service Fund do not anticipate a change in fund balance.

Paulding County School District  
Fiscal Year Budget

2020

Financial Data

Total Budget All Funds								
	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Revenue:</b>								
Local Taxes	\$ 80,760,023	\$ 86,246,219	\$ 93,479,593	\$ 104,659,901	\$ 111,196,038	\$ 119,054,068	\$ 126,982,639	\$ 134,911,210
Other Local Sources	11,783,970	11,337,370	12,019,136	13,083,124	13,449,054	13,857,315	14,364,928	14,872,541
State Source	173,658,147	179,684,033	184,701,890	196,596,624	206,420,426	213,163,140	221,627,955	230,092,771
Federal	17,854,994.22	18,367,610.01	17,942,917.69	21,578,613.94	20,078,298.54	21,461,770.65	22,227,531.91	22,993,293.17
<b>Total Revenue</b>	<b>\$ 284,057,134</b>	<b>\$ 295,635,232</b>	<b>\$ 308,143,536</b>	<b>\$ 335,918,263</b>	<b>\$ 351,143,816</b>	<b>\$ 367,536,294</b>	<b>\$ 385,203,054</b>	<b>\$ 402,869,815</b>
<b>Expenditures:</b>								
1000 Instruction	\$ 169,378,633	\$ 177,188,743	\$ 185,893,342	\$ 198,761,300	\$ 216,148,338	\$ 223,816,453	\$ 235,387,009	\$ 247,957,565
2100 Pupil Services	9,534,664	10,175,415	10,720,155	11,486,357	12,145,099	12,771,882	13,593,540	14,086,354
2210 Improvement of Instruction	11,712,206	12,056,821	9,784,687	10,230,815	12,095,394	12,016,723	12,880,129	13,203,535
2213 Instructional Staff Training	-	-	2,556,277	3,249,216	3,116,367	3,534,043	3,819,910	4,094,132
2220 Media Services	4,228,696	4,408,450	4,633,766	4,842,217	5,173,009	5,353,945	5,650,000	5,818,424
2230 Federal Grant Administration	274,139	279,983	261,031	308,344	334,475	336,304	351,208	366,111
2300 General Administration	1,167,737	1,407,111	1,291,875	1,526,264	1,655,612	1,738,191	1,868,632	1,957,171
2400 School Administration	15,595,626	16,437,204	17,155,641	18,385,533	19,652,586	20,466,790	21,824,433	22,482,076
2500 Business Services	1,261,828	1,234,911	1,349,124	1,420,792	2,011,873	2,500,000	2,131,051	2,300,194
2600 Maintenance	17,585,287	17,312,588	18,265,396	20,256,407	20,655,830	21,540,719	22,449,296	23,457,873
2610 Local Facility Construction	212,040	181,895	-	-	-	-	-	-
2700 Transportation	14,432,560	15,834,683	16,624,169	16,716,272	17,229,310	18,109,926	18,757,434	19,404,943
2800 Central Support Services	1,782,406	2,124,627	2,272,006	2,620,207	2,954,571	3,202,737	3,486,728	3,870,719
2900 Other Support Services	368,600	256,050	258,503	247,522	263,390	313,972	301,000	299,959
3100 SNP	12,342,606	14,324,506	14,291,890	14,267,335	14,726,184	15,550,448	16,087,727	16,625,006
3200 Enterprise Operations	1,209,691	1,256,938	1,168,358	1,150,896	1,354,588	1,283,220	1,301,595	1,319,971
3300 Community Services Operations	3,663	-	299	113	-	-	-	-
4000 Acquisition & Construction	19,551,424	12,672,742	8,853,787	13,044,044	8,122,517	6,010,442	3,940,598	1,870,753
5100 Debt Service	8,238,033	8,290,043	8,324,789	8,399,953	8,325,166	8,391,435	8,406,789	8,431,079
<b>Total Expenditures</b>	<b>\$ 288,879,836</b>	<b>\$ 295,442,711</b>	<b>\$ 303,705,096</b>	<b>\$ 326,913,587</b>	<b>\$ 345,964,311</b>	<b>\$ 356,937,230</b>	<b>\$ 372,237,080</b>	<b>\$ 387,545,865</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>\$ (4,822,702)</b>	<b>\$ 192,521</b>	<b>\$ 4,438,440</b>	<b>\$ 9,004,676</b>	<b>\$ 5,179,505</b>	<b>\$ 10,599,064</b>	<b>\$ 12,965,975</b>	<b>\$ 15,323,950</b>
<b>Other Sources (Uses):</b>								
Transfers In	9,551,930	16,328,870	14,298,901	12,436,806	12,027,645	13,608,370	13,804,243	14,000,116
Transfers Out	(9,551,930)	(16,328,870)	(14,298,901)	(12,436,806)	(12,027,645)	(13,247,110)	(13,356,238)	(13,465,366)
<b>Total Other Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>361,260</b>	<b>448,005</b>	<b>534,750</b>
<b>Change in Fund Balance</b>	<b>\$ (4,822,702)</b>	<b>\$ 192,521</b>	<b>\$ 4,438,440</b>	<b>\$ 9,004,676</b>	<b>\$ 5,179,505</b>	<b>\$ 10,960,324</b>	<b>\$ 13,413,980</b>	<b>\$ 15,858,699</b>
Beginning Fund Balance	55,371,738.05	50,588,094.66	50,820,933.05	55,075,905.20	64,166,847.00	69,346,352.00	80,306,675.00	93,720,652.00
<b>Ending Fund Balance</b>	<b>\$ 50,549,036</b>	<b>\$ 50,780,616</b>	<b>\$ 55,259,373</b>	<b>\$ 64,080,581</b>	<b>\$ 69,346,352</b>	<b>\$ 80,306,676</b>	<b>\$ 93,720,655</b>	<b>\$ 109,579,351</b>

Paulding County School District  
Fiscal Year Budget

2020

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Summary by State Object:</b>								
100 Salaries	\$ 154,512,686	\$ 162,163,345	\$ 166,932,237	\$ 173,365,450	\$ 191,375,658	\$ 195,148,290	\$ 203,641,095	\$ 212,133,900
200 Benefits	59,539,847	63,536,324	70,390,966	75,999,452	82,671,855	88,045,832	93,918,546	99,791,260
<b>Total Salaries &amp; Benefits</b>	<b>\$ 214,052,533</b>	<b>\$ 225,699,669</b>	<b>\$ 237,323,203</b>	<b>\$ 249,364,902</b>	<b>\$ 274,047,513</b>	<b>\$ 283,194,122</b>	<b>\$ 297,559,641</b>	<b>\$ 311,925,160</b>
<b>Other Expenditures:</b>								
300 Purchased Profess & Tech Services	\$ 10,175,422	\$ 10,200,145	\$ 10,638,021	\$ 11,621,290	\$ 11,291,876	\$ 11,881,567	\$ 12,246,973	\$ 12,612,378
321 Contracted Service - Teachers	65,204	59,853	225,030	77,445	193,623	209,088	237,925	266,762
332 Drug Testing and Fingerprinting	2,023	17,999	15,279	23,403	23,500	30,948	35,784	40,620
334 Bus Driver Physicals	19,875	22,845	24,634	22,520	27,000	27,552	28,945	30,337
340 Professional Legal Services	167,084	159,752	151,240	158,111	165,375	167,595	171,489	175,383
361 Per Diem and Fees	-	-	-	-	2,000	-	-	-
410 Water, Sewer and Cleaning Services	966,093	1,118,728	1,100,684	1,212,230	1,274,219	1,347,318	1,418,293	1,489,269
430 R&M Services	1,275,389	1,459,257	1,442,443	1,804,814	2,010,325	2,143,074	2,324,617	2,506,160
432 R&M Services - Technology Related	-	-	-	-	-	-	-	-
442 Rental of Equipment and Vehicles	1,944	3,342	1,780	9,343	1,612	5,368	5,999	6,630
490 Other Purchased Property Services	357,253	222,023	33,405	33,715	32,500	36,401	38,188	39,974
519 Student Trans Purch from Other Source	-	3,595	-	657	-	-	-	-
520 Insurance (non-Employee Benefits)	551,320	562,959	569,415	619,506	757,232	752,598	799,435	846,272
530 Communication	724,013	750,553	969,344	977,337	989,647	1,109,624	1,185,455	1,261,286
532 Commun - Web-Based Subt and Licen	-	76,368	508,742	3,006,079	1,040,968	2,505,823	3,044,937	3,584,051
563 Tuition to Private Sources	282,869	252,822	31,000	48,044	60,000	50,000	55,000	60,000
569 Other Tuition	600	-	-	31,275	-	-	-	-
580 Travel - Employees	387,636	372,761	340,165	376,523	387,410	373,892	374,224	374,555
591 SFS Commodity Hauling	72,160	54,848	62,435	67,319	56,981	57,383	55,594	53,805
595 Other Purchased Services	542,014	496,341	491,495	679,224	874,175	869,158	955,233	1,041,308
610 Supplies	7,423,943	7,841,348	7,334,054	7,646,356	9,204,457	8,899,842	9,236,445	9,573,049
611 Supplies - Technology Related	14,871	51,802	46,863	96,206	109,282	134,458	158,123	181,789
612 Computer Software	2,100,178	1,149,548	1,136,801	873,257	848,267	926,332	930,563	934,795
615 Expendable Equipment	1,066,526	1,767,705	1,139,684	2,120,144	1,848,316	2,195,122	2,424,227	2,653,333
616 Expendable Computer Equipment	5,548,647	4,992,117	5,401,122	6,227,024	5,457,383	5,913,261	6,185,139	6,457,017
620 Energy	5,110,068	5,261,494	5,604,785	6,024,274	6,321,801	6,620,358	6,938,983	7,257,607
630 Purchased Food	4,072,396	4,335,890	4,341,682	4,618,701	5,102,969	5,197,515	5,431,911	5,666,306
635 Food Acquisitions	852,155	991,479	977,131	951,224	839,534	902,656	896,106	889,557
641 Textbooks - Printed	1,702,202	1,694,527	1,478,021	2,275,821	2,479,366	2,565,952	2,778,792	2,991,632
642 Books (Non-Textbooks) & Periodicals	585,874	518,896	779,248	746,322	650,348	763,050	798,688	834,325
710 Land Acquisition and Development	-	(4,241)	-	-	-	-	-	-
715 Land Improvements	263,655	31,450	9,684	-	-	-	-	-
720 Building Acq, Construction, and Impr	17,973,746	11,606,831	8,295,443	12,002,237	7,000,535	4,932,997	2,799,545	666,093
730 Purch of Equip - (Not Buses or Comp)	634,306	1,015,526	912,682	409,921	897,762	780,757	788,510	796,263
732 Purchase or Lease- Buses	2,346,873	2,800,126	2,620,335	2,716,488	1,599,862	1,880,041	1,690,577	1,501,112
734 Purchase or Lease-Tech Equipment	-	40,955	-	-	-	-	-	-
810 Dues and Fees	481,405	493,714	448,757	575,543	428,579	478,428	475,777	473,062
811 Regional or County Library Dues	11,670	11,670	11,670	20,051	22,000	24,124	27,028	29,932
812 RESA Fees	113,952	157,537	159,599	161,838	164,791	183,337	193,935	204,533
830 Interest	4,442,915	4,324,325	4,179,072	4,056,797	3,865,166	3,719,832	3,515,234	3,299,637
831 Redemption of Principal	3,790,000	3,960,000	4,140,000	4,335,000	4,455,000	4,665,000	4,885,000	5,125,000
880 Federal Indirect Cost Charges	675,013	747,200	661,252	809,333	740,812	784,841	804,214	823,587
890 Other Expenditures	25,642	118,538	98,895	112,890	692,125	607,817	740,552	873,287
<b>Total State Objects</b>	<b>\$ 288,879,469</b>	<b>\$ 295,442,299</b>	<b>\$ 303,705,096</b>	<b>\$ 326,913,164</b>	<b>\$ 345,964,311</b>	<b>\$ 356,937,230</b>	<b>\$ 372,237,080</b>	<b>\$ 387,545,865</b>

## Level Two: Summary Data for Operating Fund

### General Fund

The **General Fund** is the School District's primary operating fund. It accounts for and reports all financial resources not accounted for and reported in another fund. The General Fund is where the recurring operating costs of the school district are recorded.

The General Fund accounts for all transactions related to the District's operations except those required to be accounted for in other funds. These transactions include all costs relating to the day-to-day operations of the District excluding those expenditures for programs funded by Federal funds, State and Local sources for designated purpose, payment of bonded debt, capital facility acquisition and construction.

For clarity, some numbers are presented excluding grants and transfers to other funds.

The General Fund accounts for more than 80% of all District spending and is the main operating fund for the school district.

### Major (Significant) Funding Sources and Uses (Expenditure Categories)

#### State Source: Quality Basic Education (QBE) and Equalization Grant Revenue

The Quality Basic Education Act was passed by vote of the Georgia General Assembly in 1985 and became effective July 1, 1986. This

Act describes the programs which the State of Georgia authorizes and supports in an effort to provide a quality basic education to all Georgia children.

	FY2019	FY2020	Change	%
QBE Funding, net	\$ 160.9	\$ 171.3	\$ 10.4	6.4%
Equalization Grant	29.0	28.8	(0.3)	-1.0%
Local Taxes	84.8	93.8	9.0	10.6%
Other Local Sources	1.8	2.2	0.5	27.1%
<b>Total GF Revenue</b>	<b>\$ 276.6</b>	<b>\$ 296.1</b>	<b>\$ 19.5</b>	<b>7.1%</b>

*\*Excludes Grants and Transfers to Other Funds*

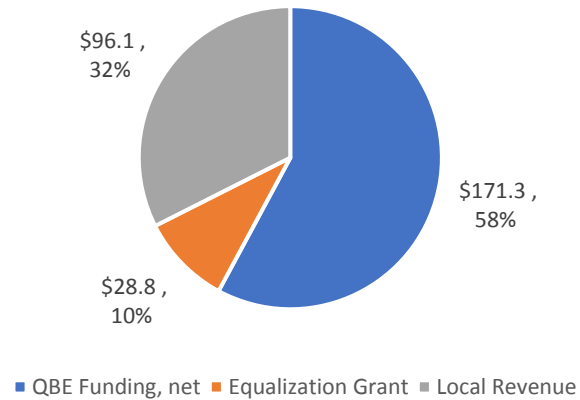
For more information on the QBE formula see the Informational Section.



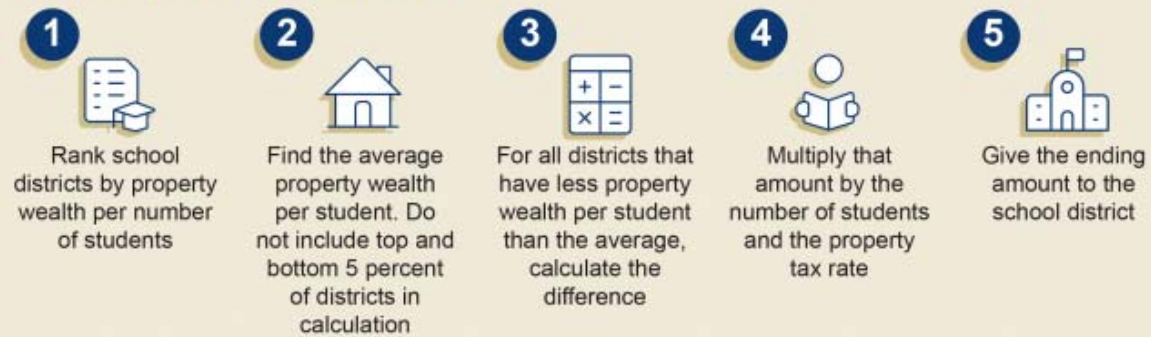
QBE accounts for 58% of the FY2020 General Fund Revenue Budget.

The State Equalization Grant helps school districts offer comparatively similar educational opportunities regardless of local property wealth. The amount districts can raise through property taxes varies significantly depending on the value of local properties. Equalization Grants are designed to address these funding deficiencies.

The Equalization Grant accounts for 10% of the FY2020 General Fund Revenue Budget.



### How Equalization Works:



Source: Georgia Budget Policy Institute, <https://gbpi.org/2019/georgia-k-12-equalization-grants-explained/>



### Local Taxes: Property Tax Revenue

The ad valorem tax, more commonly called property tax, is a primary source of revenue for local governments in Georgia. Ad

valorem means "according to the value." The Paulding Board of Tax Assessors, which is appointed by the County Board of Commissioners, evaluates and assesses all property for tax

purposes. Assessments are based on 40% of the (appraised) market value by law as of the 1st day of January each year.

	FY2019	FY2020	Change	%
Ad Valorem	\$ 75.4	\$ 81.9	\$ 6.6	8.7%
Title Ad Valorem	\$ 6.8	\$ 9.3	\$ 2.6	38.1%
Other Sales Taxes	\$ 2.7	\$ 2.5	\$ (0.1)	-5.6%
Other Taxes	\$ 0.0	\$ -	\$ (0.0)	0.0%
<b>Total</b>	<b>\$ 84.8</b>	<b>\$ 93.8</b>	<b>\$ 9.0</b>	<b>10.6%</b>

The millage rate is the determining factor in the calculation of taxes. The Board of Education recommends a millage rate for school property taxes to the Commissioners and they formally set the millage rate. The Tax Commissioner is responsible for collecting taxes based on the set millage rate. The School District pays a 2.5% fee for the collection of the school property taxes. Property taxes (ad valorem) is recorded net of the collection fee.

Local Revenue accounts for 32% of the FY2020 General Fund Revenue Budget. Property Taxes (Ad Valorem) accounts for 87% of all Local Revenue.

### Salaries, Benefits and Purchased Services Expenditures

Salaries, Benefits and Purchased Services (including Purchased Professional & Technical Services and Contracted Services for Teachers) account for 90% of the proposed expenditure budget.

The Proposed Budget includes:

- \$181.2 million in Salaries or 61%
- \$77.8 million in Benefit costs or 26%
- \$9.3 million in Purchased Services or 3%

Outsourced Custodial Services accounts for 69% of all Professional Services.

## Underlying Assumptions and Significant Trends for Major Funding Sources and Uses

### Underlying Assumptions:

#### State Funding Sources: Quality Basic Education (QBE) and Equalization Grant

- As the digest improves Local Fair Share (LFS) will continue to increase, reducing QBE funding
- As Net Digest per Student (NDPS) improves, in comparison to the statewide average, the Equalization Grant award will decline
- Increasing the State Pay Scale for Teachers will result in additional QBE funding
- QBE will continue to underfund allotment quantity, total compensation and benefits

#### Local Revenue Sources: Property Taxes

- As a low wealth school district, local funding will continue to lag behind statewide averages
- With an above average number of school-age children per household, increases in enrollment and the associated local revenue, will not adequately support the related expenditure growth

#### Salaries, Benefits and Purchased Services

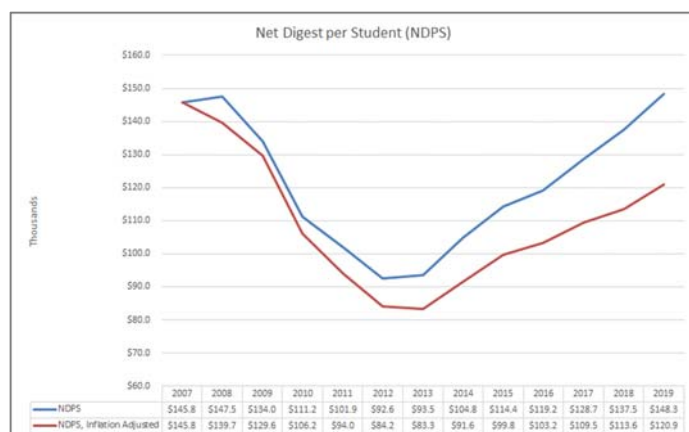
- Increases in enrollment place higher demands on staff, resulting in the need for more teaching, administrative and support positions
- The cost of human capital will continue to rise
- Salaries, Benefits and Purchased Services will continue to consume the majority of resources

### Significant Trends or Factors Influencing Budget Decisions:

#### Demographic and Economic Factors

Tax Digest. The limited commercial and industrial tax base in Paulding County results in a lower net digest per student (NDPS), which reduces local funding. In tax year 2018, Paulding County's NDPS was \$137.5 thousand, which was \$61,727 or 31% lower than the average for districts with over 10,000 students (large districts). With a projected enrollment of 30,139 K-12 students and compared to other large districts, this results in a tax digest deficit of \$1.9 billion or \$35 million in tax levy (with an 18.750 millage rate).

Great Recession. While Paulding County's economy is recovering from the recession, the residual effect on the tax digest remains material. This is



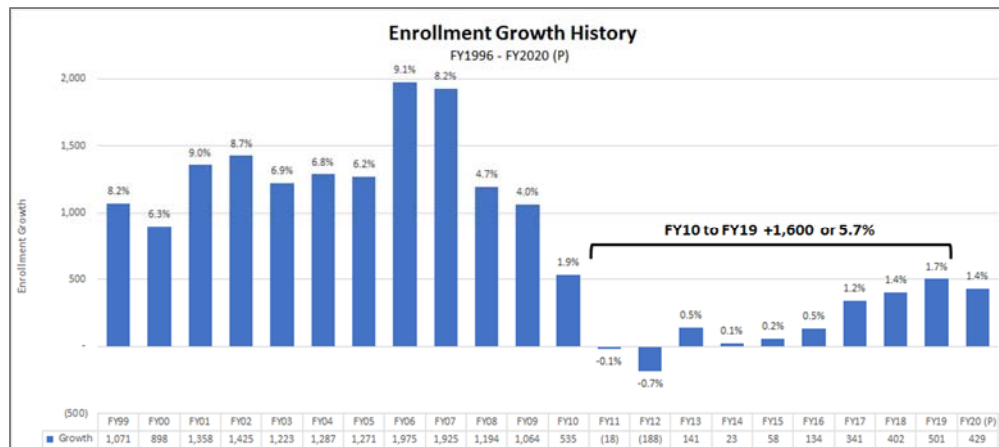
significant to note because approximately one-third of the District's revenues comes from local sources.

For FY2020 (tax year 2019), the inflation adjusted NDPS is projected to be \$120.9 thousand, which is \$24.9 thousand less or -17% than the pre-recession high of \$145.8 thousand.

Large number of school-age children per household. Tax digest issues are exacerbated by the high number of school-age children per household in Paulding County, as there is not a correlating increase in funding. Local funding is based on property tax values and not the number of school-age children living in the home.

## Enrollment Factors

Enrollment Growth. In the 8 years preceding the collapse of the housing market, the District experienced tremendous enrollment growth, increasing over 80% from fiscal years 2000 to 2007. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.



## Funding Factors

Low Wealth. Despite favorable employment, income and free-and-reduced lunch statistics, PCSD is considered a low wealth school system due to a limited commercial and industrial tax base and the large number of school-age children per household. With approximately 67% of revenue coming from State sources (compared to a statewide average of 53%) the District is highly susceptible to changes in State

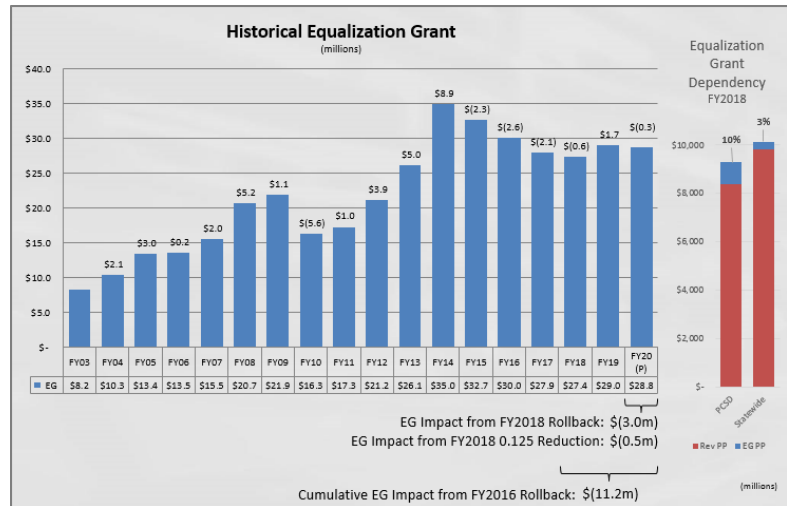
funding, including austerity reductions, State Pay Scale Adjustments, Equalization Grant funding and changes in the Quality Basic Education (QBE) methodology.

In FY2020, the State Budget funded a \$3,000 adjustment in the State Pay Scale for Teachers. This resulted in a significant increase in QBE funding. Unfortunately, QBE does not fund all aspects of compensation including allotment quantity and total compensation.

	FY2019	FY2020	Change	%
FTE	29,953	29,953	-	0.0%
QBE Earnings	\$ 158,813,618	\$ 168,303,409	\$ 9,489,791	6.0%
Health Insurance	19,062,540	19,459,440	396,900	2.1%
Principal/Staff Development	9,900	10,868	968	9.8%
Total QBE Earnings	\$ 177,886,058	\$ 187,773,717	\$ 9,887,659	5.6%
Less: LFS	(18,850,956)	(20,872,252)	(2,021,296)	10.7%
State Funds	\$ 159,035,102	\$ 166,901,465	7,866,363	4.9%
Less: Austerity	\$ -	\$ -	-	0.0%
Austerity Percentage	0.0%	0.0%	-	0.0%
Plus:				
Equalization	\$ 29,049,453	\$ 28,763,731	\$ (285,722)	-1.0%
Nursing	605,746	625,883	20,137	3.3%
Transportation	1,443,632	1,489,560	45,928	3.2%
Total	\$ 190,133,933	\$ 197,780,639	\$ 7,646,706	4.0%

Note: From Prior Year's Mid-year QBE Summary and Projected Budget QBE Summary.  
FY2020 Includes \$2.3 million estimated mid-term adjustment

PCSD will receive \$28.8 million in Equalization Grant funding in FY2020 (the third highest award statewide). Based on FY2018 comparative data, the most recent information available, PCSD continues to be heavily dependent on the Equalization Grant, which accounted for 10% of per-pupil revenue, compared to a statewide percentage of only 3%.



**Millage Rate Changes.** Changes to the millage rate impact both local revenue and the Equalization Grant formula. Generally, reductions in the millage rate will result in the reduction of the grant award. Property Taxes (Ad Valorem) are expected to increase \$6.6 million or 8.7% in FY2020. This compares to FY2018 and FY2019 increases of 8.8% and 9.5%, respectively.

County School	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Real & Personal Ad Valorem	\$ 3,144,502,642	\$ 3,566,536,251	\$ 3,843,751,629	\$ 4,267,812,331	\$ 4,695,351,018	\$ 5,197,039,026
Motor Vehicle Ad Valorem	270,511,790	197,077,380	147,754,190	109,114,430	84,458,480	69,422,580
Mobile Home Ad Valorem	2,278,520	1,951,153	1,862,849	1,781,714	1,646,786	1,644,067
Timber Ad Valorem (100%)	962,133	292,950	324,868	1,068,015	501,435	208,158
Heavy Duty Equipment	57,125	58,443	153,533	942,267	133,553	49,891
<b>Gross Digest</b>	<b>3,418,312,210</b>	<b>3,765,916,177</b>	<b>3,993,847,069</b>	<b>4,380,718,757</b>	<b>4,782,091,272</b>	<b>5,268,363,722</b>
Less M&O Exemptions	(452,043,930)	(511,439,573)	(563,602,175)	(626,135,711)	(698,086,901)	(797,100,194)
<b>Net Digest</b>	<b>2,966,268,280</b>	<b>3,254,476,604</b>	<b>3,430,244,894</b>	<b>3,754,583,046</b>	<b>4,084,004,371</b>	<b>4,471,263,528</b>
Gross M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Less Millage Rate Rollbacks						
<b>Net M&amp;O Millage Rate</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.750%</b>
<b>Net Taxes Levied</b>	<b>\$ 56,000,179</b>	<b>\$ 61,441,264</b>	<b>\$ 64,759,593</b>	<b>\$ 70,882,773</b>	<b>\$ 77,101,919</b>	<b>\$ 83,836,191</b>
Net Taxes \$ Increase	\$ 6,160,962	\$ 5,441,085	\$ 3,318,330	\$ 6,123,180	\$ 6,219,145	\$ 6,734,273
Net Taxes % Increase	12.4%	9.7%	5.4%	9.5%	8.8%	8.7%

## Operating Factors

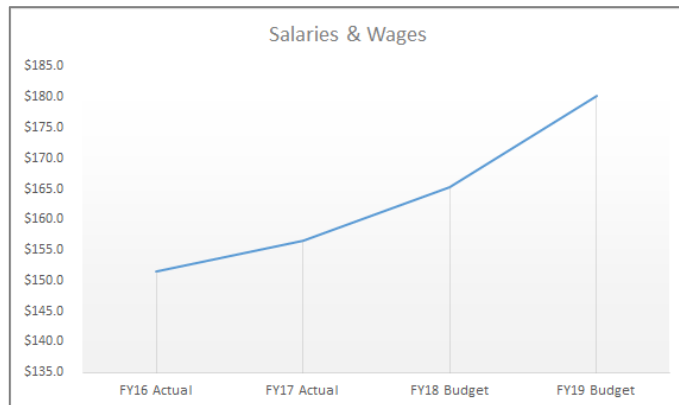
**Rising Cost of Human Capital.** With around 90% of the budget focused on salaries, benefits and outsourced custodial services, the rising cost of human capital is a major factor bearing on the District's future. These increases include, but are not limited to, the Teachers Retirement System (TRS) and State Health Benefit Plan, which have seen unprecedented increases over the past few years. As the demand for highly qualified teachers increases, the District must remain competitive in compensation and benefits.

### Salaries Highlights:

- \$180.3m, 9.0% Increase<sup>1</sup>  
- Includes -
- \$2.6m Step Increase (1.3%)<sup>2</sup>
- \$11.4m Comp Adjustment (5.0%)<sup>2</sup>
- \$5.0m Allotment Changes<sup>2</sup>
- \$0.7m Other Changes<sup>2</sup>

<sup>1</sup> Excludes non-QBE grants

<sup>2</sup> Fully-loaded with benefits

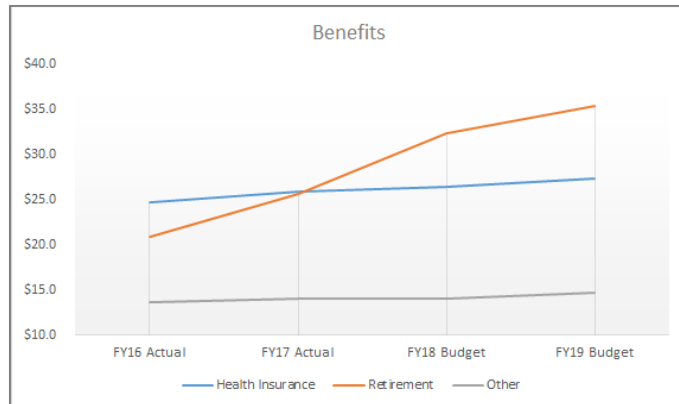


### Benefits Highlights:

- \$77.5m, 6.5% Increase<sup>1</sup>  
- Includes -
- \$35.4m Retirement, 9.3% Increase<sup>1</sup>
- \$27.4m Healthcare, 3.8% Increase<sup>1</sup>
- \$14.7m Other<sup>2</sup>, 5.0% Increase<sup>1</sup>

<sup>1</sup> Excludes non-QBE grants

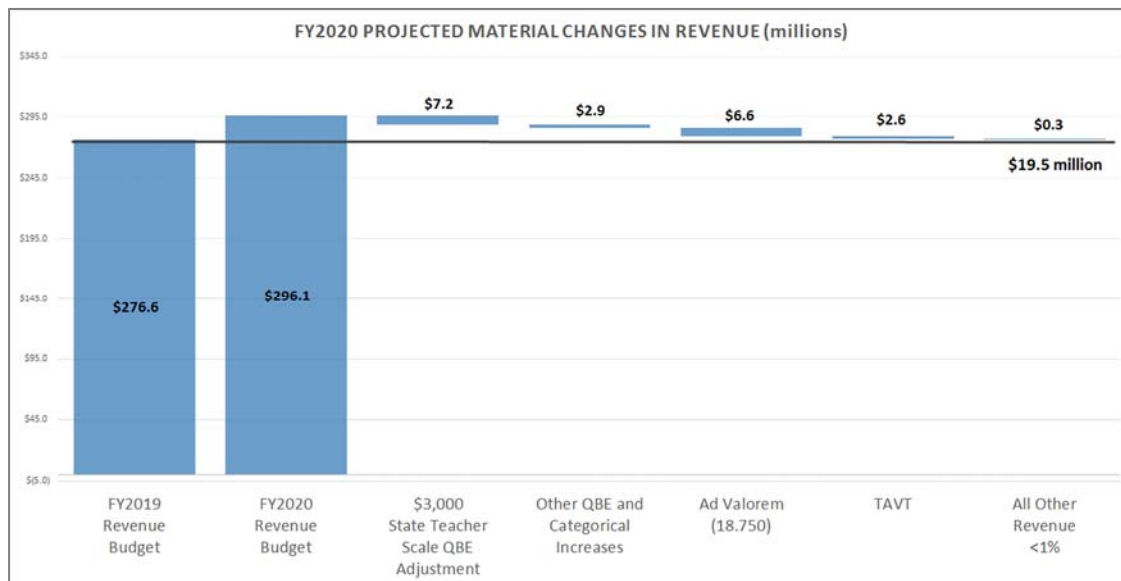
<sup>2</sup> Workers Comp, Unemployment, Life Insurance, MID, TSA Match, Social Security and Medicare



### Material Changes (Shifts) from Current Year Budget

#### Changes in Revenue

The FY2020 budget includes a \$296.1 million General Fund budget, excluding grants and transfers to other funds. This represents an increase of \$19.5 million or 7.1% from the FY2019 Budget.



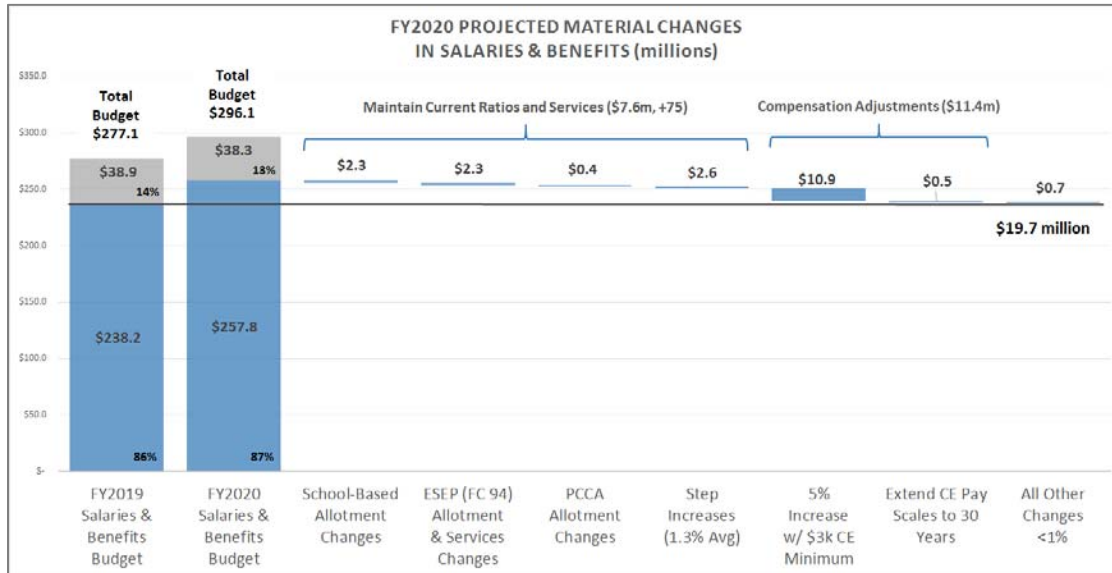
Material changes in revenue include the following:

- QBE increase due to a \$3,000 State Teacher Scale adjustment
- Other QBE and Categorical Grant increases
- Property Tax (Ad Valorem) due to changes in the tax digest and a reduction in the millage rate
- State changes to the allocation of Title Ad Valorem Taxes (TAVT)
- All other revenue changes account for less than 1% of the budget.



## Changes in Expenditures

The FY2020 budget includes a \$296.1 million General Fund budget, excluding grants and transfers to other funds. This represents an increase of \$19.0 million or 7.1% from the FY2019 Budget.



Material changes in expenditures include the following:

- Salaries and Benefits changes related to school based, Exceptional Students Educational Program (ESEP), and Paulding College and Careers Academy (PCCA) allotment changes
- Salaries and Benefits changes related to Step Increases
- Salaries and Benefits changes related to Compensation Adjustments
- Other Salaries and Benefits related changes account for less than 1% of the budget.
- Other expenditures (non-salaries and benefits related) decreased \$0.6 million or -1.6%.

*Material or significant changes are defined as a minimum of 0.05% of proposed expenditures and a 10% change (absolute value) from the current to Proposed Budget.*

## Significant Changes in Fund Balance

The Proposed Budget anticipates a decline of \$3.0 million or 6.4% in fund balance.

The budget reflects a decline of \$1.3 million or 25.3% in fund balance during the three-year forecast period. This decline is the result of a spending plan, designed to bring fund balance more in line with industry standards.

Paulding County School District  
Fiscal Year Budget

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Financial Data

General Fund								
	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Revenue:</b>								
Local Taxes	\$ 65,612,264	\$ 70,690,640	\$ 78,101,894	\$ 84,755,267	\$ 93,811,000	\$ 99,732,843	\$ 106,779,052	\$ 113,825,262
Other Local Sources	2,231,692	1,873,799	2,291,092	2,442,687	2,282,749	2,425,704	2,492,804	2,559,904
State Source	168,379,970	174,591,772	182,347,280	190,939,379	201,790,424	208,560,320	216,877,171	225,194,023
Federal	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 236,223,926</b>	<b>\$ 247,156,212</b>	<b>\$ 262,740,266</b>	<b>\$ 278,137,332</b>	<b>\$ 297,884,173</b>	<b>\$ 310,718,866</b>	<b>\$ 326,149,028</b>	<b>\$ 341,579,189</b>
Less: Grants (see below)	1,366,133	1,338,703	1,398,161	1,623,651	1,752,534	1,950,375	2,159,510	2,368,646
	<b>\$ 234,857,793</b>	<b>\$ 245,817,508</b>	<b>\$ 261,342,105</b>	<b>\$ 276,513,681</b>	<b>\$ 296,131,639</b>	<b>\$ 308,768,492</b>	<b>\$ 323,989,518</b>	<b>\$ 339,210,544</b>
<b>Expenditures:</b>								
1000 Instruction	\$ 160,329,203	\$ 168,540,646	\$ 176,722,349	\$ 187,466,273	\$ 206,464,298	\$ 213,263,299	\$ 224,382,881	\$ 236,502,463
2100 Pupil Services	8,292,361	8,473,632	9,402,731	9,876,483	10,549,050	11,093,720	11,853,819	12,285,074
2210 Improvement of Instruction	9,251,757	9,573,878	9,625,808	10,050,715	11,880,368	11,796,723	12,670,129	13,003,535
2213 Instructional Staff Training	-	-	422,169	847,986	577,661	771,431	855,000	926,923
2220 Media Services	4,228,696	4,408,450	4,633,766	4,842,217	5,173,009	5,353,945	5,650,000	5,818,424
2300 General Administration	1,059,623	1,268,226	1,157,784	1,339,925	1,482,956	1,537,213	1,650,000	1,720,886
2400 School Administration	15,595,626	16,437,204	17,155,641	18,360,584	19,639,544	20,441,085	21,792,206	22,443,328
2500 Business Services	1,259,958	1,232,807	1,347,376	1,420,399	2,011,873	2,500,000	2,131,051	2,300,194
2600 Maintenance	17,584,992	17,312,313	18,265,396	20,256,407	20,655,830	21,540,719	22,449,296	23,457,873
2610 Local Facility Construction	212,040	181,895	-	-	-	-	-	-
2700 Transportation	13,507,336	14,960,495	15,701,462	15,467,518	16,286,621	17,004,365	17,610,924	18,217,483
2800 Central Support Services	1,775,145	2,119,758	2,264,243	2,611,129	2,949,571	3,196,037	3,480,059	3,864,081
2900 Other Support Services	148,515	208,606	210,003	197,549	213,390	266,972	255,000	254,959
3100 SNP	129,979	170,886	159,785	128,980	-	142,473	141,063	139,653
3200 Enterprise Operations	-	-	-	-	-	-	-	-
3300 Community Services Operations	3,663	-	299	113	-	-	-	-
<b>Total Expenditures</b>	<b>\$ 233,378,895</b>	<b>\$ 244,888,795</b>	<b>\$ 257,068,813</b>	<b>\$ 272,866,280</b>	<b>\$ 297,884,173</b>	<b>\$ 308,907,981</b>	<b>\$ 324,921,429</b>	<b>\$ 340,934,877</b>
Less: Grants (see below)	1,366,136	1,338,699	1,251,459	1,709,917	1,752,534	1,950,373	2,159,508	2,368,643
	<b>\$ 232,012,759</b>	<b>\$ 243,550,096</b>	<b>\$ 255,817,355</b>	<b>\$ 271,156,363</b>	<b>\$ 296,131,638</b>	<b>\$ 306,957,608</b>	<b>\$ 322,761,921</b>	<b>\$ 338,566,233</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>\$ 2,845,030</b>	<b>\$ 2,267,417</b>	<b>\$ 5,671,453</b>	<b>\$ 5,271,052</b>	<b>\$ 0</b>	<b>\$ 1,810,885</b>	<b>\$ 1,227,599</b>	<b>\$ 644,313</b>
<b>Other Sources (Uses):</b>								
Transfers In	32,174	468,559	3,593	467,280	-	537,025	621,060	705,095
Transfers Out	(250,118)	(888,606)	(5,347,424)	(2,971,271)	(3,035,650)	(4,794,733)	(5,560,106)	(6,325,479)
<b>Total Other Sources (Uses)</b>	<b>(217,944)</b>	<b>(420,047)</b>	<b>(5,343,831)</b>	<b>(2,503,991)</b>	<b>(3,035,650)</b>	<b>(4,257,708)</b>	<b>(4,939,046)</b>	<b>(5,620,384)</b>
<b>Change in Fund Balance</b>	<b>\$ 2,627,087</b>	<b>\$ 1,847,369</b>	<b>\$ 327,622</b>	<b>\$ 2,767,061</b>	<b>\$ (3,035,650)</b>	<b>\$ (2,446,823)</b>	<b>\$ (3,711,447)</b>	<b>\$ (4,976,071)</b>
Beginning Fund Balance	40,164,338	42,791,425	44,638,794	44,966,416	47,733,477	44,697,827	42,251,004	38,539,557
<b>Ending Fund Balance</b>	<b>\$ 42,791,425</b>	<b>\$ 44,638,794</b>	<b>\$ 44,966,416</b>	<b>\$ 47,733,477</b>	<b>\$ 44,697,827</b>	<b>\$ 42,251,004</b>	<b>\$ 38,539,557</b>	<b>\$ 33,563,486</b>

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	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Summary by State Object:</b>								
100 Salaries	\$ 145,384,642	\$ 152,252,757	\$ 157,317,269	\$ 163,647,499	\$ 181,167,117	\$ 184,841,764	\$ 193,137,733	\$ 201,433,703
200 Benefits	55,922,675	59,474,457	65,863,273	71,420,391	77,822,821	82,824,591	88,399,214	93,973,837
<b>Total Salaries &amp; Benefits</b>	<b>\$ 201,307,317</b>	<b>\$ 211,727,214</b>	<b>\$ 223,180,542</b>	<b>\$ 235,067,890</b>	<b>\$ 258,989,938</b>	<b>\$ 267,666,356</b>	<b>\$ 281,536,947</b>	<b>\$ 295,407,539</b>
Other Expenditures:								
300 Purchased Profess & Tech Services	\$ 8,449,486	\$ 8,265,533	\$ 9,063,932	\$ 9,276,178	\$ 9,327,571	\$ 9,706,585	\$ 9,983,266	\$ 10,259,948
321 Contracted Service - Teachers	-	-	1,372	1,698	7,500	9,651	12,715	15,779
332 Drug Testing and Fingerprinting	2,023	17,999	15,279	23,403	23,500	30,948	35,784	40,620
334 Bus Driver Physicals	19,875	22,845	24,634	22,520	27,000	27,552	28,945	30,337
340 Professional Legal Services	145,084	159,752	151,240	158,111	165,375	167,595	171,489	175,383
361 Per Diem and Fees	-	-	-	-	2,000	-	-	-
410 Water, Sewer and Cleaning Services	810,497	957,772	941,032	1,004,351	1,065,925	1,123,146	1,178,890	1,234,633
430 R&M Services	1,174,878	1,339,939	1,335,132	1,732,964	1,923,627	2,068,465	2,257,517	2,446,570
432 R&M Services - Technology Related	-	-	-	-	-	-	-	-
442 Rental of Equipment and Vehicles	1,619	3,017	1,780	9,343	1,612	5,368	5,999	6,630
490 Other Purchased Property Services	25,257	30,339	33,405	33,715	32,500	36,401	38,188	39,974
520 Insurance (non-Employee Benefits)	536,221	547,984	554,326	602,256	730,482	727,092	771,371	815,651
530 Communication	696,003	720,458	936,045	947,034	958,682	1,077,224	1,152,418	1,227,611
532 Commun - Web-Based Subt and Licen	-	27,616	355,561	725,284	625,649	974,383	1,190,705	1,407,028
563 Tuition to Private Sources	252,160	178,621	31,000	48,044	60,000	50,000	55,000	60,000
569 Other Tuition	-	-	-	31,275	-	-	-	-
580 Travel - Employees	194,346	232,191	206,124	227,129	227,814	236,083	242,271	248,459
595 Other Purchased Services	528,874	496,066	489,333	666,215	874,175	869,158	955,233	1,041,308
610 Supplies	2,465,841	2,501,772	2,464,331	2,535,252	3,644,214	3,439,350	3,678,372	3,917,395
611 Supplies - Technology Related	-	30,498	24,764	59,973	89,188	103,926	125,054	146,182
612 Computer Software	1,850,015	1,024,787	1,006,610	756,387	801,186	850,000	850,000	850,000
615 Expendable Equipment	784,429	1,350,854	878,579	1,634,766	1,671,095	1,881,117	2,086,842	2,292,566
616 Expendable Computer Equipment	3,883,201	4,651,421	4,605,740	5,662,634	4,730,608	5,518,529	5,789,132	6,059,735
620 Energy	4,903,271	5,044,161	5,393,154	5,778,268	6,098,222	6,380,618	6,693,019	7,005,420
641 Textbooks - Printed	1,702,202	1,694,527	1,474,272	2,232,752	2,479,366	2,544,390	2,753,645	2,962,901
642 Books (Non-Textbooks) & Periodicals	390,377	396,906	451,526	428,184	316,329	361,619	349,937	338,255
715 Land Improvements	-	-	-	-	-	-	-	-
720 Building Acq, Construction, and Impr	4,467	-	-	-	-	-	-	-
730 Purch of Equip - (Not Buses or Comp)	474,514	240,466	454,343	195,866	419,200	310,309	294,787	279,264
732 Purchase or Lease- Buses	2,346,873	2,700,126	2,503,349	2,421,178	1,599,862	1,782,387	1,605,089	1,427,792
734 Purchase or Lease-Tech Equipment	-	9,995	-	-	-	-	-	-
810 Dues and Fees	302,353	343,976	319,771	383,530	200,237	260,570	244,102	227,635
811 Regional or County Library Dues	11,670	11,670	11,670	20,051	22,000	24,124	27,028	29,932
812 RESA Fees	113,952	157,537	159,599	161,838	164,791	183,337	193,935	204,533
890 Other Expenditures	2,091	2,552	368	18,191	604,525	491,697	613,748	735,799
<b>Total State Objects</b>	<b>\$ 233,378,895</b>	<b>\$ 244,888,795</b>	<b>\$ 257,068,813</b>	<b>\$ 272,866,280</b>	<b>\$ 297,884,173</b>	<b>\$ 308,907,981</b>	<b>\$ 324,921,429</b>	<b>\$ 340,934,877</b>



Paulding County School District  
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	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Summary by State Grant Programs:</b>								
<b>Revenue</b>								
2310 Tuition For Multi-Handicap Children	\$ 216,580	\$ 130,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2411 Pupil Transportation - State Bonds	308,880	231,649	77,320	490,100	154,440	237,349	232,306	227,263
2620 Preschool Handicapped State Grant	387,170	470,951	577,641	613,851	664,873	752,389	822,220	892,050
3019 Vocational Supervisors	27,167	26,612	33,006	28,598	28,654	30,295	30,791	31,287
3529 Extended Year Ag.	9,031	9,117	10,254	19,034	20,064	23,095	26,294	29,492
3530 CTAE Voc Construct Bond \$5mil	-	-	119,903	-	385,000	433,398	565,947	698,495
3532 Voc Construct Equip - State Bond	-	-	-	-	-	-	-	-
3540 Apprenticeship - Spec Approp	37,274	35,926	36,066	38,173	38,249	38,396	38,816	39,235
3550 Vocational Industry Cert State	24,988	29,922	-	42,774	30,000	32,400	34,687	36,975
3553 Extended Day-Agriculture	9,652	10,826	11,811	21,472	18,551	22,996	25,840	28,684
3554 Extended Day-Technology/Career	135,359	125,941	126,802	134,956	135,223	134,279	135,153	136,027
7050 Math And Science Supplement	210,032	266,881	257,784	234,272	234,732	245,778	247,457	249,136
7052 TOTY	-	507	507	-	-	-	-	-
9191 GF Instruction NHEC PCCA	-	-	146,667	-	42,749	-	-	-
9210 EdCamp Foundation	-	250	400	421	-	-	-	-
<b>Total Grant Program Revenue</b>	<b>\$ 1,366,133</b>	<b>\$ 1,338,703</b>	<b>\$ 1,398,161</b>	<b>\$ 1,623,651</b>	<b>\$ 1,752,534</b>	<b>\$ 1,950,375</b>	<b>\$ 2,159,510</b>	<b>\$ 2,368,646</b>
<b>Expenditures</b>								
2310 Tuition For Multi-Handicap Children	\$ 216,580.00	\$ 130,122.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2411 Pupil Transportation - State Bonds	308,880	231,649	77,320	490,100	154,440	237,349	232,306	227,263
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7050 Math And Science Supplement	210,031	266,881	257,784	234,272	234,732	245,778	247,457	249,136
7052 TOTY	-	507	507	-	-	-	-	-
9191 GF Instruction NHEC PCCA	-	-	-	86,270	42,749	-	-	-
9210 EdCamp Foundation	-	246	365	417	-	-	-	-
<b>Total Grant Program Expenditures</b>	<b>\$ 1,366,135.93</b>	<b>\$ 1,338,699.21</b>	<b>\$ 1,251,458.73</b>	<b>\$ 1,709,917.08</b>	<b>\$ 1,752,534.48</b>	<b>\$ 1,950,373.37</b>	<b>\$ 2,159,508.41</b>	<b>\$ 2,368,643.45</b>

## Level Three: Summary Data for Individual Funds

### Special Revenue Funds

The **Special Revenue Funds** account for resources that are legally restricted for specific purposes. Although reported within the General Fund for audited financial reporting, the Special Revenue Fund is presented separately for budget appropriation and internal reporting purposes. Special Revenue Funds are used to account for those funds that are restricted for specific purposes. Most of the federal, state, local and private grants that the district receives are accounted for in the special revenue fund and must be spent and accounted for according to the specific grant requirements.

- The **School Nutrition Fund** accounts for activities associated with the District's School Nutrition Program (SNP). Although a Special Revenue Fund, the School Nutrition Fund is presented separately for budget appropriation and internal reporting purposes.

Most federal grants are allocated through the Georgia Department of Education to the local school district. For Paulding County, Title I and Special Education VIB Flow-through will be the largest grants awarded for FY2020 at \$3.6 and \$4.8 million, respectively. Both grants exceed 10% of the total budgeted expenditures for Special Revenue Funds. Below are brief descriptions of these grants and their anticipated FY2020 award.

#### **Title I-A Improving the Academic Achievement of the Disadvantaged (Program 1750, \$3,612,491)**

Title I provides funding for educationally disadvantaged children in identified economically deficient schools. It helps ensure that all children are meeting the State academic content and student academic achievement standards. In FY2020, Title I will be able to serve 10 (of the 19) elementary schools in the Paulding County School District.

#### **Special Education VI-B Flow-through (Program 2824, \$4,789,385)**

The Special Education VIB Flow-through helps the district with excess cost related to special education and the services prescribed by the Individuals with Disabilities Education Act (IDEA) as authorized by Congress. The grant provides support services to children with disabilities including but not limited to physical therapy, speech therapy, occupational therapy, special transportation and audiology.

### Major (Significant) Funding Sources and Uses (Expenditure Categories)

#### **Federal Revenue**

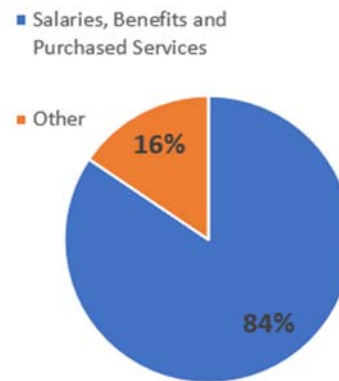
Federal revenue (U.S. Department of Education) accounts for 99.6% of all FY2020 Special Revenue Fund Proposed Budget.

#### **Salaries, Benefits and Purchased Service Expenditures**

Salaries, Benefits and Purchased Service Expenditures (including Purchased Professional & Technical Services and Contracted Services for Teachers) account for 84% of the FY2020 Special Revenue Expenditure Budget.

The proposed FY2020 budget includes:

- \$6.1 million in Salaries or 54%
- \$2.4 million in Benefit costs or 21%
- \$1.1 million in Purchased Services or 9%



#### Underlying Assumptions and Significant Trends for Major Funding Sources and Uses

##### Underlying Assumptions:

###### Federal Funding Sources

- For most grants, should the funding of these programs be eliminated or reduced, it is likely that the services provided would be negatively impacted unless another funding source is identified.
- Each grant is adjusted in the current year before funds are spent based on the actual grant award for that year.
- Increases in enrollment, especially enrollment in Exceptional Students Educational Programs (ESEP), should continue to increase grant opportunities, but will also likely place higher demands on local resources.

###### Salaries, Benefits and Purchased Services

- When grant awards do not fully support the initiative, local revenue sources (General Fund) may be required to address allotment quantity, total compensation and benefits.
- Cost of labor will continue to grow at a higher rate than awards, resulting in a decline in resources available for non-labor related expenditures. For example, 16% of the Proposed Budget is for non-labor related expenditures, compared to the prior three-year average of 19%.
- Increases to local pay scales do not always result in additional grant resources.



## Significant Trends or Factors Influencing Budget Decisions:

### Demographic and Economic Factors

#### Free and Reduced-Price Meal Benefits Program Eligibility. *Free and Reduced-Price Meal Benefits*

*Program (FRL)* is a part of the National Child Nutrition Program. This program makes free or reduced priced meals available to qualifying households. Qualifications are based on the gross income of all household members and the number of persons living in the house.

FRL participation is a measurement of student wealth and is directly impacted by the demographic and economic conditions of Paulding County.

FRL is a key element in the allocation of several grants, including Title I and Special Education VIB Flow-through.

The FRL participation percentage decreased 1.41% from October 2012 to October 2018, from 42.39% to 40.98%, respectively.

The Statewide participation percentage increased 0.50%, from 59.59% to 60.09%.

#### Free and Reduced Price Meal Eligibility (FRL)

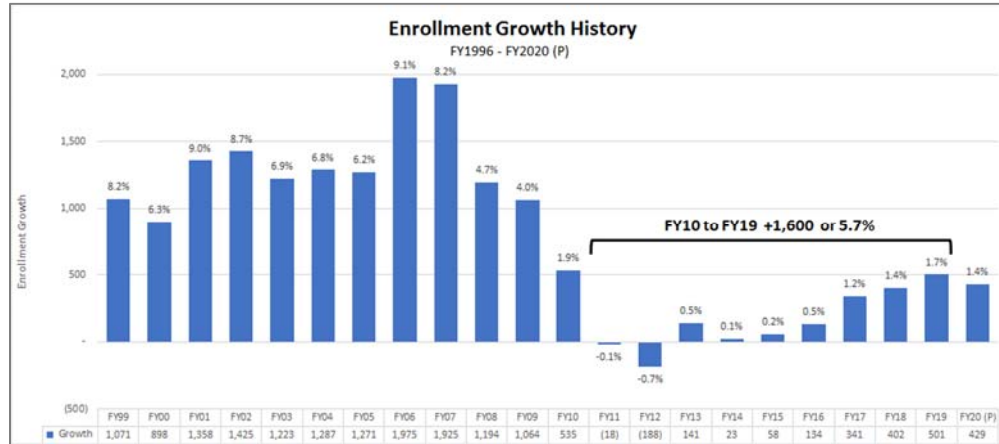
School	Oct-12 % FRL	Oct-18 %FRL	Change
0299 - Allgood Elementary School	64.67	65.07	0.40
0103 - Bessie L. Baggett Elementary	54.37	58.54	4.17
0110 - Burnt Hickory Elementary School	21.26	17.68	(3.58)
0199 - C. A. Roberts Elementary School	41.82	44.76	2.94
0410 - Carl Scoggins Sr. Middle School	52.86	47.64	(5.22)
0304 - Connie Dugan Elementary School	43.90	53.41	9.51
1050 - Dallas Elementary School	75.67	79.82	4.15
0292 - East Paulding High School	36.60	34.88	(1.72)
0394 - East Paulding Middle School	36.92	36.31	(0.61)
0194 - Floyd L. Shelton Elementary School at Crossroad	15.12	17.30	2.18
0310 - Hal Hutchens Elementary	44.68	51.34	6.66
2352 - Herschel Jones Middle School	63.46	58.48	(4.98)
5050 - Hiram Elementary School	64.59	63.29	(1.30)
0101 - Hiram High School	44.80	51.09	6.29
0404 - Irma C. Austin Middle School	41.98	45.19	3.21
0297 - J. A. Dobbins Middle School	52.21	57.70	5.49
0201 - Lena Mae Moses Middle School	36.40	36.97	0.57
0104 - Lillian C. Poole Elementary School	57.37	52.75	(4.62)
0188 - McGarity Elementary School	45.10	46.21	1.11
0198 - Nebo Elementary School	41.21	50.71	9.50
2052 - New Georgia Elementary School	43.06	50.82	7.76
0109 - North Paulding High School	21.12	18.24	(2.88)
0294 - Northside Elementary School	50.78	52.52	1.74
0213 - P. B. Ritch Middle School	54.21	57.69	3.48
2552 - Paulding County High School	52.74	46.80	(5.94)
0204 - Roland W. Russom Elementary	30.74	29.57	(1.17)
0197 - Sam D. Panter Elementary School	54.26	55.49	1.23
0108 - Sammy McClure Sr. Middle School	17.96	15.79	(2.17)
0210 - Sara M. Ragsdale Elementary	57.63	53.23	(4.40)
0106 - South Paulding High School	37.49	33.35	(4.14)
0192 - South Paulding Middle School	46.80	46.87	0.07
4052 - Union Elementary School	51.82	42.28	(9.54)
0113 - WC Abney Elementary	38.00	31.49	(6.51)
<b>Paulding Count School District</b>	<b>42.39</b>	<b>40.98</b>	<b>(1.41)</b>
<b>Statewide Average</b>	<b>59.59</b>	<b>60.09</b>	<b>0.50</b>

ESEP Enrollment. ESEP enrollment has increased dramatically over the past several years. In FY2018, the average additional cost per ESEP student was approximately \$2,100.

### Enrollment Factors

Enrollment Growth. Increases in enrollment may result in additional grant awards, but funding may not cover all the additional costs associated with required services. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest

growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.



## Funding Factors

**Federal Budget.** Changes in the appropriations for grants and/or the allocation methodology.

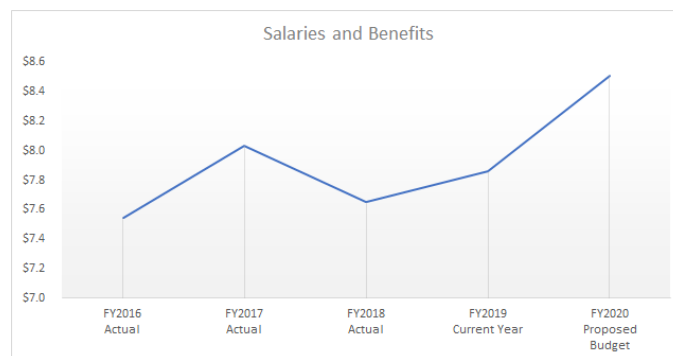
**Grant Requirements.** Specific requirements, including restrictions on expenditures may impact decisions regarding grant application, especially when local funds are required to fully support the initiative.

## Operating Factors

**Rising Cost of Human Capital.** With around 84% of the budget focused on salaries, benefits and purchased services, the rising cost of human capital is a major factor bearing on the District's future. These increases include, but are not limited to, the Teachers Retirement System (TRS) and State Health Benefit Plan, which have seen unprecedented increases over the past few years. As the demand for highly qualified teachers increases, the District must remain competitive in compensation and benefits.

### Salaries and Benefits:

- \$6.1m Salaries, 6.3% Increase
- \$2.4m Benefits, 13.6% Increase
- \$ 8.5m Salaries and Benefits, 8.3% Increase



## Material Changes (Shifts) from Current Year Budget

### Changes in Revenue

The proposed revenue budget is \$1.6 million or 12.4% lower than the current year. This is primarily due to an anticipated decline in the Striving Readers grant. Almost 73% of this \$4.1 million grant was received in FY2019. Only 27% of the grant is reflected in the Proposed Budget.

### **Changes in Expenditures**

The proposed expenditure budget is also \$1.6 million or 12.4% lower than the current year, primarily due to the Striving Readers grant, which is represented across several objects.

A result of the rising cost of human capital, Salaries, Benefits and Purchased Services (including Purchased Professional & Technical Services and Contracted Services for Teachers) account for 69% of the current year budget as opposed to 84% of the Proposed Budget. Conversely, non-labor related expenditures account for 31% of the current year budget as opposed to 16% of the Proposed Budget.

*Material or significant changes are defined as a minimum of 0.05% of proposed expenditures and a 10% change (absolute value) from the current to Proposed Budget.*

### [Significant Changes in Fund Balance](#)

The Proposed Budget does not anticipate a change in fund balance.

The budget does not reflect a negative trend in fund balance during the three-year forecast period.

### [Anticipated FY2020 Grants](#)

Below is a brief description of other common grants awarded to the district and a table of anticipated awards for FY2020.

#### **Title IV-A Student Support and Academic Enrichment (Program 1779)**

Title IV-A funding supports providing all students access to well-rounded education, improved school conditions for student learning, and improves the use of technology in order to advance the academic achievement and digital literacy of all students.

#### **Title II Improving Teacher Quality (Program 1784)**

The purpose of the Title II grant is to improve the quality and effectiveness of teachers, principals and other school leaders. It will also aim to increase student achievement consistent with the challenging State academic standards, increase the number of teachers, principals and other school leaders, as well as, provide low-income and minority students greater access to effective teachers, principals and other school leaders.

#### **Advanced Placement Grant (Program 1791)**

The Advanced Placement grant is committed to supporting local school districts efforts to improving the academic achievement of students. The grant achieves this by providing financial support for teachers to

receive training during the summer to be able to offer AP courses to their students in the upcoming school year.

**Title III Language Instruction for English Learners and Immigrant Students (Program 1816)**

Title III funds are used to provide language instructional programs to English Learners or Limited English Proficient (LEP) students. The purpose of the grant is to have English language learners or Limited English Proficient (LEP) students develop English proficiency and meet the same academic achievement standards that all other students are expected to meet.

**High Cost Fund (Program 1831)**

These funds assist the local school district in covering the direct special education instructional costs of children with disabilities who meet the criteria of a High Needs Child. The intensity, frequency and diversity of the special education and related services needs of the child exceed the typical needs of a child with a disability.

**JROTC (Program 1862)**

The JROTC program offers the opportunity for high school students to enroll in a leadership/citizenship program coordinated under the umbrella of the Career, Technical and Agricultural Education Division of the Georgia Department of Education. The funding from this grant provides partial reimbursement to the local school district for instructor salaries.

**Family Connections (Program 2720)**

Georgia Family Connection is the only statewide network in the country dedicated to the health and well-being of families and communities. The program connects partners to the resources they need, helps coordinate and manage efforts and empowers our communities to craft local solutions based on local decisions.

**Pre-School Regular Project, Special Education (Program 2820)**

The funding from this grant assists in providing special education and related services to children with disabilities ages three through five.

**Perkins IV Program Improvement Grant (Program 3315)**

These funds are used to strengthen the academic, lifetime career and technical skills of students participating in the career and technical education programs. The grant also helps provide professional development to teachers and administrators who are involved in career and technical education programs.

**Perkins IV-Perkins Plus Reserve Grant and Perkins Plus Carryover (Program 3320 and Program 3323)**

The Reserve grant is designed to supplement the resources of local school systems in rural areas, areas with high percentages of career education students; or areas with high numbers of career and technology education students and were adversely affected by the change in the Perkins IV funding formula.

**Striving Readers: Birth-High School-L4GA (1730,1731,1732,1733)**

This grant focuses on literacy in the classroom by working with the community and research proven instruction. The grant provides support to disadvantaged children which includes but is not limited to children living in poverty, English learners and children with disabilities. Striving Readers serves children from birth to high school. For FY 2020, the Striving Readers grant will be used for 2 Daycare facilities, 11 Elementary Schools, 5 Middle Schools, and 2 High Schools in Paulding County.



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Anticipated FY2020 Grants

Program Names	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget
Striving Readers Birth-5			\$ 2,775	\$ 88,763	\$ 81,074
Striving Readers Elementary			5,564	1,893,909	230,403
Striving Readers Middle			1,235	868,441	144,794
Striving Readers High			584	109,181	629,250
Title I	\$ 3,441,803	\$ 3,909,474	3,578,211	3,821,260	3,612,491
Title IIIIA Student Support and Academic Enrichment			113,616	228,339	266,092
Title II-A, Improving Teacher Quality	371,371	409,839	449,605	500,428	605,062
Title II-A, Advance Placement	1,620	4,150	1,085	2,250	2,250
Education of Homeless Children	15,532	30,842	14,550	0	
Limited English Proficient	56,377	66,997	57,629	80,685	81,723
Title II, Part B: Mathematics And Science Partnerships	559,088	404,651	382,328	-	
Title III-A Immigrant				2,500	
Idea High Cost Fund Pool	61,371	51,842	36,461	182,132	75,800
Jr. ROTC	396,627	399,304	428,821	450,288	478,761
Family Connection	45,690	47,233	48,500	49,973	50,000
Pre-School-Regular Project, Special Education	78,981	49,684	81,847	83,800	99,504
Vi-B Flowthrough Special Education Fund 404	4,248,825	4,291,702	4,371,912	4,228,403	4,789,385
Title VI B , Capacity Bldg	31,504	21,267	55,284	-	
Vocational 85% Grant-Program Improvement	159,777	166,301	155,406	177,000	177,167
Perkins IV - Perkins Plus Reserve Grant	24,156	24,856	25,000	24,910	25,000
Perkins Plus CarryOver	9,895	9,601	8,637	10,270	10,270
ARRA - School Improvement Grant	(379)				
Title I Summer	2,854	14,740	19,716	9,227	-
Title IV SSAE Summer				417	-
Title II-A Summer	64,795	18,100	-	59,427	-
Summer Account, Title II-A Advance Placement		2,380	1,700	4,515	
Ed Homeless Summer	17,628	21,629	16,193	19,573	-
Title III Limited English- Summer				2,244	-
Federal PreSchool Summer			64	6,903	-
Math/Science Partner Summer	161,736	104,321	22,802	42,179	-
Title VI B Flow Thru			7,348		
Title VIB, Capacity BldgSummer			6	14,685	-
Sunshine Fund	590	644	1,017	252	
SNP Misc Grants		17,399	3,239	12,183	-
SPED Medicaid Billing	52,471	324,177	451,581	201,709	356,220
SPED Medicaid ACE	362,163	443,066	97,709	608,579	375,000
Partner in Ed Teacher Retirement	2,650	1,931	1,879	2,730	
Partner in Ed Undesignated			2,351	7,057	-
Partner in Ed Designated			10,849	248	-
Donation Revenue Designated		1,908	1,915	-	
GOSA Innovation Fund	1,607			8,370	-
GOSA Connect for Classrooms	1,182,411	-	634,412	-	
GOSA Shark Tank		10,000	-		
Owens-Brockway Bus Grant		100,000	51,986	230,310	-
Tiny Grant				6,992	-
Transportation Misc Grant			65,000	65,000	-
McDonalds Misc Grant				1,062	-
Misc	4,147,717	4,489,473	4,116,781	4,358,763	4,816,025
	\$ 15,498,858	\$ 15,437,511	\$ 15,325,600	\$ 18,464,955	\$ 16,906,271



Paulding County School District  
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Financial Data

Special Revenue Funds								
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
	Actual	Actual	Actual	Current Year	Proposed Budget	Forecast	Forecast	Forecast
<b>Revenue:</b>								
Other Local Sources	\$ 4,761,739	\$ 4,741,106	\$ 5,128,842	\$ 4,949,927	\$ 5,448,799	\$ 5,480,965	\$ 5,639,259	\$ 5,797,553
State Source	1,229,708	157,233	735,061	295,646	50,000	47,000	46,000	45,000
Federal	9,703,560	10,001,680	9,838,382	12,911,727	11,309,027	12,589,169	13,201,267	13,813,365
<b>Total Revenue</b>	<b>\$ 15,695,007</b>	<b>\$ 14,900,019</b>	<b>\$ 15,702,285</b>	<b>\$ 18,157,300</b>	<b>\$ 16,807,826</b>	<b>\$ 18,117,134</b>	<b>\$ 18,886,526</b>	<b>\$ 19,655,919</b>
<b>Expenditures:</b>								
1000 Instruction	\$ 9,049,430	\$ 8,648,097	\$ 9,170,993	\$ 11,295,027	\$ 9,684,040	\$ 10,553,154	\$ 11,004,128	\$ 11,455,102
2100 Pupil Services	1,242,303	1,701,783	1,317,423	1,609,874	1,596,050	1,678,162	1,739,721	1,801,279
2210 Improvement of Instruction	2,460,450	2,482,943	158,879	180,100	215,026	220,000	210,000	200,000
2213 Instructional Staff Training	-	-	2,134,108	2,401,229	2,538,705	2,762,612	2,964,910	3,167,209
2220 Media Services	-	-	-	-	-	-	-	-
2230 Federal Grant Administration	274,139	279,983	261,031	308,344	334,475	336,304	351,208	366,111
2300 General Administration	108,114	138,885	134,091	186,338	172,656	200,978	218,632	236,286
2400 School Administration	-	-	-	24,949	13,042	25,706	32,227	38,748
2500 Business Services	1,870	2,105	1,748	393	-	-	-	-
2600 Maintenance	294	275	-	-	-	-	-	-
2700 Transportation	925,224	874,188	922,707	1,248,754	942,688	1,105,561	1,146,510	1,187,460
2800 Central Support Services	7,261	4,869	7,763	9,078	5,000	6,700	6,669	6,638
2900 Other Support Services	220,085	47,444	48,500	49,973	50,000	47,000	46,000	45,000
3200 Enterprise Operations	1,209,691	1,256,938	1,168,358	1,150,896	1,354,588	1,283,220	1,301,595	1,319,971
<b>Total Expenditures</b>	<b>\$ 15,498,858</b>	<b>\$ 15,437,511</b>	<b>\$ 15,325,600</b>	<b>\$ 18,464,955</b>	<b>\$ 16,906,271</b>	<b>\$ 18,219,397</b>	<b>\$ 19,021,600</b>	<b>\$ 19,823,803</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>\$ 196,149</b>	<b>\$ (537,492)</b>	<b>\$ 376,684</b>	<b>\$ (307,656)</b>	<b>\$ (98,445)</b>	<b>\$ (102,263)</b>	<b>\$ (135,074)</b>	<b>\$ (167,885)</b>
<b>Other Sources (Uses):</b>								
Transfers In	-	-	20,000	6,300	-	6,489	6,457	6,426
Transfers Out	(19,150)	-	(20,000)	(6,381)	-	-	-	-
<b>Total Other Sources (Uses)</b>	<b>(19,150)</b>	<b>-</b>	<b>-</b>	<b>(81)</b>	<b>-</b>	<b>6,489</b>	<b>6,457</b>	<b>6,426</b>
<b>Change in Fund Balance</b>	<b>\$ 176,999</b>	<b>\$ (537,492)</b>	<b>\$ 376,684</b>	<b>\$ (307,737)</b>	<b>\$ (98,445)</b>	<b>\$ (95,774)</b>	<b>\$ (128,617)</b>	<b>\$ (161,459)</b>
Beginning Fund Balance*	2,189,620	2,366,619	1,829,127	2,205,812	1,897,352	1,799,630	1,703,856	1,575,239
<b>Ending Fund Balance</b>	<b>\$ 2,366,619</b>	<b>\$ 1,829,127</b>	<b>\$ 2,205,812</b>	<b>\$ 1,898,075</b>	<b>\$ 1,798,907</b>	<b>\$ 1,703,856</b>	<b>\$ 1,575,239</b>	<b>\$ 1,413,780</b>

\*Includes Beginning Fund Balance Adjustments

Paulding County School District  
Fiscal Year Budget

2020

	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Summary by State Object:</b>								
100 Salaries	\$ 5,708,831	\$ 6,082,126	\$ 5,639,232	\$ 5,768,576	\$ 6,121,906	\$ 6,017,914	\$ 6,069,174	\$ 6,120,434
200 Benefits	1,893,032	2,001,197	2,056,153	2,139,510	2,437,282	2,473,478	2,596,159	2,718,840
<b>Total Salaries &amp; Benefits</b>	<b>\$ 7,601,863</b>	<b>\$ 8,083,324</b>	<b>\$ 7,695,385</b>	<b>\$ 7,908,086</b>	<b>\$ 8,559,188</b>	<b>\$ 8,491,392</b>	<b>\$ 8,665,334</b>	<b>\$ 8,839,275</b>
Other Expenditures:								
300 Purchased Profess & Tech Services	\$ 1,113,236	\$ 1,361,415	\$ 1,030,884	\$ 1,639,041	\$ 1,496,326	\$ 1,641,322	\$ 1,745,702	\$ 1,850,083
321 Contracted Service - Teachers	65,204	59,853	223,658	75,747	186,123	199,437	225,210	250,983
340 Professional Legal Services	22,000	-	-	-	-	-	-	-
430 R&M Services	6,142	4,177	5,921	4,683	2,500	2,651	1,973	1,295
441 Rental of Land or Buildings	367	412	-	423	-	-	-	-
442 Rental of Equipment and Vehicles	325	325	-	-	-	-	-	-
519 Student Trans Purch from Other Source	-	3,595	-	657	-	-	-	-
530 Communication	6,452	7,254	7,589	5,376	5,524	5,319	4,946	4,572
532 Commun - Web-Based Subt and Licens	-	48,552	153,181	2,280,794	415,319	1,531,440	1,854,232	2,177,023
563 Tuition To Private Sources	30,709	74,201	-	-	-	-	-	-
569 Other Tuition	600	-	-	-	-	-	-	-
580 Travel - Employees	137,713	91,348	87,162	110,186	111,446	97,462	94,093	90,723
595 Other Purchased Services	13,140	275	2,162	5,036	-	-	-	-
610 Supplies	4,390,511	4,755,747	4,325,538	4,574,919	4,968,867	4,895,882	4,993,471	5,091,059
611 Supplies - Technology Related	14,871	21,304	22,099	36,233	20,094	30,532	33,070	35,607
612 Computer Software	202,058	67,833	96,528	5,332	5,126	5,200	5,200	5,200
615 Expendable Equipment	153,121	149,374	98,138	154,169	144,717	136,300	135,099	133,897
616 Expendable Computer Equipment	1,252,075	101,943	793,064	542,455	198,619	150,000	150,000	150,000
620 Energy	8,551	8,385	3,179	22,838	4,824	11,655	12,355	13,054
641 Textbooks - Printed	-	-	3,749	43,069	-	21,562	25,146	28,731
642 Books (Non-Textbooks) & Periodicals	195,496	121,989	327,722	318,139	334,019	401,431	448,751	496,070
730 Purch of Equip - (Not Buses or Comp)	-	9,198	-	-	-	-	-	-
732 Purchase or Lease- Buses	-	100,000	116,986	295,310	-	97,655	85,487	73,320
734 Purchase or Lease-Tech Equipment	-	-	-	-	-	-	-	-
810 Dues and Fees	166,952	133,599	117,814	179,572	219,168	208,542	223,583	238,624
880 Federal Indirect Cost Charges	93,920	117,456	116,314	168,191	146,812	175,494	191,146	206,798
890 Other Expenditures	23,551	115,950	98,527	94,699	87,600	116,119	126,804	137,489
<b>Total State Objects</b>	<b>\$ 15,498,858</b>	<b>\$ 15,437,511</b>	<b>\$ 15,325,600</b>	<b>\$ 18,464,955</b>	<b>\$ 16,906,271</b>	<b>\$ 18,219,397</b>	<b>\$ 19,021,600</b>	<b>\$ 19,823,803</b>

## School Nutrition Fund

The **School Nutrition Fund** accounts for activities associated with the District's School Nutrition Program (SNP). Although a Special Revenue Fund, the School Nutrition Fund is presented separately for budget appropriation and internal reporting purposes.

### Major (Significant) Funding Sources and Uses (Expenditure Categories)

**Federal Funding Sources** (National Child Nutrition Program) account for 59.6% of the proposed revenue budget.

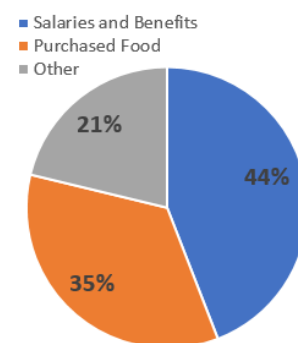
#### Other Local Sources Revenue

Other Local Sources (Meal Purchases) account for 38.2% of the proposed revenue budget.

#### Salaries and Benefits Expenditures

Salaries and Benefits account for 44.1% of the Proposed Budget, including:

- \$4.1 million in Salaries or 27.8%
- \$2.4 million in Benefit costs or 16.4%



**Purchased Food Expenditures** account for \$5.1 million or 34.7% of the Proposed Budget.

### Underlying Assumptions and Significant Trends for Major Funding Sources and Uses

#### Underlying Assumptions:

##### Federal Funding Sources

- As is the case for most grants, should the funding of these programs be eliminated or reduced, the services provided would likely be negatively impacted.

##### Local Funding Sources

- Meal purchases are volatile and sensitive to governmental regulations.

##### Salaries and Benefits

- Cost of labor will continue to grow.

##### Purchased Food

- As a commodity, purchased food cost is volatile, and has historically increase.

## Significant Trends or Factors Influencing Budget Decisions:

### Demographic and Economic Factors

#### Free and Reduced-Price Meal Benefits Program Eligibility. *Free and Reduced-Price Meal Benefits*

*Program (FRL)* is a part of the National Child Nutrition Program. This program makes free or reduced priced meals available to qualifying households. Qualifications are based on the gross income of all household members and the number of persons living in the house.

FRL participation is a measurement of student wealth and is directly impacted by the demographic and economic conditions of Paulding County.

The FRL participation percentage decreased 1.41% from October 2012 to October 2018, from 42.39% to 40.98%, respectively.

The Statewide participation percentage increased 0.50%, from 59.59% to 60.09%.

#### Free and Reduced Price Meal Eligibility (FRL)

School	Oct-12 % FRL	Oct-18 %FRL	Change
0299 - Allgood Elementary School	64.67	65.07	0.40
0103 - Bessie L. Baggett Elementary	54.37	58.54	4.17
0110 - Burnt Hickory Elementary School	21.26	17.68	(3.58)
0199 - C. A. Roberts Elementary School	41.82	44.76	2.94
0410 - Carl Scoggins Sr. Middle school	52.86	47.64	(5.22)
0304 - Connie Dugan Elementary School	43.90	53.41	9.51
1050 - Dallas Elementary School	75.67	79.82	4.15
0292 - East Paulding High School	36.60	34.88	(1.72)
0394 - East Paulding Middle School	36.92	36.31	(0.61)
0194 - Floyd L. Shelton Elementary School at Crossroad	15.12	17.30	2.18
0310 - Hal Hutchens Elementary	44.68	51.34	6.66
2352 - Herschel Jones Middle School	63.46	58.48	(4.98)
5050 - Hiram Elementary School	64.59	63.29	(1.30)
0101 - Hiram High School	44.80	51.09	6.29
0404 - Irma C. Austin Middle School	41.98	45.19	3.21
0297 - J. A. Dobbins Middle School	52.21	57.70	5.49
0201 - Lena Mae Moses Middle School	36.40	36.97	0.57
0104 - Lillian C. Poole Elementary School	57.37	52.75	(4.62)
0188 - McGarity Elementary School	45.10	46.21	1.11
0198 - Nebo Elementary School	41.21	50.71	9.50
2052 - New Georgia Elementary School	43.06	50.82	7.76
0109 - North Paulding High School	21.12	18.24	(2.88)
0294 - Northside Elementary School	50.78	52.52	1.74
0213 - P. B. Ritch Middle School	54.21	57.69	3.48
2552 - Paulding County High School	52.74	46.80	(5.94)
0204 - Roland W. Russom Elementary	30.74	29.57	(1.17)
0197 - Sam D. Panter Elementary School	54.26	55.49	1.23
0108 - Sammy McClure Sr. Middle School	17.96	15.79	(2.17)
0210 - Sara M. Ragsdale Elementary	57.63	53.23	(4.40)
0106 - South Paulding High School	37.49	33.35	(4.14)
0192 - South Paulding Middle School	46.80	46.87	0.07
4052 - Union Elementary School	51.82	42.28	(9.54)
0113 - WC Abney Elementary	38.00	31.49	(6.51)
<b>Paulding Count School District</b>	<b>42.39</b>	<b>40.98</b>	<b>(1.41)</b>
<b>Statewide Average</b>	<b>59.59</b>	<b>60.09</b>	<b>0.50</b>

### Enrollment Factors

Enrollment Growth. Increases in enrollment may result in additional grant awards, but funding may not cover all the additional costs associated with required services. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.

### Funding Factors

Federal Budget. Changes in the appropriations for grants and/or the allocation methodology.

Meal Purchases. Meal purchases are volatile and sensitive to governmental regulations.

### Operating Factors

Food Cost. Purchase Food accounts for \$5.1 million or 34.7% of the Proposed Budget. As a commodity, purchased food cost is volatile, and has historically increase.



Rising Cost of Human Capital. With 44.1% of the proposed focused on salaries and benefits, the rising cost of human capital is a major factor bearing on SNP.



### Material Changes (Shifts) from Current Year Budget

#### Changes in Revenue

No material changes are anticipated, beyond current trends.

#### Changes in Expenditures

No material changes are anticipated, beyond current trends.

*Material or significant changes are defined as a minimum of 0.05% of proposed expenditures and a 10% change (absolute value) from the current to Proposed Budget.*

### Significant Changes in Fund Balance

The Proposed Budget anticipates only a minor change in fund balance.

The budget reflects a decline of \$1.3 million or 25.3% in fund balance during the three-year forecast period. This decline is the result of a spending plan, designed to bring fund balance more in line with industry standards.



Paulding County School District  
Fiscal Year Budget

2020

Financial Data

School Nutrition Program								
	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
<b>Revenue:</b>								
Other Local Sources	\$ 4,768,629	\$ 4,636,183	\$ 4,577,520	\$ 5,656,288	\$ 5,617,505	\$ 5,866,582	\$ 6,138,368	\$ 6,410,153
State Source	332,644	328,794	330,088	330,846	336,078	334,366	335,258	336,150
Federal	8,151,435	8,365,930	8,104,536	8,666,887	8,769,272	8,872,601	9,026,265	9,179,928
<b>Total Revenue</b>	<b>\$13,252,707</b>	<b>\$13,330,908</b>	<b>\$13,012,144</b>	<b>\$14,654,020</b>	<b>\$14,722,855</b>	<b>\$15,073,549</b>	<b>\$15,499,890</b>	<b>\$15,926,231</b>
<b>Expenditures:</b>								
3100 SNP	\$12,212,626	\$14,153,620	\$14,132,105	\$14,138,355	\$14,726,184	\$15,407,975	\$15,946,664	\$16,485,353
4000 Acquisition & Construction	-	207,565	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>\$12,212,626</b>	<b>\$14,361,185</b>	<b>\$14,132,105</b>	<b>\$14,138,355</b>	<b>\$14,726,184</b>	<b>\$15,407,975</b>	<b>\$15,946,664</b>	<b>\$16,485,353</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>\$ 1,040,081</b>	<b>\$ (1,030,277)</b>	<b>\$ (1,119,961)</b>	<b>\$ 515,666</b>	<b>\$ (3,329)</b>	<b>\$ (334,425)</b>	<b>\$ (446,773)</b>	<b>\$ (559,122)</b>
<b>Other Sources (Uses):</b>								
Transfers In	779,506	773,755	735,085	769,255	779,345	765,942	765,460	764,978
Transfers Out	(779,506)	(773,755)	(735,085)	(769,255)	(779,345)	(765,942)	(765,460)	(764,978)
<b>Total Other Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Fund Balance</b>	<b>\$ 1,040,081</b>	<b>\$ (1,030,277)</b>	<b>\$ (1,119,961)</b>	<b>\$ 515,666</b>	<b>\$ (3,329)</b>	<b>\$ (334,425)</b>	<b>\$ (446,773)</b>	<b>\$ (559,122)</b>
Beginning Fund Balance*	5,847,647	6,926,783	5,936,828	4,780,100	5,295,766	5,292,437	4,958,011	4,511,238
<b>Ending Fund Balance</b>	<b>\$ 6,887,728</b>	<b>\$ 5,896,506</b>	<b>\$ 4,816,867</b>	<b>\$ 5,295,766</b>	<b>\$ 5,292,437</b>	<b>\$ 4,958,011</b>	<b>\$ 4,511,238</b>	<b>\$ 3,952,117</b>
<b>Summary by State Object:</b>								
								*Includes Beginning Fund Balance Adjustments
100 Salaries	\$ 3,419,213	\$ 3,828,462	\$ 3,975,736	\$ 3,949,375	\$ 4,086,635	\$ 4,288,611	\$ 4,434,187	\$ 4,579,763
200 Benefits	1,724,140	2,060,670	2,471,540	2,439,551	2,411,752	2,747,762	2,923,173	3,098,583
<b>Total Salaries &amp; Benefits</b>	<b>\$ 5,143,354</b>	<b>\$ 5,889,131</b>	<b>\$ 6,447,276</b>	<b>\$ 6,388,926</b>	<b>\$ 6,498,387</b>	<b>\$ 7,036,374</b>	<b>\$ 7,357,360</b>	<b>\$ 7,678,346</b>
<b>Other Expenditures:</b>								
300 Purchased Profess & Tech Services	\$ 28,553	\$ 22,511	\$ 16,302	\$ 16,448	\$ 22,998	\$ 16,210	\$ 14,493	\$ 12,776
410 Water, Sewer and Cleaning Services	155,596	160,956	159,652	207,879	208,294	224,172	239,404	254,636
430 R&M Services	94,369	115,140	101,391	67,167	84,198	71,958	65,127	58,295
520 Insurance (non-Employee Benefits)	15,099	14,975	15,089	17,250	26,750	25,506	28,063	30,621
530 Communication	21,538	22,621	25,710	24,927	25,441	27,081	28,092	29,103
580 Travel - Employees	55,578	49,222	46,879	39,208	48,150	40,347	37,860	35,373
591 SFS Commodity Hauling	72,160	54,848	62,435	67,319	56,981	57,383	55,594	53,805
610 Supplies	567,591	583,829	544,186	536,185	591,375	564,610	564,602	564,595
612 Computer Software	48,104	56,927	33,662	111,538	41,956	71,132	75,363	79,595
615 Expendable Equipment	126,987	222,668	159,597	36,595	32,504	35,000	35,000	35,000
616 Expendable Computer Equipment	13,032	24,300	2,318	1,170	28,156	15,931	16,642	17,354
620 Energy	198,246	208,947	208,451	223,168	218,755	228,085	233,609	239,133
630 Purchased Food	4,072,396	4,335,890	4,341,682	4,618,701	5,102,969	5,197,515	5,431,911	5,666,306
635 Food Acquisitions	852,155	991,479	977,131	951,224	839,534	902,656	896,106	889,557
720 Building Acq, Construction, and Impr	-	207,565	-	-	-	-	-	-
730 Purch of Equip - (Not Buses or Comp)	159,792	760,008	440,075	185,221	301,562	281,958	252,833	223,708
810 Dues and Fees	6,983	10,422	5,329	4,285	4,174	2,712	1,537	361
880 Federal Indirect Cost Charges	581,094	629,744	544,938	641,142	594,000	609,347	613,068	616,789
890 Other Expenditures	-	-	-	-	-	-	-	-
<b>Total State Objects</b>	<b>\$12,212,626</b>	<b>\$14,361,185</b>	<b>\$14,132,105</b>	<b>\$14,138,355</b>	<b>\$14,726,184</b>	<b>\$15,407,975</b>	<b>\$15,946,664</b>	<b>\$16,485,353</b>

## Capital Projects Fund

**Capital Projects Fund** accounts for and reports financial resources including Education Special Purpose Local Option Sales Tax (E-SPLOST), bond proceeds and grants from the Georgia State Financing and Investment Commission (including the State Capital Outlay Program) that are restricted, committed or assigned for capital outlay expenditures, including the acquisition or construction of capital facilities and other capital assets.

### Major (Significant) Funding Sources and Uses (Expenditure Categories)

#### Local Taxes: E-SPLOST

Major fund sources include a Special Purpose Local Option Sales Tax for education (E-SPLOST), a one-cent sales tax to help fund capital improvements and debt repayment. For the Proposed Budget, E-SPLOST collections are projected to total \$17.4 million.

Jul-19	\$ 1,477,674
Aug-19	1,413,587
Sep-19	1,407,090
Oct-19	1,452,138
Nov-19	1,436,439
Dec-19	1,450,633
Jan-20	1,369,084
Feb-20	1,497,761
Mar-20	1,519,821
Apr-20	1,446,476
May-20	1,404,046
Jun-20	1,490,290
<b>Total</b>	<b>\$ 17,365,038</b>

#### State Sources: State Capital Outlay Program

The purpose of the State's reimbursable capital outlay program is to assure that every public-school student is housed in a facility that is structurally sound, well maintained and has adequate space and equipment to meet each student's instructional needs. State capital outlay funds may be used for new construction projects needed due to enrollment growth; to renovate, modernize or replace facilities that have become obsolete or unsafe; to provide new additions to existing facilities or relocation of existing facilities; and to consolidate facilities.

For the Proposed Budget, State Capital Outlay Program reimbursements will total approximately \$3.3 million for the following projects:

- Hershel Jones Middle School
  - \$1,436,084 Renovation/Modification Reimbursement
  - 90% Reimbursed in FY2019 (\$1,292,476)
  - 10% Reimbursed in FY2020 (\$143,608)
- Panter Elementary School
  - \$1,895,860 Renovation/Modification Reimbursement
  - 100% Reimbursed in FY2020
- Nebo Elementary School
  - \$1,214,455 Renovation/Modification Reimbursement
  - 100% Reimbursed in FY2020

#### **E-SPLOST Capital Projects (Various Expenditures)**

The following capital projects will be funded through E-SPLOST:

- Hershel Jones Middle School - Renovation/Modification
- Panter Elementary School - Renovation/Modification
- Nebo Elementary School - Renovation/Modification
- Hiram High School – Tennis Courts Repairs and Computer Science Magnet
- Various Technology, Miscellaneous, and Maintenance Projects

Some major projects span multiple fiscal years. Below are major, multiyear E-SPLOST projects:

<b>E-SPLOST Projects</b>	<b>FY17 &amp; FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>Cost</b>
Herschel Jones MS	\$ 973,486	\$ 2,546,147	\$ 645,894	\$ 4,165,527
Panter ES	\$ -	\$ 1,131,615	\$ 1,918,593	\$ 3,050,208
Nebo ES	\$ -	\$ 1,920,637	\$ 1,373,030	\$ 3,293,666

#### **Construction Fund Capital Projects (Various Expenditures)**

The following capital projects will be funded through the Construction Fund:

- Transportation
  - As presented to the Board of Education, the Facility Advisory Committee (FAC), a committee convened by Interim-Superintendent Brian Otott in June 2017 to provide the District with guidance regarding current and future transportation facility needs, concluded that renovating current facilities and converting the existing warehouse (located adjacent to the current transportation facility) to be the most cost-effective solution. Once complete, transportation will be able to maintain up to approximately 450 buses, in addition to the District's white fleet, with 12 total bays. This would accommodate current 10-year growth projections. Maintaining approximately 450 buses equates to a maximum of 38 buses per bay. However, with our current fleet of

348 buses, with all bays being available for inspections, the resulting demand would service 1.5 buses per bay, per day.

Three of the current 5 bays have two technicians assigned them. This will give each technician an assigned bay. It will also allow available bays for more time-consuming repairs to be completed (that span multiple days) without interrupting daily inspections. In addition, this will provide adequate space for white fleet repairs.

While there are no current plans to increase staff, this option would allow room for future growth requiring added technicians.

- State School Security Grants
  - The Amended 2019 State Budget funded \$68.8 million to provide a one-time \$30,000 school security grant to all 2,294 Georgia public schools.
- Various Miscellaneous Projects

#### Underlying Assumptions and Significant Trends for Major Funding Sources and Uses

##### Underlying Assumptions:

##### Transfers In

Debt service is primarily funded through E-SPLOST V (transferred from the Capital Projects Fund). An underlying assumption is the anticipated collection of E-SPLOST proceeds.

Jul-19	\$ 1,477,674
Aug-19	1,413,587
Sep-19	1,407,090
Oct-19	1,452,138
Nov-19	1,436,439
Dec-19	1,450,633
Jan-20	1,369,084
Feb-20	1,497,761
Mar-20	1,519,821
Apr-20	1,446,476
May-20	1,404,046
Jun-20	1,490,290
<b>Total</b>	<b>\$ 17,365,038</b>

##### Debt Service

- No changes in the Amortization Schedule are anticipated during the Proposed Budget.

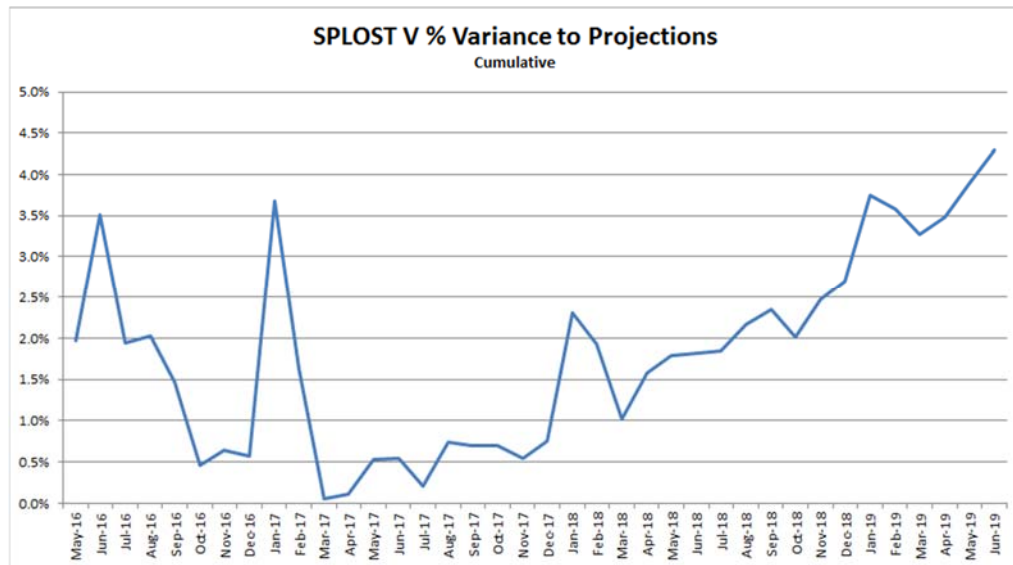
## Significant Trends or Factors Influencing Budget Decisions:

### Demographic and Economic Factors

Local Economy. E-SPLOST collections are directly impacted by the economy of Paulding County. Which is expected to perform at historical levels during the projected budget period.

### Funding Factors

SPLOST Receipts. Capital projects are primarily funded through E-SPLOST collections. Georgia State University's Andrew Young School of Policy Studies (Fiscal Research Center) provided the collection projections for E-SPLOST V. Although volatile, collections have historically exceeded projections. As of June 30, 2019, the cumulative variance to projections was 4.3%.



State Capital Outlay Program. Continued funding of the State's Capital Outlay Program.

### Operating Factors

Construction Costs. Operating factors could include the cost of construction.

Material Changes (Shifts) from Current Year Budget

### Changes in Revenue

The proposed revenue budget is \$3.2 million or 13.0% lower than the current year. This is primarily related to the FY2019 Paulding College and Career Academy capital project, which totaled \$3.0 million. Other anticipated changes in revenue are related to different capital projects between fiscal years, and their reimbursement-eligible expenditures.

### **Changes in Expenditures**

The proposed expenditure budget is \$5.0 million or 37.7% lower than the current year. Similar to revenue, this is primarily related to the FY2019 Paulding College and Career Academy capital project, which totaled \$3.0 million. Other anticipated changes in expenditures are related to different capital projects between fiscal years.

There are no material changes in construction-related costs anticipated in the Proposed Budget.

*Material or significant changes are defined as a minimum of 0.05% of proposed expenditures and a 10% change (absolute value) from the current to Proposed Budget.*

### **Significant Changes in Fund Balance**

The Proposed Budget reflects an increase of \$2.2 million or 38.0% in fund balance. This anticipated increase is the result of different capital projects between fiscal years, and their reimbursement-eligible expenditures.

The budget does not reflect a negative trend in fund balance during the three-year forecast period.



Operating Statement

Capital Project Fund Operating Statement as presented to the Board of Education on June 11, 2019.

**Paulding County School District**

July 1, 2019 through June 30, 2020

Capital Project Fund(s)

	<u>E-SPLOST V</u>	<u>Fund 300</u>	<u>2020 Budget</u>
<b>Revenue:</b>			
E-SPLOST Collections			
Collections	\$ 17,365,038		\$ 17,365,038
Capital Outlay Program	3,253,923		3,253,923
School Security Grants (\$30,000)		\$ 990,000	990,000
Other Revenue	25,000	75,000	100,000
Transfers from Other Funds *		3,030,650	3,030,650
<b>Total Revenue</b>	<b>\$ 20,643,961</b>	<b>\$ 4,095,650</b>	<b>\$ 24,739,611</b>
<b>Expenditures:</b>			
Audit Fees	\$ 5,000		\$ 5,000
Interest Expense	107,516		107,516
E-SPLOST Projects			
Herschel Jones MS	645,894		645,894
Panter ES	1,918,593		1,918,593
Nebo ES	1,373,030		1,373,030
Hiram HS	140,000		140,000
School Security Grants (\$30,000)		\$ 990,000	990,000
Transportation		1,200,000	1,200,000
Technology	500,000		500,000
Maintenance	500,000		500,000
Miscellaneous	200,000	650,000	850,000
<b>Total Expenditures</b>	<b>\$ 5,390,033</b>	<b>\$ 2,840,000</b>	<b>\$ 8,230,033</b>
<b>Revenue Over (Under) Expenditures</b>	<b>\$ 15,253,929</b>	<b>\$ 1,255,650</b>	<b>\$ 16,509,579</b>
Transfer for Debt Service	(8,212,650)		(8,212,650)
Estimated Fund Balance (July 1, 2019)**	10,069,671	6,678,592	16,748,263
<b>Estimated Fund Balance (June 30, 2020)</b>	<b>\$ 17,110,950</b>	<b>\$ 7,934,242</b>	<b>\$ 25,045,191</b>

\* E-SPLOST V Loan Payment (principal): In E-SPLOST V the transaction results in a decrease to Cash and A/P. In the General Fund, the transaction results in a decrease to A/R (unspendable) and an increase to Cash (unassigned). These funds are then transferred from the General Fund to Capital Projects to maintain an acceptable General Fund Unassigned Fund Balance.

\*\* Based on FY2019 Original Budget

Paulding County School District  
Fiscal Year Budget

2020

Financial Data

Capital Projects Fund								
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
	Actual	Actual	Actual	Current Year	Proposed Budget	Forecast	Forecast	Forecast
<b>Revenue:</b>								
Local Taxes	\$15,117,855	\$15,529,602	\$15,350,318	\$19,887,112	\$17,365,038	\$19,305,548	\$20,190,736	\$21,075,923
Other Local Sources	21,838	86,170	21,643	34,175	100,000	84,064	94,497	104,930
State Source	3,715,825	4,606,234	1,289,461	5,030,754	4,243,923	4,221,455	4,369,526	4,517,598
<b>Total Revenue</b>	<b>\$18,855,517</b>	<b>\$20,222,006</b>	<b>\$16,661,421</b>	<b>\$24,952,041</b>	<b>\$21,708,961</b>	<b>\$23,611,067</b>	<b>\$24,654,759</b>	<b>\$25,698,451</b>
<b>Expenditures:</b>								
4000 Acquisition & Construction	\$19,551,424	\$12,465,177	\$8,853,787	\$13,044,044	\$8,122,517	\$6,010,442	\$3,940,598	\$1,870,753
5100 Debt Service	5,615	86,376	126,272	169,097	107,516	184,932	213,584	242,237
<b>Total Expenditures</b>	<b>\$19,557,039</b>	<b>\$12,551,553</b>	<b>\$8,980,059</b>	<b>\$13,213,141</b>	<b>\$8,230,033</b>	<b>\$6,195,374</b>	<b>\$4,154,182</b>	<b>\$2,112,990</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>\$ (701,522)</b>	<b>\$ 7,670,453</b>	<b>\$ 7,681,362</b>	<b>\$11,738,900</b>	<b>\$13,478,929</b>	<b>\$17,415,692</b>	<b>\$20,500,577</b>	<b>\$23,585,461</b>
<b>Other Sources (Uses):</b>								
Transfers In	507,833	6,881,588	5,343,006	2,963,115	3,030,650	4,083,387	4,196,103	4,308,819
Transfers Out	(8,503,157)	(14,666,508)	(8,196,393)	(8,689,899)	(8,212,650)	(7,686,435)	(7,030,672)	(6,374,910)
<b>Total Other Sources (Uses)</b>	<b>(7,995,324)</b>	<b>(7,784,920)</b>	<b>(2,853,387)</b>	<b>(5,726,784)</b>	<b>(5,182,000)</b>	<b>(3,603,048)</b>	<b>(2,834,570)</b>	<b>(2,066,091)</b>
<b>Change in Fund Balance</b>	<b>\$ (8,696,846)</b>	<b>\$ (114,466)</b>	<b>\$ 4,827,975</b>	<b>\$ 6,012,116</b>	<b>\$ 8,296,929</b>	<b>\$13,812,644</b>	<b>\$17,666,007</b>	<b>\$21,519,370</b>
Beginning Fund Balance	7,138,667	(1,558,179)	(1,672,645)	3,155,330	9,167,446	17,464,375	31,277,019	48,943,026
<b>Ending Fund Balance</b>	<b>\$ (1,558,179)</b>	<b>\$ (1,672,645)</b>	<b>\$ 3,155,330</b>	<b>\$ 9,167,446</b>	<b>\$17,464,375</b>	<b>\$31,277,019</b>	<b>\$48,943,026</b>	<b>\$70,462,396</b>
<b>Summary by State Object:</b>								
300 Purchased Profess & Tech Services	\$ 584,146	\$ 550,686	\$ 526,903	\$ 689,623	\$ 444,982	\$ 517,450	\$ 503,511	\$ 489,572
410 Water, Sewer and Cleaning Services	-	-	-	-	-	-	-	-
490 Other Purchased Property Services	331,996	191,684	-	-	-	-	-	-
530 Communication	20	220	-	-	-	-	-	-
595 Other Purchased Services	-	-	-	7,973	-	-	-	-
610 Supplies	-	-	-	-	-	-	-	-
615 Expendable Equipment	1,989	44,809	3,369	294,614	-	142,704	167,287	191,870
616 Expendable Computer Equipment	400,339	214,453	-	20,764	500,000	228,801	229,365	229,928
710 Land Acquisition and Development	-	(4,241)	-	-	-	-	-	-
715 Land Improvements	263,655	31,450	9,684	-	-	-	-	-
720 Building Acq, Construction, and Impr	17,969,279	11,399,267	8,295,443	12,002,237	7,000,535	4,932,997	2,799,545	666,093
730 Purch of Equip - (Not Buses or Comp)	-	5,855	18,264	28,834	177,000	188,490	240,890	293,291
734 Purchase or Lease-Tech Equipment	-	30,960	-	-	-	-	-	-
810 Dues and Fees	-	-	125	-	-	-	-	-
830 Interest	5,615	86,376	126,272	169,097	107,516	184,932	213,584	242,237
831 Redemption of Principal	-	-	-	-	-	-	-	-
890 Other Expenditures	-	35	-	-	-	-	-	-
<b>Total State Objects</b>	<b>\$19,557,039</b>	<b>\$12,551,553</b>	<b>\$8,980,059</b>	<b>\$13,213,141</b>	<b>\$8,230,033</b>	<b>\$6,195,374</b>	<b>\$4,154,182</b>	<b>\$2,112,990</b>

## Debt Service Funds

**Debt Service Funds** account for and reports financial resources that are restricted, committed or assigned including taxes (property and sales) legally restricted for the payment of general long-term principal and interest and paying agent's fees.

The School District's bonded debt consists of various maturities of general obligation, callable with interest payable semiannually. Bond proceeds primarily pay for acquiring or constructing capital facilities. Bonds have also been issued to advance-refund previously issued bonds. The School District repays general obligation bonds from voter-approved property and/or E-SPLOST tax collections. General obligation bonds are direct obligations and pledge the full faith and credit of the School District.<sup>14</sup>

The only outstanding bond issue as of June 30, 2019 was the 2014 Bond Issue, with \$86.2 million in outstanding bonds. This amount of debt, applicable to debt limits, is well below the legal debt margin. Included in the amortization table above, debt service for FY2020 includes:

Principal	\$4,455,000
Interest	\$3,757,650
Annual Fees*	\$5,000
<b>Total Debt Service</b>	<b>\$8,227,700</b>

\* \$5,000 has been budgeted for the annual agent fees and dissemination services.

### Legal Debt Limit and Margin<sup>15</sup>

The Constitution of the State of Georgia provides that the District may not incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters of the District voting at an election called to approve the obligations. In addition, under the Constitution of the State of Georgia, the District may not incur long-term obligations payable out of general property taxes in excess of ten percent (10%) of the assessed value of all taxable property within the District.

Short-term obligations (those payable within the same calendar year in which they are incurred), lease and installment purchase obligations subject to annual appropriation and intergovernmental obligations are not subject to the legal limitations described above. In addition, refunded obligations cease to count against the District's debt limitations.

As computed in the table below, based upon the 2019 gross tax digest, the Debt Limit is \$452.7 million. The District could incur (upon necessary voter approval) an additional \$371.0 million of long-term obligations payable out of general property taxes (or general obligation bonds).

2019 Gross Tax Digest	\$5,268,363,722
Less: District Bond Exemptions	-\$741,247,930

<sup>14</sup> Annual Financial Report, Basic Financial Statements Note 7

<sup>15</sup> Annual Report on Bond Indebtedness

2019 Net Tax Digest for Bond Purposes	\$4,527,115,792
<b>Debt Limit (10% of Assessed Value)</b>	<b>\$452,711,579</b>
Less: Amount of Debt as of June 30, 2019	<u>-\$81,700,000</u>
<b>Legal Debt Margin</b>	<b><u>\$371,011,579</u></b>

#### Major (Significant) Funding Sources and Uses (Expenditure Categories)

##### Transfers In

The Capital Projects Fund is the primary source for the Debt Service Fund. Debt service is primarily funded through a Special Purpose Local Option Sales Tax for education (E-SPLOST), a one-cent sales tax to help fund capital improvements and debt repayment (transferred from the E-SPLOST Capital Projects Fund).

Prior to 2011, a bond millage rate was imposed to fund debt service through property taxes. Collected delinquent property taxes are also used to fund debt service

##### Debt Service

Debt service expenditures account for \$8.2 million or 100.0% of the of the Proposed Budget.

#### Underlying Assumptions and Significant Trends for Major Funding Sources and Uses

##### Underlying Assumptions:

##### Transfers In

Debt service is primarily funded through E-SPLOST V (transferred from the E-SPLOST Capital Projects Fund). An underlying assumption is the collection of projected FY2020 E-SPLOST proceeds. For more information, see Capital Projects Funds.

Jul-19	\$ 1,477,674
Aug-19	1,413,587
Sep-19	1,407,090
Oct-19	1,452,138
Nov-19	1,436,439
Dec-19	1,450,633
Jan-20	1,369,084
Feb-20	1,497,761
Mar-20	1,519,821
Apr-20	1,446,476
May-20	1,404,046
Jun-20	<u>1,490,290</u>
<b>Total</b>	<b>\$ 17,365,038</b>



### Debt Service

- No changes in the Amortization Schedule are anticipated during the Proposed Budget.

### 2014 Bond Issue - Regions

Date		Refunding Principal	Maturity	Coupon	Interest	Total Interest	Total Debt Service
8/1	2019	\$ 86,155,000			\$ 111,375	\$ 1,878,825	\$ 1,878,825
2/1	2020	\$ 86,155,000	\$ 4,455,000	5.00%	\$ 111,375	\$ 1,878,825	\$ 6,333,825
8/1	2020	\$ 81,700,000			\$ 116,625	\$ 1,767,450	\$ 1,767,450
2/1	2021	\$ 81,700,000	\$ 4,665,000	5.00%	\$ 116,625	\$ 1,767,450	\$ 6,432,450
8/1	2021	\$ 77,035,000			\$ 122,125	\$ 1,650,825	\$ 1,650,825
2/1	2022	\$ 77,035,000	\$ 4,885,000	5.00%	\$ 122,125	\$ 1,650,825	\$ 6,535,825
8/1	2022	\$ 72,150,000			\$ 128,125	\$ 1,528,700	\$ 1,528,700
2/1	2023	\$ 72,150,000	\$ 5,125,000	5.00%	\$ 128,125	\$ 1,528,700	\$ 6,653,700
8/1	2023	\$ 67,025,000			\$ 133,000	\$ 1,400,575	\$ 1,400,575
2/1	2024	\$ 67,025,000	\$ 5,370,000	4.95%	\$ 133,000	\$ 1,400,575	\$ 6,770,575
8/1	2024	\$ 61,655,000			\$ 141,750	\$ 1,267,575	\$ 1,267,575
2/1	2025	\$ 61,655,000	\$ 5,670,000	5.00%	\$ 141,750	\$ 1,267,575	\$ 6,937,575
8/1	2025	\$ 55,985,000			\$ 149,625	\$ 1,125,825	\$ 1,125,825
2/1	2026	\$ 55,985,000	\$ 5,985,000	5.00%	\$ 149,625	\$ 1,125,825	\$ 7,110,825
8/1	2026	\$ 50,000,000			\$ 157,375	\$ 976,200	\$ 976,200
2/1	2027	\$ 50,000,000	\$ 6,295,000	5.00%	\$ 157,375	\$ 976,200	\$ 7,271,200
8/1	2027	\$ 43,705,000			\$ 124,125	\$ 818,825	\$ 818,825
2/1	2028	\$ 43,705,000	\$ 6,620,000	3.75%	\$ 124,125	\$ 818,825	\$ 7,438,825
8/1	2028	\$ 37,085,000			\$ 127,800	\$ 694,700	\$ 694,700
2/1	2029	\$ 37,085,000	\$ 6,880,000	3.72%	\$ 127,800	\$ 694,700	\$ 7,574,700
8/1	2029	\$ 30,205,000			\$ 133,969	\$ 566,900	\$ 566,900
2/1	2030	\$ 30,205,000	\$ 7,145,000	3.75%	\$ 133,969	\$ 566,900	\$ 7,711,900
8/1	2030	\$ 23,060,000			\$ 139,156	\$ 432,931	\$ 432,931
2/1	2031	\$ 23,060,000	\$ 7,410,000	3.76%	\$ 139,156	\$ 432,931	\$ 7,842,931
8/1	2031	\$ 15,650,000			\$ 144,094	\$ 293,775	\$ 293,775
2/1	2032	\$ 15,650,000	\$ 7,685,000	3.75%	\$ 144,094	\$ 293,775	\$ 7,978,775
8/1	2032	\$ 7,965,000			\$ 149,681	\$ 149,681	\$ 149,681
2/1	2033	\$ 7,965,000	\$ 7,965,000	3.76%	\$ 149,681	\$ 149,681	\$ 8,114,681
			\$ 86,155,000			\$ 29,105,575	\$ 115,260,575

FY2020 Activity

### Significant Trends or Factors Influencing Budget Decisions:

#### Demographic and Economic Factors

Local Economy. E-SPLOST collections are directly impacted by the economy of Paulding County. Which is expected to perform at historical levels during the projected budget period.

### **Funding Factors**

SPLOST Receipts. Debt service is primarily funded through E-SPLOST collections. Georgia State University's Andrew Young School of Policy Studies (Fiscal Research Center) provided the collection projections for E-SPLOST V. Although volatile, collections have historically exceeded projections. As of June 30, 2019, the cumulative variance to projections was 4.3%.

### **Operating Factors**

New Debt Issuances. Operating factors could include the issuance of new debt or the advance-refunding of existing bond issues. There are no plans for either during the Proposed Budget year.

### **Material Changes (Shifts) from Current Year Budget**

#### **Changes in Revenue**

There are no material changes in revenue anticipated in the Proposed Budget.

#### **Changes in Expenditures**

There are no material changes in expenditures anticipated in the Proposed Budget.

*Material or significant changes are defined as a minimum of 0.05% of proposed expenditures and a 10% change (absolute value) from the current to Proposed Budget.*

### **Significant Changes in Fund Balance**

The Proposed Budget does not anticipate a significant change in fund balance.

The budget does not reflect a negative trend in fund balance during the three-year forecast period.



Paulding County School District  
Fiscal Year Budget

2020

Financial Data

Debt Service Fund								
	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
	Actual	Actual	Actual	Current Year	Proposed Budget	Forecast	Forecast	Forecast
<b>Revenue:</b>								
Local Taxes	\$ 29,905	\$ 25,977	\$ 27,381	\$ 17,522	\$ 20,000	\$ 15,677	\$ 12,851	\$ 10,024
Other Local Sources	72	111	38	48	-	-	-	-
<b>Total Revenue</b>	<b>\$ 29,977</b>	<b>\$ 26,087</b>	<b>\$ 27,420</b>	<b>\$ 17,570</b>	<b>\$ 20,000</b>	<b>\$ 15,677</b>	<b>\$ 12,851</b>	<b>\$ 10,024</b>
<b>Expenditures:</b>								
5100 Debt Service	8,232,418	8,203,667	8,198,518	8,230,856	8,217,650	8,206,503	8,193,205	8,188,843
<b>Total Expenditures</b>	<b>\$ 8,232,418</b>	<b>\$ 8,203,667</b>	<b>\$ 8,198,518</b>	<b>\$ 8,230,856</b>	<b>\$ 8,217,650</b>	<b>\$ 8,206,503</b>	<b>\$ 8,193,205</b>	<b>\$ 8,188,843</b>
<b>Revenue Over/(Under) Expenditures</b>	<b>\$ (8,202,441)</b>	<b>\$ (8,177,580)</b>	<b>\$ (8,171,098)</b>	<b>\$ (8,213,286)</b>	<b>\$ (8,197,650)</b>	<b>\$ (8,190,825)</b>	<b>\$ (8,180,354)</b>	<b>\$ (8,178,818)</b>
<b>Other Sources (Uses):</b>								
Transfers In	8,232,418	8,204,967	8,197,218	8,230,856	8,217,650	8,215,528	8,215,163	8,214,799
Transfers Out	-	-	-	-	-	-	-	-
<b>Total Other Sources (Uses)</b>	<b>8,232,418</b>	<b>8,204,967</b>	<b>8,197,218</b>	<b>8,230,856</b>	<b>8,217,650</b>	<b>8,215,528</b>	<b>8,215,163</b>	<b>8,214,799</b>
<b>Change in Fund Balance</b>	<b>\$ 29,977</b>	<b>\$ 27,387</b>	<b>\$ 26,120</b>	<b>\$ 17,570</b>	<b>\$ 20,000</b>	<b>\$ 24,702</b>	<b>\$ 34,809</b>	<b>\$ 35,980</b>
Beginning Fund Balance	31,466	61,443	88,830	114,950	132,520	152,520	177,222	212,031
<b>Ending Fund Balance</b>	<b>\$ 61,443</b>	<b>\$ 88,830</b>	<b>\$ 114,950</b>	<b>\$ 132,520</b>	<b>\$ 152,520</b>	<b>\$ 177,222</b>	<b>\$ 212,031</b>	<b>\$ 248,011</b>
<b>Summary by State Object:</b>								
810 Dues And Fees	\$ 5,118	\$ 5,718	\$ 5,718	\$ 8,156	\$ 5,000	\$ 6,603	\$ 6,555	\$ 6,443
830 Interest	4,437,300	4,237,950	4,052,800	3,887,700	3,757,650	3,534,900	3,301,650	3,057,400
831 Redemption of Principal	3,790,000	3,960,000	4,140,000	4,335,000	4,455,000	4,665,000	4,885,000	5,125,000
<b>Total State Objects</b>	<b>\$ 8,232,418</b>	<b>\$ 8,203,667</b>	<b>\$ 8,198,518</b>	<b>\$ 8,230,856</b>	<b>\$ 8,217,650</b>	<b>\$ 8,206,503</b>	<b>\$ 8,193,205</b>	<b>\$ 8,188,843</b>

## Debt Service Funds

The District reported the following accrued obligation for OPEB (other post-employment benefits) in its FY2018 Annual Financial Report. FY2019 data was pending during the budget process.

### *OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

At June 30, 2018, the School District reported a liability of \$203,022,340.00 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2017. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2016. An expected total OPEB liability as of June 30, 2017 was determined using standard roll-forward techniques. The School District's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2017. At June 30, 2017, the School District's proportion was 1.445003%, which was a decrease of 0.010390% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the School District recognized OPEB expense of \$11,568,646.00. At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	OPEB	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 15,459,634.00
Net difference between projected and actual earnings on OPEB plan investments	59,381.00	-
Changes in proportion and differences between School District contributions and proportionate share of contributions	-	1,305,098.00
School District contributions subsequent to the measurement date	7,511,604.00	-
Total	\$ 7,570,985.00	\$ 16,764,732.00

## Informational Section

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### Property Taxes & Values

#### ***What are property taxes?***

Property tax is an ad valorem tax - which means according to value - based upon wealth. Wealth is determined by the property a person owns. All real property and all personal property are taxable unless the property has been exempted by law.

- Real property is land and generally anything that is erected, growing or affixed to the land; and
- personal property is everything that can be owned that is not real estate.

In Georgia, property is required to be assessed at 40% of the fair market value unless otherwise specified by law.

#### ***Property Taxable Values***

Property is assessed at the county level by the Paulding County Board of Tax Assessors (BOA). The State Revenue Commissioner is responsible for examining the digests of counties in Georgia in order to determine that property has been assessed uniformly and equally between and within the counties.

Property owners that do not agree with the assessed value on their proposed assessment may file an appeal with the BOA.

Each year, the BOA is required to review the assessed value for property tax purposes of taxable property in the county. When the trend of prices on properties that have recently sold in the county indicate there has been an increase in the fair market value of any specific property, the BOA is required by Georgia law to re-determine the value of such property and increase the assessment. This is called a reassessment.

#### ***Net Digest***

The net digest refers to the assessed value (40%) of all properties in a jurisdiction (or tax district), less appropriate exemptions. For 2019, the net digest for the maintenance and operations of PCSD was \$4.5 billion.

#### **Who Does What?**

**Board of Tax Assessors:**  
Determines Property Value

**Board of Education:**  
Recommends a Millage Rate

**Board of Commissioners:**  
Levies the Tax

**Tax Commissioner:**  
Collects the Tax

**Georgia Department  
of Revenue:**  
Oversees the Process

### ***Millage Rate***

The tax rate, or millage, is set by the Paulding County Board of Commissioners (the tax levying authority) at the recommendation of the Board of Education. A tax rate of one mill represents a tax liability of one dollar per \$1,000 of assessed value.

A millage rate can be for the maintenance and operations of the school district (M&O) or for bond debt service, including principal and interest (Bond).

The FY2020 budget reflects an 18.750 M&O millage rate, to be used for the maintenance and operations of the school district. This rate represents a decrease of 0.129 mills from the 2018 rate of 18.879. The budget does not anticipate a bond millage rate, as E-SPLOST funds will be used to pay bond debt service.

### ***Rollback Rate***

When the total digest of taxable property is prepared, Georgia Law requires that a rollback millage rate must be computed that will produce the same total revenue on the current year's new digest that last year's millage rate would have produced had no reassessments occurred.

#### Property Taxpayer's Bill of Rights <sup>16</sup>

Senate Bill 177, Act 431 was signed April 30, 1999 and became effective January 1, 2000 (O.C.G.A. 48-5-32.1). The bill has two main thrusts:

- Prevention of indirect tax increases resulting from increases to existing property values due to inflation,
- Enhancement of an individual property owner's rights when objecting to and appealing an increase made by a county board of tax assessors to the value of the owner's property.

#### Rollback of Millage Rate When Digest Value Increased by Reassessments <sup>17</sup>

The Revenue Commissioner developed rules and regulations to implement the terms and provisions of O.C.G.A. 48-5-32.1.

Prevention of Indirect Tax Increases: Each year there are two types of value increases made to a county tax digest;

- increases due to inflation, and
- increases due to new or improved properties.

There are no additional requirements if the levying (or recommending) authority rolls back the millage rate each year to offset any inflationary increases in the digest.

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<sup>16</sup> Georgia Department of Revenue: Local Government Services Division

<sup>17</sup> Georgia Department of Revenue: Local Government Services Division

Rollback of Millage Rate to Offset Inflationary Increases: When the total digest of taxable property is prepared, Georgia Law requires that a rollback millage rate must be computed that will produce the same total revenue on the current year's new digest that last year's millage rate would have produced had no reassessments occurred.

If the county (school district) elects to set their millage rate higher than the rollback rate, they will be required:

1. Notification of Tax Increase with Three Public Hearings: The levying (or recommending) authority must hold three public hearings allowing the public input into the proposed increase in taxes.
2. Publish Notice in Paper One Week Before Each Hearing: The levying (or recommending) authority must publish a notice in the paper one week in advance of each of these three public hearings.
3. Press Release to Explain Tax Increase: The levying (or recommending) authority must issue a release to the press explaining its intent to increase the taxes.

### More Information?

For more information, visit the Georgia Department of Revenue's website at <https://dor.georgia.gov/local-government-services>.

### Example of Millage Rate Calculation

In the example provided, the Tax Amount is calculated by doing the following:

1. Multiply the Fair Market Value by 40% ( $\$228,900 \times 40\% = \$89,560$ )
2. Deduct the relevant Exemption, in this case \$2,000 Homestead ( $\$89,560 - \$2,000 = \$87,560$ )
3. Divide by 1,000 for the mills ( $\$87,560 / 1,000 = 89.56$ )
4. Multiply the mills by the Millage Rate ( $89.56 \times 18.879 = \$1,690.80$ )

Bond millage rate is 0.000 because debt service is funded through E-SPLOST.

J.W. (Bill) Watson, III  
Paulding County Tax Commissioner  
240 Constitution Blvd, Room# 3006  
Dallas, GA 30132-4614  
(770) 443-7581

Scan this code with your mobile phone to view or pay this bill

Certain persons are eligible for certain homestead exemptions from ad valorem taxation. In addition to the regular homestead exemption authorized for all homeowners, certain elderly persons are entitled to additional exemptions. The full law relating to each exemption must be referred to in order to determine eligibility for the exemption. If you are eligible for one of these exemptions and are not now receiving the benefit of the exemption, you must apply for the exemption not later than April 1, 2019 in order to receive the exemption in future years. For more information on eligibility for exemptions or on the proper method of applying for an exemption, you may contact:

Paulding County Board of Tax Assessors  
240 Constitution Blvd, Room #3082  
Dallas, GA 30132  
(770) 443-7606

If you believe that the fair market value placed upon your property by the Board of Tax Assessors is higher than it should be and if you can provide supporting evidence (mortgage appraisal, sales of comparable properties, etc.), then it may be in your best interest to file a property tax return with the Board of Tax Assessors requesting a review of your property appraisal. This must be done not later than April 1, 2019. Information on how to file a property tax return can be obtained from the address above.

INTERNET TAX BILL

2018 State, County & School Ad Valorem Tax Notice

Bill No.	Account Number	Fair Market Value	Assessed Value	Tax District	Acreage	Homestead Code
Sample	Sample	228900	91560	01	0.25	S1

Map Number / Property Description / Street Address	Tax Entity	Exemptions	Net Taxable	Tax Rate	Tax Amount
Sample Bill	SCHOOL M&O			18.879	1,690.80
	SCHOOL BND			0.000	0.00
	COUNTY BND			2.000	169.08
	FIRE DIST			3.100	277.64
Local Option Sales Tax Information		COUNTY M&O		6.079	544.44
Mills required to produce county budget	9.079				
Mills reduction due to sales tax rollback	3.000				
Actual mill rate set by county officials	6.079				
Tax savings due to sales tax rollback	268.68				
TOTAL DUE					0.00
DATE DUE					11/15/2018

This gradual reduction and elimination of the state property tax and the reduction in your tax bill this year is the result of property tax relief passed by the Governor and the House of Representatives and the Georgia State Senate. To pay online go to [pauldingcountytax.com](http://pauldingcountytax.com). If you have any questions concerning this bill, please call our office at (770) 443-7581. Check Verification and Returned Check processing provided by: Envision Payment Solutions.

## 2019 (Proposed Budget) Millage Rate

The budget assumes an 18.750 millage rate for the maintenance and operation (M&O) of the District, which is slightly below average among comparable school districts. Coupled with above average school-aged persons per household, this results in an extremely low levy and local revenue per student. The chart to the right shows comparative data for 2018, the most current data available.

### M&O Millage Rate History

The last material change to the M&O Millage Rate occurred in 2007, an increase of 2.500 mills.

Lowered Three Times in Last 20 Years:

- 2013 -0.030
- 2003 -0.881
- 2002 -1.610

Raised Twice in Last 20 Years:

- 2007 +2.500
- 2001 +2.500

Millage Rate Reduction Considerations:

- ✓ Perpetual Loss of Revenue
- ✓ Loss will Compound as Digest Grows
- ✓ Impact on Equalization Grant
- ✓ Low Wealth School District
- ✓ Net Digest per Pupil Not Back to Pre-Recession Levels (Inflation Adjusted)

### Bond Millage

In FY2012, the District eliminated the Bond millage rate of 2.963, with debt service now funded through E-SPLOST.

### 2019 Millage Rate Highlights:

- An M&O millage rate of 18.750 was utilized in the FY2020 Budget.

	Millage Rate		Levy*	Revenue
Rank	2018		Levy per Student	Local Revenue per Student
	Millage Rate (Actual)			
	Option A: Fixed	%		
1	Muscogee 23.321	Muscogee 23.5%	Cobb \$4,588	Cobb \$4,597
2	Richmond 19.965	Richmond 5.8%	Coweta \$3,921	Coweta \$4,127
3	Douglas 19.700	Douglas 4.3%	Avg Comp \$3,914	Cherokee \$3,911
4	Avg Comp 19.534	Avg Comp 3.5%	Cherokee \$3,841	Muscogee \$3,748
5	Avg >10k 19.191	Avg >10k 1.7%	Avg >10k \$3,823	Avg >10k \$3,743
6	Cherokee 18.950	Cherokee 0.4%	Muscogee \$3,791	Bartow \$3,664
7	Cobb 18.900	Cobb 0.1%	Bartow \$3,505	Avg Comp \$3,619
8	Paulding 18.879		Douglas \$3,078	Richmond \$3,190
9	Bartow 18.850	Bartow -0.2%	Richmond \$3,038	Douglas \$3,097
10	Coweta 18.590	Coweta -1.5%	Paulding \$2,595	Paulding \$2,743
11	Carroll 17.998	Carroll -4.7%	Carroll \$2,254	Carroll \$2,615



- Bond millage rate of 0.000 will be maintained in the FY2020 Budget, with bond principal and interest paid through E-SPLOST. A bond millage of approximately 1.840 would be required to meet FY2020 debt service.
- Net M&O Digest is projected to increase \$387m or 9.5% to \$4.5 billion.
- Changes in assessed property values (reassessment) will increase 2019 property taxes by an average 7.9%.
- Other changes to the digest will increase 2019 property taxes by 0.9%.
- Net Taxes or levy will increase 8.7%.

## 2019 Current Tax Digest and Five-Year History of Assessed Value and Taxes Levied

Below is a five-year history (2014-2018) and 2019 or FY2020, the Proposed Budget year, of assessed value of taxable property, tax rates, and taxes levied. In addition, the information below provides an analysis of the millage rate's effect on the average taxpayer for the same period.

<b>Paulding County Board of Education</b> <b>CURRENT 2019 TAX DIGEST AND FIVE YEAR HISTORY OF LEVY</b>						
The Paulding County Board of Education does hereby announce that the millage rate will be established at a meeting to be held at the Paulding County Board of Education Board Room on June 25, 2019 at 8:30 AM EST and pursuant to the requirements of O.C.G.A 48.5.32, do hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.						
County School	2014	2015	2016	2017	2018	2019
Real & Personal Ad Valorem	\$ 3,144,502,642	\$ 3,566,536,251	\$ 3,843,751,629	\$ 4,267,812,331	\$ 4,695,351,018	\$ 5,197,039,026
Motor Vehicle Ad Valorem	270,511,790	197,077,380	147,754,190	109,114,430	84,458,480	69,422,580
Mobile Home Ad Valorem	2,278,520	1,951,153	1,862,849	1,781,714	1,646,786	1,644,067
Timber Ad Valorem (100%)	962,133	292,950	324,868	1,068,015	501,435	208,158
Heavy Duty Equipment	57,125	58,443	153,533	942,267	133,553	49,891
<b>Gross Digest</b>	<b>3,418,312,210</b>	<b>3,765,916,177</b>	<b>3,993,847,069</b>	<b>4,380,718,757</b>	<b>4,782,091,272</b>	<b>5,268,363,722</b>
Less M&O Exemptions	(452,043,930)	(511,439,573)	(563,602,175)	(626,135,711)	(698,086,901)	(797,100,194)
<b>Net Digest</b>	<b>2,966,268,280</b>	<b>3,254,476,604</b>	<b>3,430,244,894</b>	<b>3,754,583,046</b>	<b>4,084,004,371</b>	<b>4,471,263,528</b>
Gross M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Less Millage Rate Rollbacks						
<b>Net M&amp;O Millage Rate</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.879%</b>	<b>18.750%</b>
<b>Net Taxes Levied</b>	<b>\$ 56,000,179</b>	<b>\$ 61,441,264</b>	<b>\$ 64,759,593</b>	<b>\$ 70,882,773</b>	<b>\$ 77,101,919</b>	<b>\$ 83,836,191</b>
Net Taxes \$ Increase	\$ 6,160,962	\$ 5,441,085	\$ 3,318,330	\$ 6,123,180	\$ 6,219,145	\$ 6,734,273
Net Taxes % Increase	12.4%	9.7%	5.4%	9.5%	8.8%	8.7%
Note: M&O is Maintenance and Operations. In 2019, Forest Land Protection Act (FLPA) was removed from the Current 2019 Tax Digest and Five Year History of the Levy. 2019 Net Taxes Levied reflects 18.750, pending Paulding County Board of Education adoption of 2019 Millage Rate. Updated June 10, 2019 (TCv4).						
<b>Impact on Taxpayer</b>						
Homestead Exemption	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)	\$ (2,000)
Market Value	\$ 150,000	\$ 164,574	\$ 173,463	\$ 189,864	\$ 206,522	\$ 224,561
40% Market Value, less Exemption	\$ 58,000	\$ 63,830	\$ 67,385	\$ 73,946	\$ 80,609	\$ 87,824
M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Ad Valorem Taxes	\$ 1,095	\$ 1,205	\$ 1,272	\$ 1,396	\$ 1,522	\$ 1,647
<b>Increase</b>	<b>\$ 76</b>	<b>\$ 110</b>	<b>\$ 67</b>	<b>\$ 124</b>	<b>\$ 126</b>	<b>\$ 125</b>
<b>% Increase</b>	<b>7.4%</b>	<b>10.1%</b>	<b>5.6%</b>	<b>9.7%</b>	<b>9.0%</b>	<b>8.2%</b>
<b>Tax Rates and Collections</b>						
M&O Millage Rate	18.879%	18.879%	18.879%	18.879%	18.879%	18.750%
Taxes Levied	\$ 56,000,179	\$ 61,441,264	\$ 64,759,593	\$ 70,882,773	\$ 77,101,919	\$ 83,836,191
Collections	\$ 54,976,574	\$ 59,978,589	\$ 64,551,710	\$ 70,766,355	\$ 77,067,557	\$ 84,028,718
<b>% Collections vs Levy</b>	<b>98.2%</b>	<b>97.6%</b>	<b>99.7%</b>	<b>99.8%</b>	<b>100.0%</b>	<b>100.2%</b>
Collections Less 2.5% Fee*	\$ 53,602,159	\$ 58,479,124	\$ 62,937,917	\$ 68,997,196	\$ 75,140,868	\$ 81,928,000
* Reflects the Collection Fee charged by the Tax Commissioner of Paulding County.						

### Three-year Forecast of Assessed Value and Taxes Levied

Below is a three-year forecast of assessed value, utilizing a two-year average growth rate (2018 and 2019). The taxes levied forecast assumes no change in the M&O Millage Rate.

County School	2020	2021	2022
Real & Personal Ad Valorem	\$ 5,734,998,302	\$ 6,328,643,169	\$ 6,983,737,787
Motor Vehicle Ad Valorem	55,399,522	44,209,060	35,279,023
Mobile Home Ad Valorem	1,580,458	1,519,309	1,460,527
Timber Ad Valorem (100%)	92,071	40,724	18,013
Heavy Duty Equipment	12,854	3,312	853
<b>Gross Digest</b>	<b>5,792,083,207</b>	<b>6,374,415,574</b>	<b>7,020,496,203</b>
Less M&O Exemptions	(899,427,249)	(1,014,890,452)	(1,145,176,145)
<b>Net Digest</b>	<b>4,892,655,958</b>	<b>5,359,525,122</b>	<b>5,875,320,058</b>
Increase	421,392,430	466,869,164	515,794,936
% Increase	9.4%	9.5%	9.6%
<b>M&amp;O Millage Rate</b>	<b>18.750%</b>	<b>18.750%</b>	<b>18.750%</b>
<b>Net Taxes Levied</b>	<b>\$ 91,737,299</b>	<b>\$ 100,491,096</b>	<b>\$ 110,162,251</b>
Increase	7,901,108	8,753,797	9,671,155
% Increase	9.4%	9.5%	9.6%

### Alternative Tax Collections

Alternative Tax Collections	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Title Ad Valorem Tax (411910)	\$ 4,685,759	\$ 5,222,385	\$ 5,602,900	\$ 6,411,014	\$ 7,123,774	\$ 9,348,000
Other Sales Taxes (411210)*	1,413,221	1,865,442	2,126,314	2,693,684	2,430,637	2,535,000
Other Taxes (411900)**	20,793	45,312	23,508	-	59,988	-
<b>Total</b>	<b>\$ 6,119,773</b>	<b>\$ 7,133,139</b>	<b>\$ 7,752,723</b>	<b>\$ 9,104,697</b>	<b>\$ 9,614,399</b>	<b>\$ 11,883,000</b>

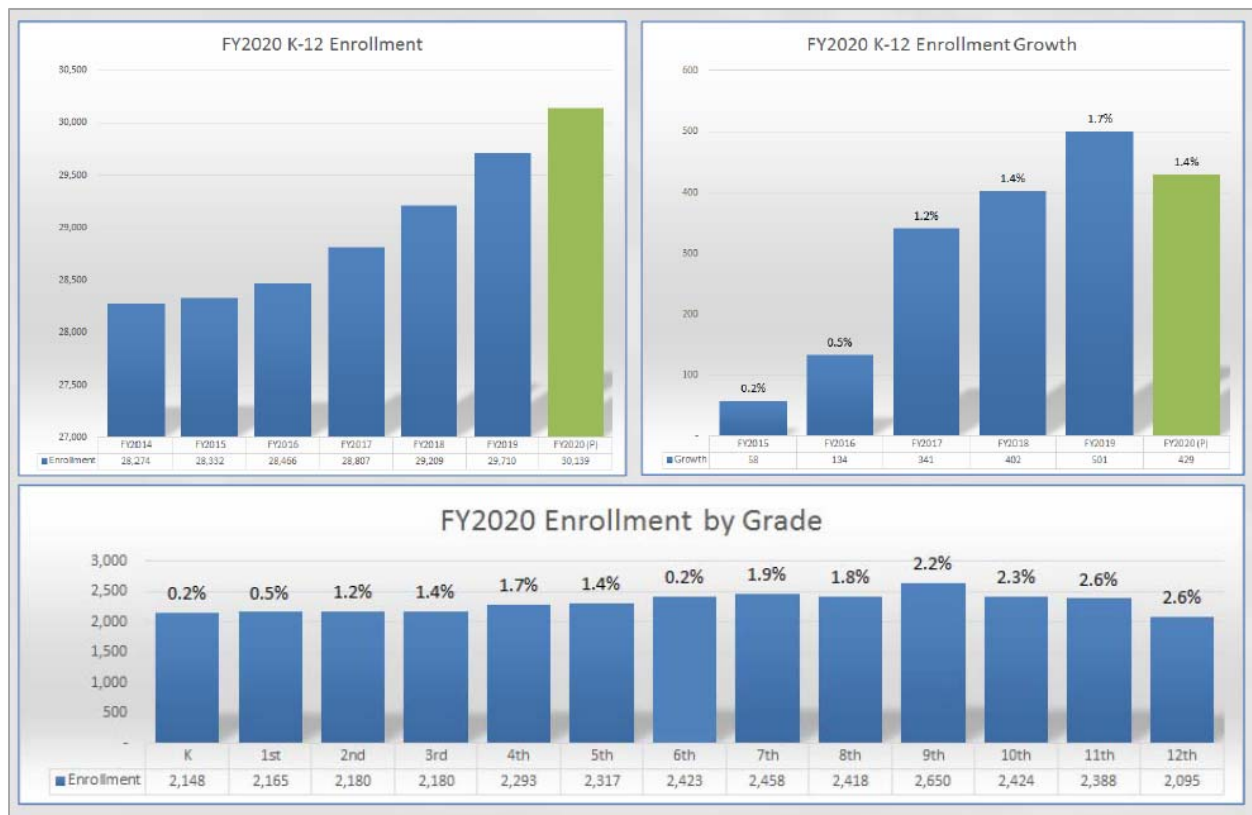
\* Other Sales Tax: Every holder of a long-term note secured by real estate must record the security instrument in the county in which the real estate is located. A recording tax, or intangible tax, is charged based on the value of the property. A transfer tax is also imposed on the transfer of real estate.

\*\* Other Taxes: Primarily used for Railroad taxes.

## Student Enrollment

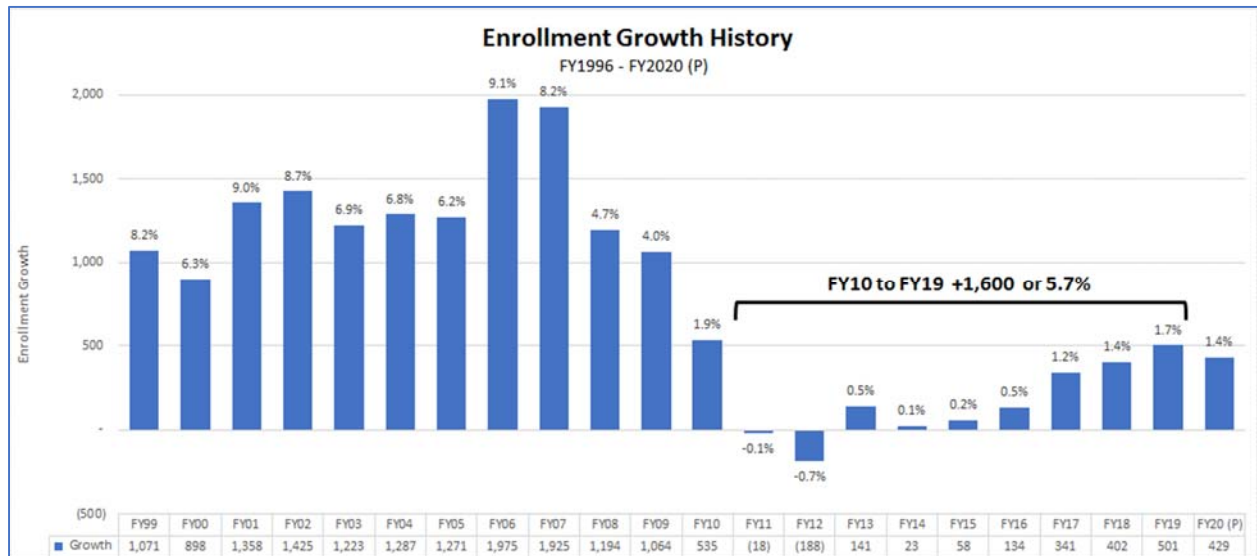
PCSD is projected to educate 30,139 students in FY2020 (school year 2019-2020), an increase of 429 students or 1.4%.

- Elementary School Growth: 13,283 Students an Increase of 168 or 1.3%
- Middle School Growth: 7,299 Students an Increase of 99 or 1.4%
- High School Growth: 9,557 Students an Increase of 162 or 1.7%



## Historical Enrollment Growth

In the 8 years preceding the collapse of the housing market, the district experienced tremendous enrollment growth, increasing over 80% from fiscal years 2000 to 2007. From 2008 to 2011 enrollment growth declined by two-thirds. By 2012, enrollment was declining, compared to modest increases statewide. From 2013 to 2019 enrollment grew 1,600 or 5.7%. 2019 enrollment grew 1.7%, the largest growth rate in a decade and much more than the large district average of 0.2%. 2020 is projected to grow 429 or 1.4%.



## Student Enrollment for Eight Years

See the following *FY2020 Projection Summary Report*, which includes the following:

- Three years of enrollment history
- Current year enrollment
- Proposed Budget year enrollment projection
- Three years of enrollment forecasts



Paulding County School District  
Fiscal Year Budget

2020

FY2020 Projection Summary Report

Elementary Schools

					Current Year				FY2020 Projection			Three-Year Forecast		
	2015	2016	2017	2018	2018-2019				2019-2020			2021	2022	2023
					Rank	2019	Var	% Var	2020	Growth	% Var			
34 Abney Elementary	937	1033	998	1054	1	1,251	197	18.7%	1,370	119	9.5%	1,500	1,643	1,799
20 Allgood Elementary	856	856	840	888	4	879	(9)	-1.0%	908	29	3.3%	938	969	1,001
23 Baggett Elementary	695	640	628	632	11	632	-	0.0%	632	-	0.0%	632	632	632
31 Burnt Hickory Elementary	885	896	923	952	3	1,001	49	5.1%	1,032	31	3.1%	1,064	1,097	1,131
2 Dallas Elementary*	468	417	412	425	17	446	21	4.9%	448	2	0.4%	450	452	454
26 Dugan Elementary	703	721	704	715	7	674	(41)	-5.7%	625	(49)	-7.3%	580	537	498
3 Hiram Elementary	633	695	726	782	6	809	27	3.5%	836	27	3.3%	864	893	923
33 Hutchens Elementary	795	778	738	707	8	670	(37)	-5.2%	639	(31)	-4.6%	609	581	554
5 McGarity Elementary	539	553	566	573	12	567	(6)	-1.0%	616	49	8.6%	669	727	790
18 Nebo Elementary	765	716	702	673	10	633	(40)	-5.9%	634	1	0.2%	635	636	637
6 New GA Elementary*	343	333	311	306	19	305	(1)	-0.3%	317	12	3.9%	329	342	356
15 Northside Elementary	436	432	418	468	15	497	29	6.2%	546	49	9.9%	600	659	724
16 Panter Elementary	543	535	554	526	14	528	2	0.4%	525	(3)	-0.6%	522	519	516
25 Poole Elementary	400	419	403	419	18	436	17	4.1%	448	12	2.8%	460	473	486
32 Ragsdale Elementary	661	646	650	603	13	558	(45)	-7.5%	528	(30)	-5.4%	500	473	447
19 Roberts Elementary	625	655	665	711	9	659	(52)	-7.3%	613	(46)	-7.0%	570	530	493
24 Russom Elementary	801	814	840	887	5	876	(11)	-1.2%	837	(39)	-4.5%	800	764	730
14 Shelton Elementary	1064	1106	1221	1215	2	1,202	(13)	-1.1%	1,219	17	1.4%	1,236	1,254	1,271
8 Union Elementary*	481	468	448	464	16	492	28	6.0%	510	18	3.7%	529	548	568
All Total Elementary	12,630	12,713	12,747	13,000	19	13,115	115	0.9%	13,283	168	1.3%	13,487	13,730	14,012

Middle Schools

					2018-2019				2019-2020					
	2015	2016	2017	2018	Rank	2019	Var	% Var	2020	Growth	% Var	2021	2022	2023
27 Austin Middle	877	927	979	927	3	894	(33)	-3.6%	841	(53)	-5.9%	791	744	700
17 Dobbins Middle	793	735	707	673	7	643	(30)	-4.5%	624	(19)	-3.0%	606	588	570
9 East Paulding Middle	841	885	909	919	2	964	45	4.9%	966	2	0.2%	968	970	972
10 Herschel Jones Middle	737	723	726	714	4	778	64	9.0%	856	78	10.0%	942	1,036	1,140
22 Moses Middle	575	548	587	640	6	725	85	13.3%	797	72	9.9%	876	963	1,059
29 McClure Middle	1166	1185	1232	1317	1	1,368	51	3.9%	1,374	6	0.4%	1,380	1,386	1,392
36 Ritch Middle	654	605	637	599	8	624	25	4.2%	654	30	4.8%	685	718	753
35 Scoggins Middle	695	693	703	714	5	741	27	3.8%	722	(19)	-2.6%	703	685	668
11 South Paulding Middle	506	483	481	462	9	463	1	0.2%	465	2	0.4%	467	469	471
All Total Middle School	6,844	6,784	6,961	6,965	9	7,200	235	3.4%	7,299	99	1.4%	7,419	7,560	7,725

High Schools

Note: Includes AltEd

					2018-2019				2019-2020					
	2015	2016	2017	2018	Rank	2019	Var	% Var	2020	Growth	% Var	2021	2022	2023
12 East Paulding High	1666	1681	1646	1685	4	1,743	58	3.4%	1,837	94	5.4%	1,936	2,040	2,151
21 Hiram High	1636	1634	1676	1601	5	1,517	(84)	-5.2%	1,418	(99)	-6.5%	1,325	1,239	1,158
30 North Paulding High	2034	2109	2201	2295	1	2,434	139	6.1%	2,484	50	2.1%	2,535	2,587	2,640
13 Paulding County High	1748	1724	1738	1799	3	1,827	28	1.6%	1,899	72	3.9%	1,974	2,052	2,132
28 South Paulding High	1774	1821	1838	1864	2	1,874	10	0.5%	1,919	45	2.4%	1,965	2,012	2,061
All Total High School	8,858	8,969	9,099	9,244	5	9,395	151	1.6%	9,557	162	1.7%	9,735	9,930	10,142

Total Enrollment

					2018-2019				2019-2020					
	2015	2016	2017	2018	Rank	2019	Var	% Var	2020	Growth	% Var	2021	2022	2023
Total	28,332	28,466	28,807	29,209		29,710	501	1.7%	30,139	429	1.4%	30,642	31,221	31,879

Closed for School Choice - FY19

Closed for School Choice - FY18 and FY19

Closed for School Choice - FY18

\* Mobiles in Use for Instruction (Union ES 7, Dallas ES 3 and New GA ES 2)



## Forecasting Methodology and Techniques

When projecting enrollment, PCSD considers a variety of census, state and local data, including:

- Survival Rate
- Population Growth
- Birth Rate
- New Home Construction
- School Choice
- School Programs
- Historical Growth

Projections are primarily based on the survival rate of a grade level. Meaning, the current growth of a particular grade level applied to the advancing grade level in the subsequent or projected school year. For example:

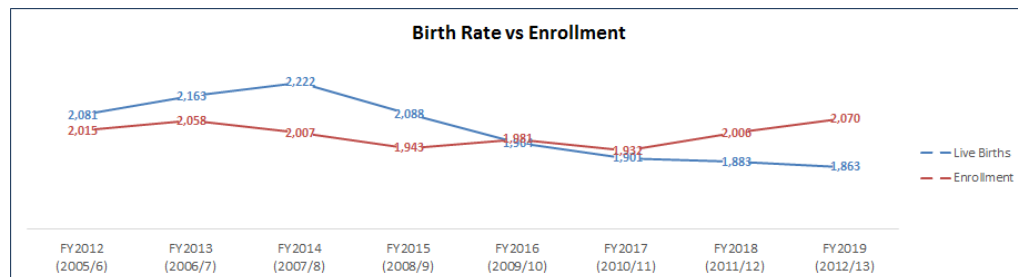
FY19 2<sup>nd</sup> Grade (216) divided by FY18 1<sup>st</sup> Grade (203) = Survival Rate (1.064)

FY19 1<sup>st</sup> Grade (242) multiplied by the Survival Rate (1.064) = 257

These projections may be adjusted based on other factors, such as construction, school choice, etc.

Kindergarten is primarily projected using the birthrate but may be adjusted for other economic conditions. During the Great Recession, PCSD saw a decline in kindergarten enrollment verses the live births of that cohort.

Meaning, the county was declining (net) in population for this

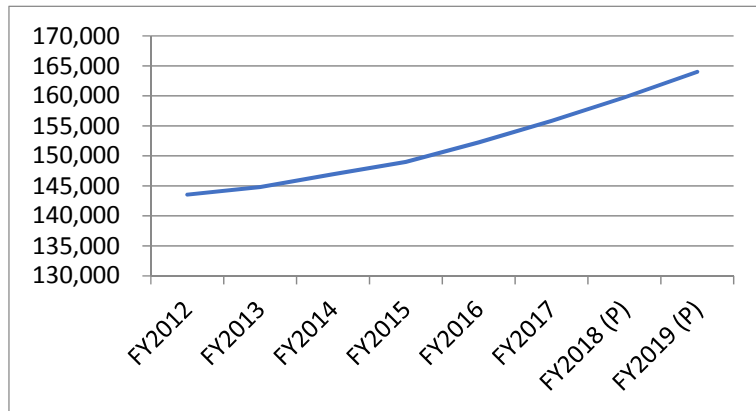


group. However, in FY2016 this trend reversed – a clear indication that growth has returned.

Forecasts are typically calculated using the most recent growth rate. Other factors that may influence projections and forecasts include population and new home construction.

## Population

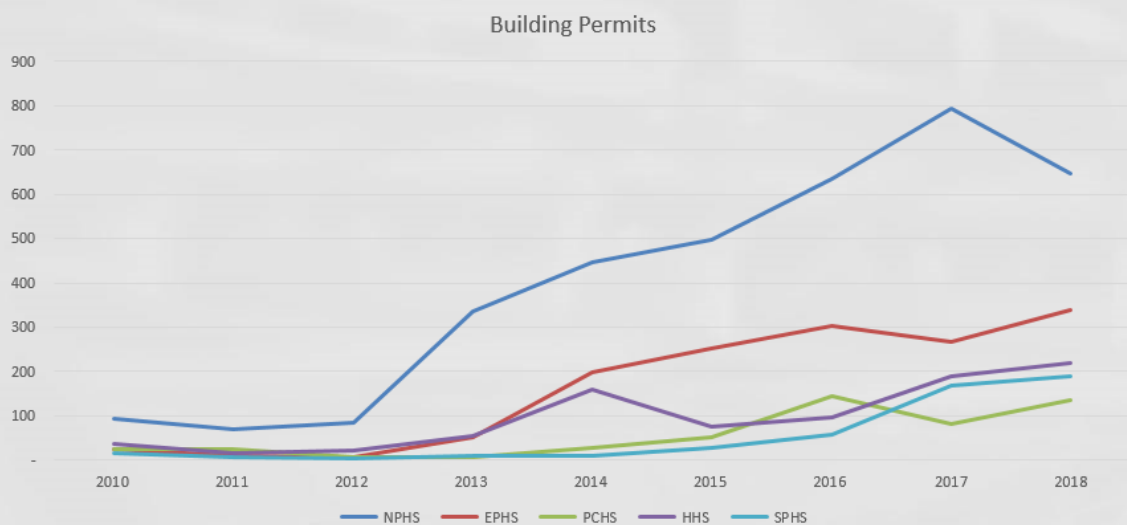
Paulding County continues to see strong population growth. In fact, the Atlanta Regional Commission (ARC) predicts Paulding County will reach a population of almost 260,000 by 2040, the third fastest growing county in the 20-county metro Atlanta area.



## New Home Construction

In 2010, Paulding County issued only 200 building permits. By 2018, over 1,500 were issued, with the majority of growth clustering around North and East Paulding High Schools.

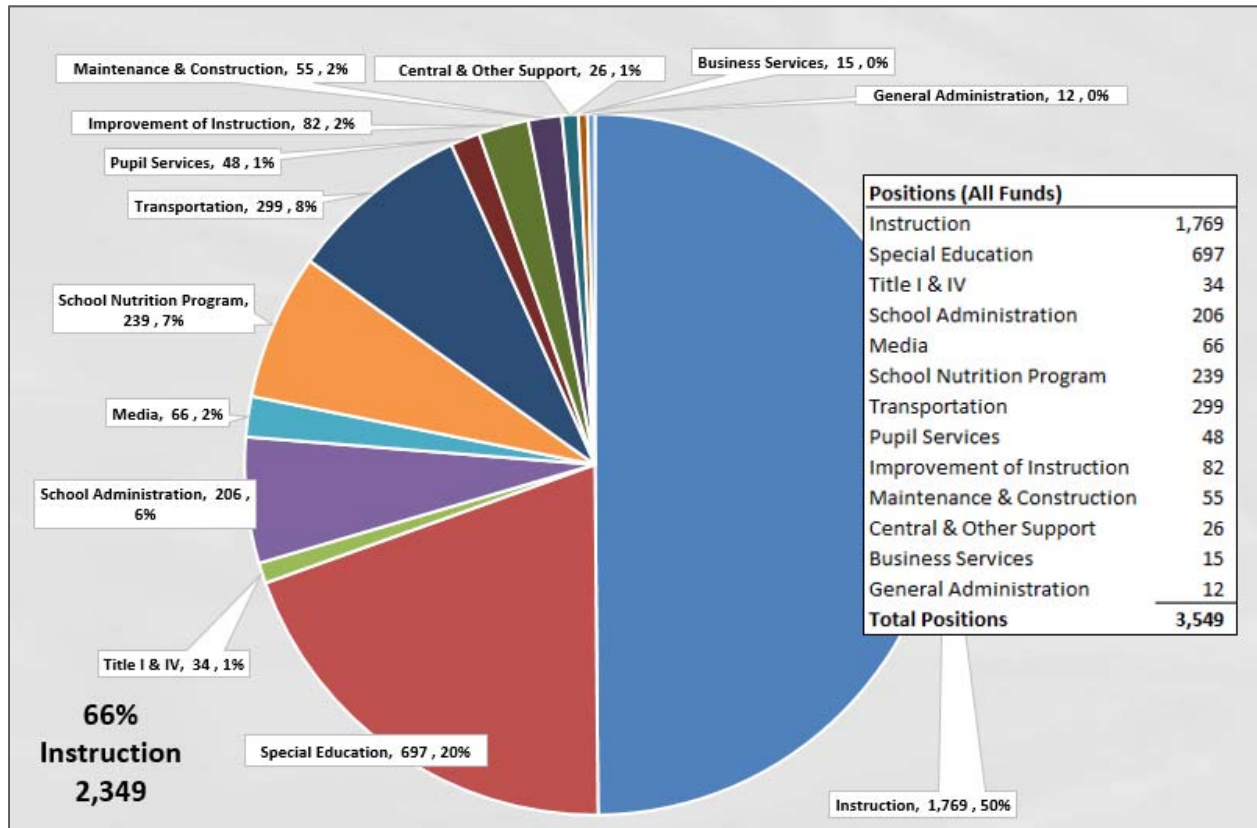
	2010	2011	2012	2013	2014	2015	2016	2017	2018	Growth	%
NPHS	94	71	86	336	446	497	635	792	647	(145)	-18.3%
EPHS	26	10	7	53	199	251	304	268	340	72	26.9%
PCHS	25	25	6	7	28	53	146	81	137	56	69.1%
HHS	38	15	23	56	160	75	96	189	218	29	15.3%
SPHS	16	6	3	10	11	28	59	170	190	20	11.8%
<b>Total</b>	<b>199</b>	<b>127</b>	<b>125</b>	<b>462</b>	<b>844</b>	<b>904</b>	<b>1,240</b>	<b>1,500</b>	<b>1,532</b>	<b>32</b>	<b>2.1%</b>



Source: Paulding County Economic Development on 2.12.2019

## Personnel Resource Allocation

The proposed budget anticipates 3,549 allotments, broken down by the following functions and programs. The tables on the subsequent pages detail proposed allotment changes and a summary of all employees grouped by Certified and Classified Personnel Information (CPI) for five years (including three prior years actual, current year and Proposed Budget).



## Proposed Budget Personnel Changes

The Proposed Budget contemplates the addition of 80 positions to support student-to-teacher ratios, school-based allotment assumptions, in addition to administrative, clerical and operational demands. Below is a list of allotment changes contained in the Proposed Budget.

	Allotment Change Form	Allotment Changes	Rationale
<b>FY19 Ending Allotments</b>		<b>3,473</b>	
<b>General Fund Positions</b>			
<b>Teaching and School Based</b>			
Teaching Allotment Changes	1	15	Various enrollment-driven teaching allotment changes designed to maintain class size ratios.
Teaching Allotment Changes	n/a	5	Contingency allotments to address potential mid-year growth.
School-based Assumption Changes	2	7	Various enrollment-driven teaching and administration changes designed to align programs to enrollment. Examples include changes to ES specials, gifted teachers, counselors, ESOL, etc.
<b>Student Services Department</b>			
ESEP Changes	3a	23	Various need-driven allotment changes designed to address ESEP students (school based positions).
ESEP Changes	3b	9	Various need-driven allotment changes designed to address ESEP students (central office based positions).
SLP	31	4	Current Speech Language Pathologist positions shifting from contract labor to staff.
DHH Teacher	32	1	DHH teacher position shifting from contract labor to staff.
<b>Leadership Changes</b>			
COO	26	1	Addition of a Chief Operations Officer.
<b>Curriculum Department</b>			
STEM Coordinator	36	1	Addition of a central office based STEM Coordinator to facilitate STEM-related initiatives at all school.
ELA/World Language Coordinator	37	1	Addition of a central office based ELA/World Language Coordinator.
STEM Teachers	44	3	Addition of ES STEM teachers, to support STEAM program at all elementary schools.
<b>Operations Department</b>			
Lead Safety Officer	33	1	Addition of a second Safety Officer.
Operations Secretary II	34	1	Addition of an Operations secretary to support the COO.
<b>Transportation Department</b>			
Additional Drivers for growth	11	4	Addition of BUS drivers to address additional routes required for student growth.
PCCA Drivers	46	2	Addition of BUS drivers to support the Paulding College and Career Academy.
<b>Human Resources Department</b>			
HR Clerk	25	1	Addition of clerical staff in HR.
<b>Business Services Department</b>			
Inventory Control, Special Revenue Accountant, Dir of Procurement	38	3	Addition of a Director of Procurement, converting current procurement position to Vendor Compliance. Addition of a Special Revenue Accountant to address increased grant and construction activity. Potential addition of an Inventory Control position to manage/oversee district inventory and capital assets.
<b>PCCA</b>			
PCCA Instructors	16,17,18,19	4	Teaching position for the Paulding College and Career Academy.
PCCA Receptionist/Clerical	15	1	Clerical position to support the Paulding College and Career Academy.
<b>Grant Positions</b>			
ESEP Allotment Changes	4	2	Various grant funded, need-driven allotment changes designed to address ESEP students (school based positions).
State PreK Para	27	(1)	Changes required by grant management and/or funding.
State PreK Para	28	(1)	Changes required by grant management and/or funding.
Title Changes	5	(7)	Changes required by grant management and/or funding. Will revisit once new award is received.
<b>FY20 Beginning Allotments</b>		<b>80</b>	

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Five Years of Allotments by CPI

CPI	Title	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget
85	Kindergarten Regular Education Teacher	98	105	99	106	108
100	Grades K-5 Combination Teacher	24	19	17	17	23
101	Grade 1 Teacher	99	100	99	99	105
102	Grade 2 Teacher	102	98	103	105	104
103	Grade 3 Teacher	104	106	103	107	105
104	Grade 4 Teacher	86	88	88	86	88
105	Grade 5 Teacher	87	86	89	91	89
106	Grade 6 Teacher	81	86	82	89	89
107	Grade 7 Teacher	87	82	86	88	88
108	Grade 8 Teacher	85	86	85	87	89
113	Grades 6-8 Combination Teacher	10	10	10	10	10
114	Grades 9-12 Combination Teacher	333	322	337	337	342
115	Military Science Teacher	12	13	13	13	13
120	Middle School Connections (6-8) Teacher	9	9	9	9	9
122	In-School Suspension (ISS) Teacher	5	5	5	5	5
123	Middle School Career, Technical and Agricultural Teacher	18	18	18	18	18
124	Work Based Learning (WBL) Teacher (School Level	-	1	1	1	1
130	Instructional Specialist (P-8)	131	132	134	134	134
131	Early Intervention Teacher (Kindergarten)	3	5	5	5	5
132	Early Intervention Primary Teacher	19	19	19	19	19
133	EIP 4th and 5th Grade Teacher	19	19	19	19	19
141	Preschool Special Education Teacher	16	16	18	18	19
142	Career Technical Instruction Teacher	5	5	5	5	5
144	ESOL Teacher	20	20	21	21	23
145	Hospital/Homebound Instructor	3	3	3	3	3
146	Gifted Elementary Teacher (P-5)	18	20	19	21	22
149	Adapted Physical Education Teacher	2	2	2	2	2
150	Career, Technical and Agricultural Education (9-12) Teacher	52	57	62	63	70
156	Other Instructional Provider	2	3	3	3	3
157	Other Instructional Provider	1	5	5	7	9
158	Teacher of Emotional/Behavioral Disorder Students	9	9	10	9	10
160	Teacher of Mild Intellectual Disability Students	34	30	32	32	34
161	Teacher of Moderate Intellectual Disability Students	11	11	11	11	12
162	Teacher of Severe Intellectual Disability Students	4	5	6	6	5
163	Teacher of Profound Intellectual Disability Students	5	3	3	3	5
164	Teacher of Hearing Impaired Students	2	3	2	2	3
165	Teacher of Visually Impaired Students	1	-	-	-	2
167	Teacher of Autistic Students	6	7	8	7	12
169	Teacher of Orthopedic Impaired Students	1	1	1	-	1
171	Special Education Interrelated Teacher	205	205	207	204	212
304	Special Education Bus Aide	43	52	52	52	52
395	Facilitator	3	7	7	7	7
397	Instructional Specialist	-	-	1	1	1
398	Graduation Coach/Specialist	2	2	2	2	2
399	Superintendent Secretary	1	1	1	1	1
400	Elementary Counselor	22	22	23	23	24
401	Middle School Counselor	15	15	15	15	15
402	High School Counselor	21	26	26	25	25
405	School Psychologist	14	14	14	14	14
407	School Social Worker	1	1	1	1	1
408	Family Services Coordinator	2	2	2	3	3
409	School Nurse	37	36	36	36	36
410	School Food Service Worker	194	194	194	194	194
413	Parent Coordinator	1	1	1	1	1
415	Information Services Personnel	1	1	1	1	1
420	Secretary	61	64	64	65	69
424	Information Services Personnel - Central Support Services	6	7	8	8	8
425	Bookkeeper	33	33	33	33	33
427	Information Services Personnel - School Food Service	3	3	3	3	3



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- Continued -

CPI	Title	FY2016 Actual	FY2017 Actual	FY2018 Actual	FY2019 Current Year	FY2020 Proposed Budget
429	Data Clerk	6	6	6	6	6
431	Business Services Secretary/Clerk	14	14	14	14	14
435	Paraprofessional/Teacher Aide Personnel	115	122	116	123	122
436	Special Education Para-professional/ Teacher Aid- Ages 6-21	193	178	193	190	219
437	Interpreter	-	-	-	-	1
438	Rehabilitation Counselor	1	1	1	1	1
440	Librarian/Media Specialist	33	33	33	33	33
441	Teacher Support Specialist	1	1	1	1	1
442	Library/Media Support Paraprofessional Personnel	33	33	33	33	33
445	Technology Specialist	26	27	25	25	25
451	Support Services Secretary/Clerk	10	10	9	10	10
453	Special Education Paraprofessional - Ages 3 to 5	15	15	18	19	18
454	School Nutrition Maintenance Personnel	-	1	1	1	1
455	Plant Operations Director or Manager	2	2	3	3	3
456	Maintenance Personnel	39	41	39	41	41
458	Plant Operations and Maintenance Secretary/Clerk	3	2	2	2	2
460	Transportation Director/Manager	2	2	2	2	2
461	Bus Driver	262	266	266	270	276
462	Transportation Mechanic	11	11	11	11	11
463	Transportation Secretary/Clerk	5	10	10	10	10
464	Other Transportation Personnel	1	1	1	1	1
465	Finance & Business Service Manager	1	1	1	1	1
466	Finance & Business Service Personnel	8	8	8	8	9
473	Human Resources Personnel	3	3	3	3	3
474	Central Support Clerk	5	5	6	6	8
475	Special Education Specialist	1	1	-	-	-
477	School Food Service Secretary/ Clerk/Bookkeeper	3	3	3	3	3
478	School Food Service Manager	37	37	37	37	37
479	Diagnostician	1	1	1	1	1
480	Speech-Language Pathologist	22	20	20	20	29
482	Physical Therapist (PT)	3	3	3	3	2
483	Occupational Therapist (OT)	9	9	9	10	12
487	General Administration Secretary/Clerk	2	1	1	1	1
488	Public Relations Personnel	1	1	1	1	-
489	Construction Manager/Director	1	1	1	1	1
490	Security Personnel / Security Officer	5	5	5	6	7
600	Superintendent	1	1	1	1	1
601	Deputy/Associate/Assistant/ Area Superintendent	2	3	3	3	4
602	Personnel/Human Resources Director	1	1	1	1	1
610	Principal	33	33	33	33	33
614	Alternative School Director	1	1	1	1	1
615	Assistant Principal	61	62	62	64	65
620	Director of Curriculum/Instruction	3	4	4	4	5
621	Instructional Supervisor	61	67	66	67	70
622	Director of School Safety	-	-	-	-	1
630	Food Service Administrator	1	1	1	1	1
640	Special Education Director	2	2	2	2	2
641	Director of Student Services	1	1	1	1	1
643	Technology Director	2	2	2	2	2
648	Title I Director	1	1	1	1	1
670	Career, Technical and Agricultural Education Director (LUA)	1	1	1	1	1
673	Youth Apprenticeship Coordinator	1	1	1	1	1
680	Athletics Director	1	1	1	1	-
691	District Board Member	7	7	7	7	7
<b>Total</b>		<b>3,323</b>	<b>3,361</b>	<b>3,395</b>	<b>3,436</b>	<b>3,549</b>



## School-Based Allotments

Each fiscal year Paulding County School District (PCSD) reviews all allotment assumptions and guidelines to ensure school-based programs throughout PCSD are adequately and equitably funded.

School allotment assumptions (or formulas) and guidelines are the responsibility of the Superintendent and senior leadership. This group develops the assumptions and guidelines based on the District's mission, the Board's vision, the District's strategic priorities and all existing mandates and requirements (federal, state, AdvancED, etc).

Once the allotment assumptions and guidelines are established, Business Services calculates the allotments using the following steps:

1. Enrollment Projections. Enrollment is projected for each facility. Projections are determined by variables such as historical survival rate, allocation of rising grade levels and area growth rates. (See Schools and Enrollment Projections)
2. Teacher Allotments. Once projections have been made at each school by grade level, allotment counts are determined based on the established assumptions and guidelines. Generally, allotments are determined by dividing the total projected enrollment (by grade level or category) by the target ratio.

FY2020 elementary, middle and high school allotment assumptions are on the following pages.

### **Exception Students Education Program (ESEP)**

ESEP allotment assumptions (or formulas) and guidelines are the responsibility of the Superintendent, Executive Director of Student Services and senior leadership. Allotment decisions are based on the specific needs of each student.

### **Grant Funded Allotments**

Grant funded allotments are the responsibility of the Superintendent, Grant Administrator and senior leadership. Allotment decisions are based on the needs of the students and within the parameters of the grant requirements.

The District may establish additional school, central office and support personnel allotments based on enrollment, current initiatives, historical trends and funding levels.

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**FY2020 Elementary Allotment Assumptions (19)**

As of July 1, 2019

General Education Student : Teacher Ratio and Allotments

Kindergarten	21.6 : 1
1st Grade	22.6 : 1
2nd Grade	22.6 : 1
3rd Grade	22.6 : 1
4th Grade	28.6 : 1
5th Grade	28.6 : 1

**School-Based Certified Allotments**

Principal			Assistant Principals			Evaluation and Assessment Coordinator		
Principal (240 x 8)	1	per School	Assistant Principal (210 x 8)	per FTE	Count	EAC (200 x 8)	1	per School
				1	1-799			
				2	>= 800			
Counselors			Media Specialist			Specialist Teachers		
Counselors (190 x 8)	per FTE	Count	Media Specialist (190 x 8)	1	per School	PE, Music, Art or STEM (190 x 8)	per FTE	Count
	1	1-799					2.5	1-450
	1.5	800-999					3	451-525
	2	>=1000					3.5	526-600
							4	601-675
							4.5	676-750
							5	751-825
							5.5	826-900
							6	901-975
							6.5	976-1050
							7	>=1051
Early Intervention Program			Gifted Teachers			ESOL		
EIP Teacher (190 x 8)	per FTE	Count	Gifted Teacher (190 x 8)	1	per School	ESOL Teacher (190 x 8)	Based on Case Load	
	2	1-899		2	HN			
	3	>=900						
	3	HN						
HN: Adjustments for high need areas			HN: Adjustments for high need areas			Allotments are at Facility Code 99		

**School-Based Classified Allotments**

School Nurse			Secretary			Clerk		
Nurse (184 x 7.5)	1	per School	Secretary (205 x 8)	1	per School	Clerk (190 x 7.5)	1	600-1,199
							2	>=1,200
Media Clerk			Bookkeeper			Kindergarten Paraprofessional		
Media Clerk (190 x 7.5)	1	per School	Bookkeeper (205 x 8)	1	per School	Kindergarten Para (184 x 7.5)	1	per Class
School Nutrition Manager			School Nutrition Assistant					
SNP Manager (189 x 8)	1	per School	SNP Assistant (184 x 4)	Based on Demand				

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**FY2020 Middle School Allotment Assumptions (9)**

As of July 1, 2019

General Education Student : Teacher Ratio and Allotments

6th Grade	28.6 : 1
7th Grade	28.6 : 1
8th Grade	28.6 : 1

**School-Based Certified Allotments**

Principal			Assistant Principals			Evaluation and Assessment Coordinator		
Principal (240 x 8)	1	per School	Assistant Principal (210 x 8)	per FTE	Count	EAC (200 x 8)	1	per School
				1	1-599			
				2	>=600			
				3	>=1,100			
Counselors			Media Specialist			Specialist Teachers		
Counselors (190 x 8)	per FTE	Count	Media Specialist (190 x 8)	1	per School	PE	per FTE	Count
	0.5	500-799					2	1-600
	1	>=800					3	601-1,000
							4	1,001-1,200
Counselors (210 x 8)	1	per School					5	>=1,201
						Music	2	per School
						Art	1	per School
						Foreign Language	1	per School
							2	>=1,000
Connections			Remedial			ESOL		
Family & Cons (190 x 8)	1	per School	Math Study Skills and/or	1	per School	ESOL Teacher (190 x 8)	Based on Case Load	
Business Ed (190 x 8)	1	per School	Reading Recovery (190 x 8)			Allotments are at Facility Code 99		

**School-Based Classified Allotments**

School Nurse			Secretary			Clerk		
Nurse (184 x 7.5)	1	per School	Secretary (205 x 8)	1	per School	Clerk (190 x 7.5)	per FTE	Count
							1	1-1,999
							2	>=1,200
Media Clerk			Bookkeeper			ISS Paraprofessional		
Media Clerk (190 x 7.5)	1	per School	Bookkeeper (205 x 8)	1	per School	ISS Para (184 x 7.5)	1	per School
School Nutrition Manager			School Nutrition Assistant					
SNP Manager (189 x 8)	1	per School	SNP Assistant (184 x 4)	Based on Demand				

**FY2020 High School Allotment Assumptions (5)**

As of July 1, 2019

**General Education Student : Teacher Ratio and Allotments**

9th - 12th Grade\* 22.5 : 1

\* Ratio Includes positions noted below. May also be modified based on program enrollment (i.e. Dual Enrollment, PCA, etc.)

School-Based Certified Allotments								
Principal			Assistant Principals			Evaluation and Assessment Coordinator		
Principal (240 x 8)	1	per School	Assistant Principal (210 x 8)	1	per School	EAC (200 x 8)	1	per School
				1	per Magnet			
				1	>= 2,000			
			Assistant Principal (240 x 8)	2	per School			
Counselors			Media Specialist			Specialist Teachers		
Counselors (210 x 8)	per FTE	Count	Media Specialist (190 x 8)	1	per School	Band Director (210 x 8)	1	per School
	4	0-1999				Music/Band (190 x 8)	2	per School
	5	>2000						
District Grad Coach (190 x 8)	0.2	per School				<i>PE, Art and Foreign Language are designated from the General Education allotments (above) by the Principal</i>		
<i>Principals may also elect to convert one General Education allotment to a 190-Day Counselor</i>						<i>JROTC and CTAE are designated from the General Education allotments (above) by the Principal</i>		
ISS Instructor			ESOL					
ISS (190 x 8)	1	per School	ESOL Teacher (190 x 8)	Based on Case Load				
			<i>Allotments are at Facility Code 99</i>					

School-Based Classified Allotments								
School Nurse			Secretary			Clerk		
Nurse (184 x 7.5)	1	per School	Secretary (205 x 8)	1	per School	Clerk (195 x 7.5)	2	per School
			Secretary (260 x 8)	1	per School			
Guidance Clerk			Media Clerk			Bookkeeper		
Guidance Clerk (200 x 7.5)	1	per School	Media Clerk (190 x 7.5)	1	per School	Bookkeeper (260 x 8)	1	per School
ISS Paraprofessional			Parking Lot Guard			School Nutrition Manager		
ISS Para (184 x 7.5)	1	per School	Parking Guard (180 x 8)	1	per School	SNP Manager (189 x 8)	1	per School
School Nutrition Assistant								
SNP Assistant (184 x 4)								
Based on Demand								

## Outstanding Bond Issues

Outstanding bonds include the 2014 Series (refunding debt), which includes 86,155 \$1,000 par value bonds or \$86,155,000. These bonds carry coupon rates of approximately 3% to 5%. In 2014 the District refunded its 2007 and 2008 Series.

The 2007 referendum approved the 2007 and 2008 Series for the purpose of providing funds to:

- 1) finance the cost of the acquisition, construction and equipping of new schools, including the purchase of land to be used as sites for future educational facilities;
- 2) the acquisition, construction and equipping of classroom additions, physical education facilities; and
- 3) the renovations and modification to existing educational facilities.

Projects include, but are not limited to, the construction, addition, modification and/or renovation of the following facilities:

Dugan ES (26)	Ragsdale ES (32)	PC HS (13)
Austin MS (27)	Hutchens ES (33)	Allgood ES (20)
South HS (28)	Abney ES (34)	Hiram HS (21)
McClure MS (29)	Scoggins MS (35)	Nebo ES (18)
North HS (30)	Jones MS (10)	
Burnt Hickory ES (31)	East HS (12)	

### Ratings

Standard and Poor (S&P) AA+ or High Grade as of the 2014 Bond Issue (9/11/2014 rating date, AA- Underlying)

Moody's Aa2 or Very High Grade as of the 2014  
Bond Issue (9/15/2014 rating date, Aa1 Underlying)

Sortable Table Key	Moody's
Highest grade credit	Aaa
Very high grade credit	Aa1, Aa2, Aa3
High grade credit	A1, A2, A3
Good credit grade	Baa1, Baa2, Baa3, Baa4
Speculative grade credit	Ba1, Ba2, Ba3
Very speculative credit	B1, B2, B3
Substantial risks - In default	Caa1, Caa2, Caa3, Ca

Major Rating Agencies Rating Guide for Long and Short Term Debt							
Moody's		S&P		Fitch		Risk	
Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Characteristic	
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime	
Aa1		AA+		AA+		High Grade	
Aa2		AA		AA			
Aa3		AA-		AA-			
A1		A+		A+		Upper Medium Grade	
A2	A	A-1	A	F1			
A3	A-	A-	A-				
Baa1	P-2	BBB+	A-2	BBB+	F2	Lower Medium Grade	
Baa2		BBB		BBB			
Baa3	P-3	BBB-	A-3	BBB-	F3		
Ba1	Not Prime	BB+	B	BB+	B	Non-investment grade speculative	
Ba2		BB		BB			
Ba3		BB-		BB-			
B1		B+		B+		Highly Speculative	
B2		B		B			
B3		B-		B-			
Caa1			CCC+	C	CCC	C	Substantial Risks
Caa2			CCC		Extremely Speculative		
Caa3			CCC-		In default with little prospect for recovery		
Ca			CC				
C			C				
/		D	/	DDD	/	In default	
/				DD			
/				D-			



## Amortization Schedule

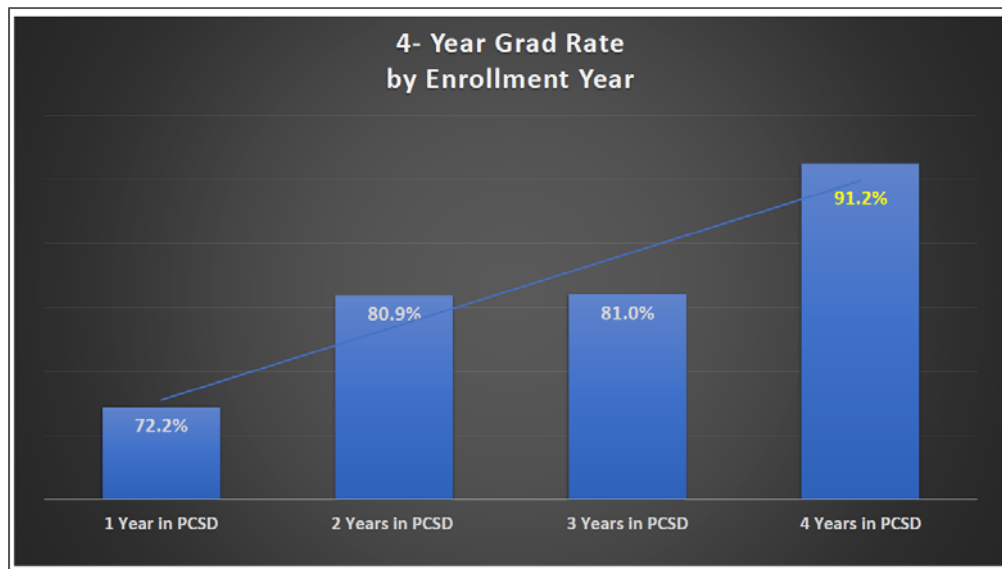
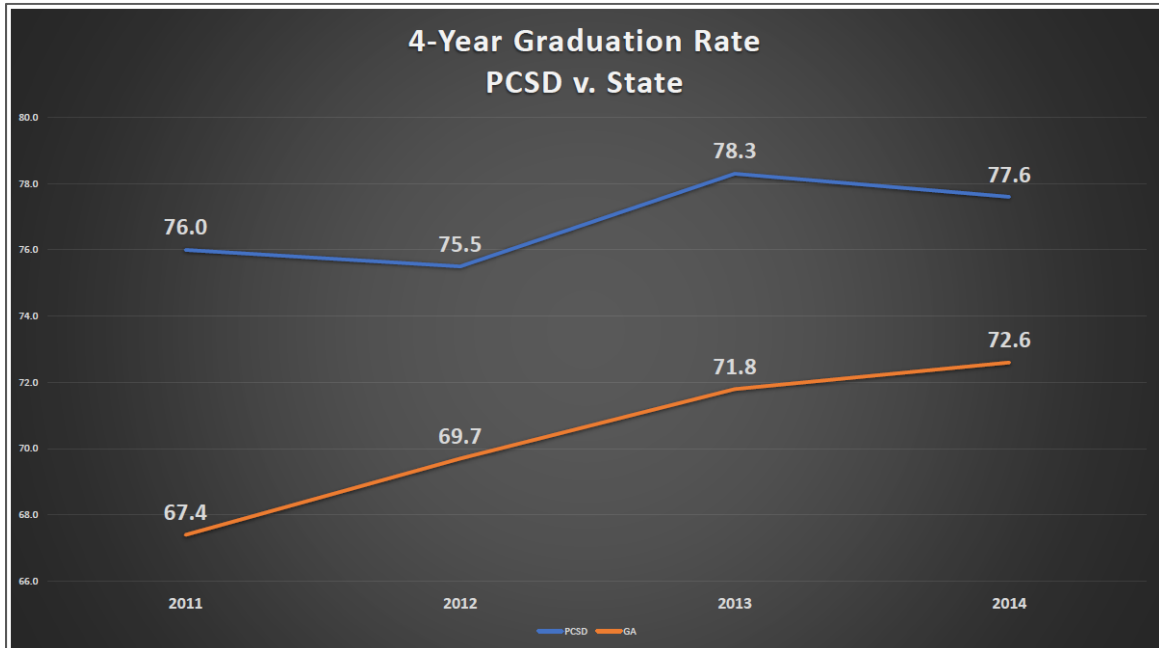
### 2014 Bond Issue - Regions

Date		Refunding Principal	Maturity	Coupon	Interest	Total Interest	Total Debt Service
8/1	2019	\$ 86,155,000			\$ 111,375	\$ 1,878,825	\$ 1,878,825
2/1	2020	\$ 86,155,000	\$ 4,455,000	5.00%	\$ 111,375	\$ 1,878,825	\$ 6,333,825
8/1	2020	\$ 81,700,000			\$ 116,625	\$ 1,767,450	\$ 1,767,450
2/1	2021	\$ 81,700,000	\$ 4,665,000	5.00%	\$ 116,625	\$ 1,767,450	\$ 6,432,450
8/1	2021	\$ 77,035,000			\$ 122,125	\$ 1,650,825	\$ 1,650,825
2/1	2022	\$ 77,035,000	\$ 4,885,000	5.00%	\$ 122,125	\$ 1,650,825	\$ 6,535,825
8/1	2022	\$ 72,150,000			\$ 128,125	\$ 1,528,700	\$ 1,528,700
2/1	2023	\$ 72,150,000	\$ 5,125,000	5.00%	\$ 128,125	\$ 1,528,700	\$ 6,653,700
8/1	2023	\$ 67,025,000			\$ 133,000	\$ 1,400,575	\$ 1,400,575
2/1	2024	\$ 67,025,000	\$ 5,370,000	4.95%	\$ 133,000	\$ 1,400,575	\$ 6,770,575
8/1	2024	\$ 61,655,000			\$ 141,750	\$ 1,267,575	\$ 1,267,575
2/1	2025	\$ 61,655,000	\$ 5,670,000	5.00%	\$ 141,750	\$ 1,267,575	\$ 6,937,575
8/1	2025	\$ 55,985,000			\$ 149,625	\$ 1,125,825	\$ 1,125,825
2/1	2026	\$ 55,985,000	\$ 5,985,000	5.00%	\$ 149,625	\$ 1,125,825	\$ 7,110,825
8/1	2026	\$ 50,000,000			\$ 157,375	\$ 976,200	\$ 976,200
2/1	2027	\$ 50,000,000	\$ 6,295,000	5.00%	\$ 157,375	\$ 976,200	\$ 7,271,200
8/1	2027	\$ 43,705,000			\$ 124,125	\$ 818,825	\$ 818,825
2/1	2028	\$ 43,705,000	\$ 6,620,000	3.75%	\$ 124,125	\$ 818,825	\$ 7,438,825
8/1	2028	\$ 37,085,000			\$ 127,800	\$ 694,700	\$ 694,700
2/1	2029	\$ 37,085,000	\$ 6,880,000	3.72%	\$ 127,800	\$ 694,700	\$ 7,574,700
8/1	2029	\$ 30,205,000			\$ 133,969	\$ 566,900	\$ 566,900
2/1	2030	\$ 30,205,000	\$ 7,145,000	3.75%	\$ 133,969	\$ 566,900	\$ 7,711,900
8/1	2030	\$ 23,060,000			\$ 139,156	\$ 432,931	\$ 432,931
2/1	2031	\$ 23,060,000	\$ 7,410,000	3.76%	\$ 139,156	\$ 432,931	\$ 7,842,931
8/1	2031	\$ 15,650,000			\$ 144,094	\$ 293,775	\$ 293,775
2/1	2032	\$ 15,650,000	\$ 7,685,000	3.75%	\$ 144,094	\$ 293,775	\$ 7,978,775
8/1	2032	\$ 7,965,000			\$ 149,681	\$ 149,681	\$ 149,681
2/1	2033	\$ 7,965,000	\$ 7,965,000	3.76%	\$ 149,681	\$ 149,681	\$ 8,114,681
			\$ 86,155,000			\$ 29,105,575	\$ 115,260,575

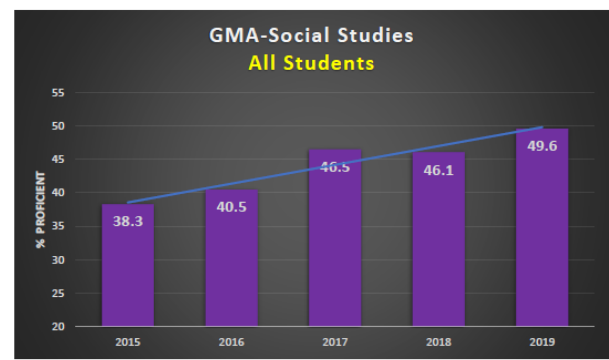
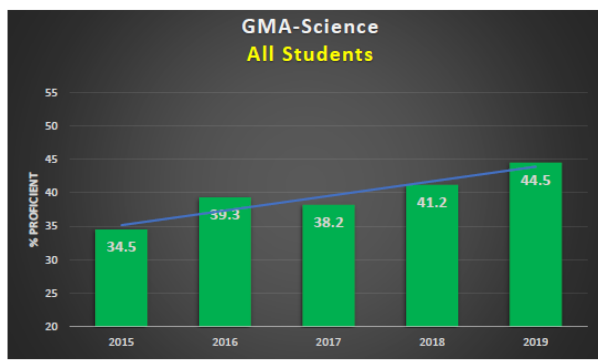
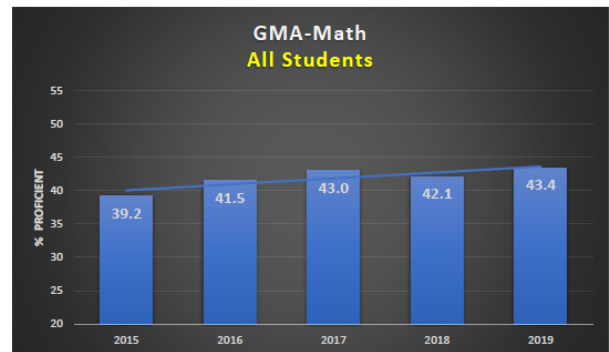
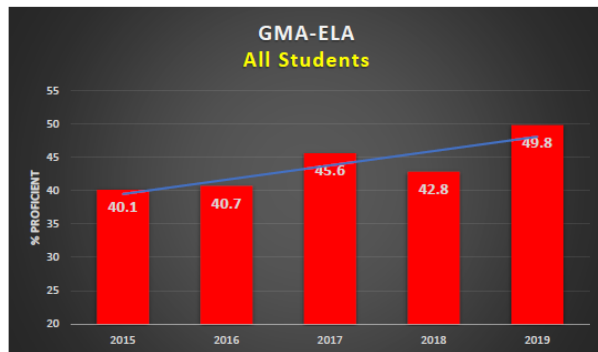
FY2020 Activity

## Performance Measures

### 4-Year Graduation Rate



### 5-Year Georgia Milestones Assessment (GMA)



### 3-Year Financial Efficiency Star Rating

#### What is the Financial Efficiency Star Rating?

OCGA § 20-14-33 requires that the Governor's Office of Student Achievement, in coordination with the Georgia Department of Education, create a financial efficiency rating. The Financial Efficiency Star Rating (FESR) measures an individual school district's per-pupil spending in relation to the academic achievements of its students.

#### How is the rating calculated?

The FESR utilizes a three-year average of per-pupil expenditures (PPE) and College and Career Ready Performance Index (CCRPI) scores to determine a district's rating.

The matrix below shows the method for determining the FESR using both the PPE percentile and the CCRPI scores. Districts can earn between a one-half star and five stars, with a one-half star rating for districts with the highest PPEs and low CCRPI scores, and a five-star rating for districts with the lowest PPEs and high CCRPI scores. The 2018 district FESR is based on a three-year average (FY2016, FY2017, and FY2018) of PPE and CCRPI scores, the most current data available.

★★★★★						
Percentile of Average PPE	CCRPI Average					
	Less than 50	51-59.9	60-69.9	70-79.9	80-89.9	90 and Above
80-100 (High Spending)	0.5	1	1.5	2	2.5	3
60-79	1	1.5	2	2.5	3	3.5
40-59	1.5	2	2.5	3	3.5	4
20-39	2	2.5	3	3.5	4	4.5
0-19 (Low Spending)	2.5	3	3.5	4	4.5	5

The PPE is calculated by dividing a district's expenditures by the its fall enrollment count. The PPE calculation only includes certain expenditures. In general, expenditures that do not directly affect the K-12 population, those associated with food and facility construction, and expenditures that cannot be associated with a specific year are omitted from the PPE calculation. Additionally, expenditures for students that are outside of a district's enrollment zone are excluded from the calculation. The calculation guide provides a complete list of excluded expenditures.

#### FESR Results

In FY2018, the most current rating period available, PCSD received a district wide **four-star rating**. Here is how PCSD compared to large districts (school districts with over 10,000 students) and all 180 school districts in Georgia:

>10,000 School Districts								
	4 Stars		4 Stars		4 Stars		4 Stars	
	FY2015		FY2016		FY2017		FY2018	
Higher	4	12%	4	12%	5	15%	5	15%
Lower	22	67%	22	67%	26	76%	26	76%
Same	7	21%	7	21%	3	9%	3	9%
% Same or Lower	88%		88%		85%		85%	

All School Districts (Compliant)								
	4 Stars		4 Stars		4 Stars		4 Stars	
	FY2015		FY2016		FY2017		FY2018	
Higher	9	5%	10	6%	12	7%	12	7%
Lower	150	84%	147	82%	150	84%	150	84%
Same	20	11%	22	12%	17	9%	16	9%
% Same or Lower	95%		94%		93%		93%	

**Three Year FESR Results Summary**

<b>2015 Rating</b>			
Average CCRPI	Average PPE	Percentile PPE	Star Rating PPE
74.4	\$ 7,184	8	4.0

<b>2016 Rating</b>			
Average CCRPI	Average PPE	Percentile PPE	Star Rating PPE
74.2	\$ 7,566	11	4.0

<b>2017 Rating</b>			
Average CCRPI	Average PPE	Percentile PPE	Star Rating PPE
76.0	\$ 7,957	13	4.0

<b>2018 Rating</b>			
Average CCRPI	Average PPE	Percentile PPE	Star Rating PPE
76.3	\$ 8,319	16	4.0



### FY2018 FESR Results by School

ID	School	Size	FTE	CCRPI	FSER	FSER	FTE	Lower	%	Same	%	Higher	%
7102052	New Georgia Elementary*	<=500	311	73	2.00	2.00	394	111	29%	74	20%	191	51%
710104	Poole Elementary*	<=500	403	81	2.50	2.00	394	186	49%	70	19%	120	32%
7101050	Dallas Elementary*	<=500	412	72	2.50	2.00	394	186	49%	70	19%	120	32%
710294	Northside Elementary*	<=500	418	79	2.50	2.00	394	186	49%	70	19%	120	32%
7104052	Union Elementary	<=500	448	80	3.50	2.00	394	325	86%	36	10%	15	4%
710197	Panther Elementary*	>500 to <=750	554	79	3.00	3.00	619	199	39%	110	22%	196	39%
710188	McGarity Elementary	>500 to <=750	566	80	3.00	3.00	619	199	39%	110	22%	196	39%
710103	Baggett Elementary*	>500 to <=750	628	80	3.00	3.00	619	199	39%	110	22%	196	39%
710210	Ragsdale Elementary*	>500 to <=750	650	57	2.50	3.00	619	116	23%	82	16%	307	61%
710199	Roberts Elementary*	>500 to <=750	665	77	3.00	3.00	619	199	39%	110	22%	196	39%
710198	Nebo Elementary	>500 to <=750	702	63	3.00	3.00	619	199	39%	110	22%	196	39%
710304	Dugan Elementary	>500 to <=750	704	63	3.00	3.00	619	199	39%	110	22%	196	39%
7105050	Hiram Elementary*	>500 to <=750	726	72	3.00	3.00	619	199	39%	110	22%	196	39%
710310	Hutchens Elementary*	>500 to <=750	738	72	3.50	3.00	619	310	61%	101	20%	94	19%
710204	Russom Elementary	>500 to <=750	840	84	4.00	3.00	619	118	67%	29	16%	29	16%
710299	Allgood Elementary*	>500 to <=750	840	71	3.50	3.00	619	75	42%	42	24%	59	33%
710110	Burnt Hickory Elementary	>500 to <=750	923	88	4.00	3.00	619	118	67%	29	16%	29	16%
710113	Abney Elementary	>500 to <=750	998	83	4.00	3.00	619	118	67%	29	16%	29	16%
710194	Shelton Elementary	>1000	1,221	93	5.00	4.00	1,143	65	88%	8	11%	-	0%
* FY2018 Title I Schools (11)			19		3.00	3.00	614	513	45%	211	19%	409	36%
ID	School	Size	FTE	CCRPI	FSER	FSER	FTE	Lower	%	Same	%	Higher	%
710192	South Paulding Middle	<=500	481	75	2.50	2.00	343	37	43%	15	17%	33	38%
710201	Moses Middle	>500 to <=750	587	83	4.50	3.00	636	114	90%	11	9%	1	1%
710213	Ritch Middle	>500 to <=750	637	75	3.50	3.00	636	83	65%	22	17%	21	17%
710410	Scoggins Middle	>500 to <=750	703	69	2.50	3.00	636	32	25%	19	15%	75	59%
710297	Dobbins Middle	>500 to <=750	707	78	3.00	3.00	636	52	41%	30	24%	44	35%
7102352	Hershal Jones Middle	>500 to <=750	726	68	3.00	3.00	636	52	41%	30	24%	44	35%
710394	East Paulding Middle	>750 to <=1000	909	83	4.50	3.00	865	128	91%	9	6%	2	1%
710404	Austin Middle	>750 to <=1000	979	79	4.00	3.00	865	100	71%	27	19%	12	9%
710108	McClure Middle	>1000	1,232	90	4.50	4.00	1,320	60	60%	23	23%	16	16%
			9		4.00	3.00	802	319	70%	66	15%	67	15%
ID	School	Size	FTE	CCRPI	FSER	FSER	FTE	Lower	%	Same	%	Higher	%
		<1500											
710292	East Paulding High	>1500 to <=2000	1,646	78	3.50	4.00	1,723	16	22%	7	9%	50	68%
710101	Hiram High	>1500 to <=2000	1,676	76	4.00	4.00	1,723	24	32%	20	27%	29	39%
7102552	Paulding County High	>1500 to <=2000	1,738	80	4.50	4.00	1,723	45	61%	23	31%	5	7%
710106	South Paulding High	>1500 to <=2000	1,838	78	4.00	4.00	1,723	24	32%	20	27%	29	39%
710109	North Paulding High	>2000	2,201	81	4.50	4.00	2,537	25	43%	18	31%	14	24%
			5		4.00	3.00	1,293	223	59%	67	18%	89	23%

#### Where can the information be accessed?

FESR information is located on the Governor's Office of Student Achievement website:

<https://gosa.georgia.gov/financial-efficiency-star-rating-0>



3-Year Free and Reduced Price Meal Eligibility

**Free and Reduced Price Meal Eligibility (FRL)**

School	Oct-12 % FRL	Oct-16 %FRL	Oct-17 %FRL	Oct-18 %FRL	Change
0299 - Allgood Elementary School	64.67	62.50	59.35	65.07	0.40
0103 - Bessie L. Baggett Elementary	54.37	58.12	55.38	58.54	4.17
0110 - Burnt Hickory Elementary School	21.26	20.37	18.38	17.68	(3.58)
0199 - C. A. Roberts Elementary School	41.82	48.27	45.43	44.76	2.94
0410 - Carl Scoggins Sr. Middle school	52.86	53.49	49.30	47.64	(5.22)
0304 - Connie Dugan Elementary School	43.90	47.16	47.13	53.41	9.51
1050 - Dallas Elementary School	75.67	84.47	78.59	79.82	4.15
0292 - East Paulding High School	36.60	33.05	34.84	34.88	(1.72)
0394 - East Paulding Middle School	36.92	36.30	36.02	36.31	(0.61)
0194 - Floyd L. Shelton Elementary School at Crossroad	15.12	18.26	16.79	17.30	2.18
0310 - Hal Hutchens Elementary	44.68	51.49	50.64	51.34	6.66
2352 - Herschel Jones Middle School	63.46	62.67	61.90	58.48	(4.98)
5050 - Hiram Elementary School	64.59	60.47	60.61	63.29	(1.30)
0101 - Hiram High School	44.80	48.87	50.41	51.09	6.29
0404 - Irma C. Austin Middle School	41.98	40.14	43.26	45.19	3.21
0297 - J. A. Dobbins Middle School	52.21	56.01	54.38	57.70	5.49
0201 - Lena Mae Moses Middle School	36.40	35.60	37.81	36.97	0.57
0104 - Lillian C. Poole Elementary School	57.37	48.14	48.69	52.75	(4.62)
0188 - McGarity Elementary School	45.10	45.58	47.99	46.21	1.11
0198 - Nebo Elementary School	41.21	47.72	47.55	50.71	9.50
2052 - New Georgia Elementary School	43.06	48.23	54.58	50.82	7.76
0109 - North Paulding High School	21.12	19.26	18.00	18.24	(2.88)
0294 - Northside Elementary School	50.78	49.04	50.43	52.52	1.74
0213 - P. B. Ritch Middle School	54.21	59.81	57.93	57.69	3.48
2552 - Paulding County High School	52.74	47.35	45.91	46.80	(5.94)
0204 - Roland W. Russom Elementary	30.74	28.45	26.72	29.57	(1.17)
0197 - Sam D. Panter Elementary School	54.26	54.15	57.03	55.49	1.23
0108 - Sammy McClure Sr. Middle School	17.96	16.23	15.64	15.79	(2.17)
0210 - Sara M. Ragsdale Elementary	57.63	56.15	53.07	53.23	(4.40)
0106 - South Paulding High School	37.49	37.05	34.17	33.35	(4.14)
0192 - South Paulding Middle School	46.80	43.04	43.94	46.87	0.07
4052 - Union Elementary School	51.82	45.98	41.59	42.28	(9.54)
0113 - WC Abney Elementary	38.00	30.86	33.02	31.49	(6.51)
<b>Paulding Count School District</b>	<b>42.39</b>	<b>41.38</b>	<b>40.54</b>	<b>40.98</b>	<b>(1.41)</b>
<b>Statewide Average</b>	<b>59.59</b>	<b>61.71</b>	<b>60.58</b>	<b>60.09</b>	<b>0.50</b>

## QBE Made Simple

A look at how the Georgia's Quality Basic Education formula provides funding for Paulding County schools. The information on this page explains how QBE funding is calculated by the State of Georgia. The next page shows where the calculation is shown on the QBE sheet. This page along with the following page is intended to be viewed at the same time to simplify the QBE formula into 7 steps.

### **STEP 1 Count the Students**

Count the full time equivalent of students at each school for each education program

### **STEP 2 Consider State of Georgia QBE Educational Programs Weights & Training and Experience (T&E) Factor**

Since different programs vary in their cost of operation, the State assigns an appropriate weight to reflect these differences. The T&E factor takes into consideration Paulding County teachers' years of experience and level of education to increase the program weights. The revenue amounts per student and Paulding County's T&E factor can be found on the Georgia DOE website.

### **STEP 3 Multiply the number of students counted in each QBE program x the Per Student Revenue Amount x Paulding County's Training & Experience Factor**

### **STEP 4 The State adds additional funding for Indirect Cost**

Indirect school district costs (Maintenance, School/Central Administration, Media and Professional Development)

### **STEP 5 The State deducts the Local 5 Mill Share Amount**

The State of Georgia requires that Paulding County levy 5 mills (Local 5 Mill Share) locally to support education and this 5 mills is deducted from QBE Formula Earnings.

### **STEP 6 The State deducts Austerity Cuts from the district's earnings**

As a result of the difficult economic environment, the State of Georgia has identified budget reductions to K-12 Education in Georgia called Austerity Cuts. These State reductions have been assessed since 2002 and are deducted from QBE Formula Earnings

### **STEP 7 The State adds funding for State of Georgia Categorical Grants**

Paulding County currently has State Categorical Grant funding for Transportation and Nursing

Paulding County School District  
Fiscal Year Budget

2020

Step 1: Student FTE Count

Step 2: Review Program Weights

Program	Weight
Kindergarten	1.6532
Kindergarten EIP	2.0382
Grades 1-3	1.2859
Grades 1-3 EIP	1.7955
Grades 4-5	1.0358
Grades 4-5 EIP	1.7892
Grades 6-8	1.0281
Middle School	1.1317
Grades 9-12	1.0000
Vocational Lab	1.1907
Remedial	1.3099
Alternative	1.4727
Special Ed Cat I	2.3828
Special Ed Cat II	2.7933
Special Ed Cat III	3.5559
Special Ed Cat IV	5.7624
Special Ed Cat V	2.4532
Gifted	1.6609
ESOL Program	2.5096

Step 3: Step 1 x Step 2 x (1+CCPS  
T&E Factor) = QBE Direct Instruction

Step 4: State Adds Addt'l Funding

Step 5: Deduct Local 5 Mill Share

Step 6: Deduct Austerity Adjustment

Total QBE Formula Earnings

Step 7: Add Categorical Grants

Total QBE Funding

OFFICIAL

Georgia State Depart  
Earnings Sheet

School System: 710 - Paulding County











FY 18 INITIAL A

Earnings (\$)						
DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS
Kindergarten Pgm	1,871	9,246,802	130,587	9,377,389	997,574	8,379,815
Kindergarten Early Intr Pgm	172	1,237,800	13,442	1,251,242	133,108	1,118,134
Primary Grade(1-3) Pgm	5,198	23,109,658	446,333	23,555,991	2,505,905	21,050,086
Primary Grd Early Intrv(1-3) Pgm	564	3,749,882	48,447	3,798,329	404,048	3,394,281
Upper Elementary Grd(4-5) Pgm	3,334	11,317,328	234,747	11,552,075	1,228,919	10,323,156
UppElem Grd Early Intrv(4-5)	447	2,971,822	31,478	3,003,300	319,493	2,683,807
Middle Grade(6-8) Pgm	0	0	0	0	0	0
Middle School(6-8) Pgm	5,742	22,062,841	404,349	22,467,190	2,390,078	20,077,112
High School Gen Educ(9-12)	6,248	19,969,897	709,773	20,679,670	2,199,620	18,479,750
CTAE(9-12) PGM	1,500	5,793,228	521,838	6,315,066	671,802	5,643,264
Students with Disab Cat I	178	1,537,214	44,315	1,581,529	168,244	1,413,285
Students with Disab Cat II	182	1,931,863	23,906	1,955,769	208,066	1,747,713
Students with Disab Cat III	1,125	15,505,225	229,758	15,734,983	1,673,900	14,061,083
Students with Disab Cat IV	214	4,902,321	90,329	4,992,650	531,122	4,461,528
Students with Disab Cat V	530	4,581,416	224,095	4,805,511	511,214	4,294,297
Gifted Student Category VI	1,367	7,898,626	137,931	8,036,557	854,935	7,181,622
Remedial Education Pgm	168	794,598	9,535	804,133	85,544	718,589
Alternate Education Pgm	339	1,622,703	23,873	1,646,576	175,164	1,471,412
Eng Spkrs of Other Lang (ESOL)	69	690,879	3,983	694,842	73,918	620,924
Spec Ed. Itinerant				7,393	786	6,607
Spec Ed. Supplemental Speech				0	0	0
TOTAL DIRECT INSTRUC.	29,134	138,923,903	3,328,669	142,259,995	15,133,730	127,126,265
INDIRECT COST						
Central Admin and One Time QBE		3,453,261	443,128	3,896,389	414,501	3,481,888
School Admin		6,881,832	202,777	7,084,309	753,835	6,330,474
Facility M & O			8,681,923	8,681,923	923,590	7,758,333
Sub Total (INDIRECT COST)		10,334,793	9,327,828	19,662,621	2,091,726	17,570,895
MEDIA CENTER PGM.		3,366,375	405,562	3,771,937	401,262	3,370,675
20 DAYS ADDITIONAL INSTRUCTION		1,155,462		1,155,462	122,922	1,032,540
STAFF & PROFESSIONAL DEV				655,513	69,734	585,779
PRINCIPAL STAFF & PROF. DEV				10,131	1,078	9,053
MIDTERM HOLD HARMLESS						
Amended Formula Adjustment						(2,974,887)
Charter System Adjustment				0	0	0
QBE FORMULA EARNINGS		153,780,563	13,062,089	167,515,689	17,820,452	149,695,237
CATEGORICAL GRANTS						
Pupil Transportation Pgm (Includes 90 Drivers and bus replacement funds of 0)				1,384,284		1,384,284
Sparsity - Regular				0		0
Nursing Services				582,010		582,010
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				169,481,983		148,686,664
Education Equalization Funding Grant				27,368,078		27,368,078
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				196,850,061		176,054,742
Charter Commission Admin - State						0
Military Counselors						0
DCH Direct Payment						0
State Commission Charter Supplement				0		0
TOTAL FUNDING ON THIS ALLOTMENT SHEET				196,850,061		176,054,742





Local School Administration 2019-2020 School Year

ELEMENTARY			
ABNEY ELEMENTARY SCHOOL			
			
Scott Brock Principal	Kim Hembree AP	Camille Alderman AP	Jodie Henson EAC
ALLGOOD ELEMENTARY SCHOOL			
			
Donna Oldham Principal	Scott Ragsdale AP	Dana Packer AP	Jenette Allen EAC
BAGGETT ELEMENTARY SCHOOL			
			
Karmese Daniel Principal	Lyn Crowe AP	Brandon Chason EAC	
BURNT HICKORY ELEMENTARY SCHOOL			
			
Joy Viness Principal	Andrea Davis AP	Stan Ingram AP	Sarah Burger EAC

**ELEMENTARY**

**DALLAS ELEMENTARY SCHOOL**



**Tameka Walker**  
Principal



**Kelly Davis**  
AP



**Lindy Beyea**  
EAC

**DUGAN ELEMENTARY SCHOOL**



**DeAnna Byers**  
Principal



**Tracy Gaynor**  
AP



**Rhonda Owen**  
EAC

**HIRAM ELEMENTARY SCHOOL**



**Kimberly Walton**  
Principal



**Thomas Beames**  
AP



**Lisa Brocius**  
EAC

**HUTCHENS ELEMENTARY SCHOOL**



**Priscilla Smith**  
Principal



**Jennifer Conkle**  
AP



**Jacob Griffith**  
EAC



**ELEMENTARY**

**McGARITY ELEMENTARY SCHOOL**



Karla Dodgen  
Principal



Shetal Slusher  
AP



Beth Becraft  
EAC

**NEBO ELEMENTARY SCHOOL**



Cynthia Davies  
Principal



Charles Harrison  
AP



Melanie Hyde  
EAC

**NEW GEORGIA ELEMENTARY SCHOOL**



Sonja Nelson  
Principal



Tasha Adams  
AP



Mary Hannah Gaddis  
EAC

**NORTHSIDE ELEMENTARY SCHOOL**



Susan Woodham  
Principal



Andy Davis  
AP



Lori Morgan  
EAC

## ELEMENTARY

### PANTER ELEMENTARY SCHOOL



**John Cooper**  
Principal



**Heather White**  
AP



**Amy Delany**  
EAC

### POOLE ELEMENTARY SCHOOL



**Paul Chaffee**  
Principal



**Kristi Davis**  
AP



**Katie Meeks**  
EAC

### RAGSDALE ELEMENTARY SCHOOL



**Ann Arnold**  
Principal



**Carol Ammons**  
AP



**Jodi Ferguson**  
EAC

### ROBERTS ELEMENTARY SCHOOL



**Paul Wilder**  
Principal



**Gigi Neal**  
AP



**Esther Jones**  
EAC

## ELEMENTARY

### RUSSOM ELEMENTARY SCHOOL



**Libby Bell**  
Principal



**Betty Nell Gassett**  
AP



**Dustin Schularick**  
AP



**Gwyneth Posey**  
EAC

### SHELTON ELEMENTARY SCHOOL



**Jeff Robinson**  
Principal



**Myers Moreland**  
AP



**Gina Zuganellis**  
AP



**Lydia Kolb**  
EAC

### UNION ELEMENTARY SCHOOL



**Blake Keown**  
Principal



**Kimberly Marrell**  
AP



**Endea Hudgins**  
EAC



MIDDLE

AUSTIN MIDDLE SCHOOL



Greg Musgrove  
Principal



Dannison Curtis  
AP



Larry Sailors  
AP



Sandra Wood  
EAC

DOBBINS MIDDLE SCHOOL



Donna Broyles  
Principal



Kimberly Silas  
AP



Jonathan Thomas  
AP



Wendy Mace  
EAC

EAST PAULDING MIDDLE SCHOOL



Thomas Alverson  
Principal



Reese Jacobs  
AP



Teresa Raley  
AP



Kimberly Burford  
EAC

HERSCHEL JONES MIDDLE SCHOOL



Tammy Skelton  
Principal



Chris McAllister  
AP



Sean Schinella  
AP



Tiffany Canty  
EAC

MIDDLE

McCLURE MIDDLE SCHOOL



Jaymath Hayes  
Principal



James Long  
AP



Tammy Ponder  
AP



Tamara Vickers  
AP



Teresa Bowles  
EAC

MOSES MIDDLE SCHOOL



Scott Viness  
Principal



Greg Cherry  
AP



Dianah Johnson  
AP



Karen Kirby  
IAC

P.B. RITCH MIDDLE SCHOOL



Christi Carson  
Principal



Pamela Swinney  
AP



Rodney Wilkerson  
AP



Inever Jones  
EAC

SCOGGINS MIDDLE SCHOOL



Sandra Webb  
Principal



Barbara Crutchfield  
AP



Benjamin Moore  
AP



Latelsha Williams  
EAC

MIDDLE

SOUTH PAULDING MIDDLE SCHOOL



James Neal  
Principal



Chad Tittle  
AP



Katherine Murray  
EAC

HIGH

EAST PAULDING HIGH SCHOOL



Ronnetta Simpson  
Principal



Leslie Ellis  
AP



Angela Johnson  
AP



Carole Pearson  
AP



Brad Thomason  
AP/AD



Irina Keith  
EAC



HIGH

HIRAM HIGH SCHOOL



Misty Cooksey  
Principal



April Byme  
AP



Kristi Gammon  
AP



Darius Hodge  
AP



Jeff Wallace  
AP/AD



Borato Broughton  
EAC

NORTH PAULDING HIGH SCHOOL



Gabe Carmona  
Principal



Ben Brooks  
AP



Chris Davies  
AP



Ryan Dyer  
AP



Lorilyn Harrell  
AP



Julie Speeney  
AP



Tracy Sellars  
FAC

HIGH

PAULDING COUNTY HIGH SCHOOL



Craig Wilcox  
Principal



Robin Davis  
AP



Dustin Skelton  
AP/AD



Chris Stafford  
AP



Karmel Tanner  
AP



Kevin Thomas  
AP



Heather DeJohn-Mathis  
EAC

SOUTH PAULDING HIGH SCHOOL



Keith Rowland  
Principal



Lamarr Glenn  
AP



Dedreial Jackson  
AP



Dianna Moyer  
AP



Edward Thomas  
AP



Cristin Thomason  
EAC

NEW HOPE  
EDUCATION CENTER



Vladimir Labossiere  
Principal

PAULDING COLLEGE  
AND CAREER ACADEMY



Marores Perry  
CEO

## E-SPLOST V Information

*On May 20, 2014 the voters of Paulding County approved the extension of the penny sales tax that is helping build classrooms, improve current facilities, and provide technology for Paulding County students.*

**E-SPLOST is not a new or additional tax.** Since 1997, voters have consistently supported the local school system through resolutions, approving four E-SPLOST programs (1997, 2001, 2006, and 2011). Over the past 17 years these programs have paid debt, purchased land, built and equipped hundreds of classrooms, and helped maintain and renovate existing facilities.

In addition to maintaining existing schools, these programs have helped construct twenty new schools and sixteen school additions.

### **E-SPLOST V Highlights:**

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- Projected collections are \$87.6 million\* from April 2016 to March 2021.
- Projections are 28% more than the previous program.
- This is a continuation of the existing sales or consumption tax. Meaning, the one-cent sales tax currently is paid on retail sales in Paulding County.
- Collections will begin in April 2016, when E-SPLOST IV expires.
- The referendum will permit up to \$100 million in collections, to allow for flexibility in the projections.

\* Georgia State University's Andrew Young School of Policy Studies (Fiscal Research Center) and EducationPlanners, LLC

### Priority 1: Debt Service

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- 50% or \$43.4 million of projected collections will be designated for debt service (principal and interest on existing debt).
- A minimum balance is always maintained to ensure adequate reserves are always available.
- As with previous programs, E-SPLOST V will provide for short-term borrowing, allowing for some projects to be expedited, if necessary.
- The school district has not issued bonds since 2008 and has \$110 million in debt, \$99 million by the end of the current E-SPLOST IV.

Provided that projected collections are met over the five-year life of the program, the citizens of Paulding County would continue to enjoy no school bond millage. Without E-SPLOST V, the \$43.4 million in debt service would need funding through a school bond millage rate – resulting in an estimated 17% increase in Ad Valorem Tax (property tax). Here are estimated increases, based on home values:

- \$100,000 – Increase of \$129 per year or \$645 over 5 years
- \$200,000 – Increase of \$257 per year or \$1,285 over 5 years
- \$300,000 – Increase of \$386 per year or \$1,930 over 5 years

**However, this estimated 17% school bond millage rate increase (from 0.000 to 3.213) will not be necessary with E-SPLOST V funding.**



## Priority 2: Capital Projects

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- 50% or \$44.2 million of projected collections will be designated for capital improvements.
- Capital projects are subject to change based on the needs of the school district and fluctuations in the projections – considering that debt service is the first priority of the program.
- The school district, in collaboration with EducationPlanners, LLC, has identified capital needs that could be funded via the program, and ranked their order of focus.

1	Technology Improvements	\$3.2 million
2	Shelton Elementary Addition	\$12.9 million
	North Paulding High School Addition	\$3.3 million
	Field/Track Improvements (all high schools)	\$6.4 million
	Band Instruments (all middle and high schools)	\$1.5 million
3	Fire Alarm, Sprinkler System, and Intercom Replacement (16 schools)	\$2.3 million
	Plumbing Improvements (3 schools)	\$0.3 million
4	Roof and Gutter Repairs (14 schools, 3 offices)	\$13.4 million
5	Flooring (3 schools)	\$1.0 million
	HVAC (16 schools, 3 offices)	\$18.3 million
	Other Maintenance Projects	\$0.6 million

## State Funding of Capital Projects

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- \$18.9 million, or 30%, of the \$63.2 million in capital needs are projected to be reimbursed through the Georgia Department of Education's Capital Outlay Program.

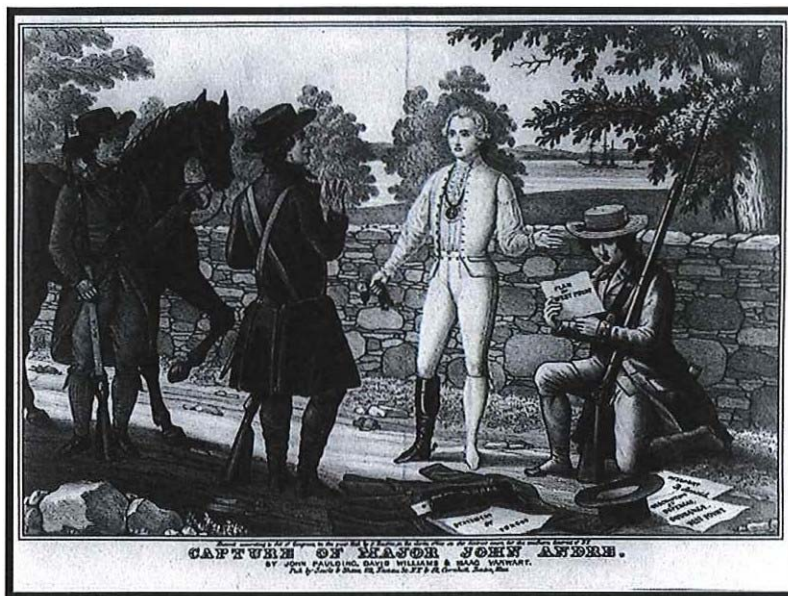


## History of Paulding County

### The Beginning:

Paulding County was founded on December 3, 1832 as Georgia's 89th county. Paulding County is named after John K. Paulding, a Revolutionary War hero, who captured the British spy Major John Andre. Major Andre was an accomplice to Benedict Arnold in the attempted surrender of the fort in West Point, New York to the British Army.

Paulding County was one of ten counties that formed Cherokee County. On December 3, 1832 an act of the Georgia General Assembly separated Cherokee County into Union, Murray, Lumpkin, Gilmer, Forsyth, Floyd, Cobb, Cherokee, Cass (now known as Bartow), and Paulding. Van Wert became the county seat. Van Wert was named after Isaac Van Wert, another Revolutionary War soldier who participated in the capture Major John Andre.



In the Gold Lottery of 1832, Paulding County was separated into forty-acre "gold lots." People came from other parts of Georgia and other states to seek gold; however, many were not successful. Some of the immigrants remained in the county for agricultural purposes thus farming became the main occupation for Paulding County. Primary crops grown in Paulding County were cotton, corn, wheat and tobacco. Although the Removal Act was passed in 1830, most Cherokee Indian tribes that had inhabited much of Georgia did not leave Paulding County until 1838 on the Trail of Tears.

Between 1832 and 1874, parts of Paulding were annexed into Carroll, Cobb, Polk, and Douglas counties. On December 20, 1851, a section of Paulding was used to form Polk County and the county seat of Van Wert was included in Polk County. Dallas became Paulding County's new seat in 1851. Dallas is named after George Mifflin Dallas, Vice President of the United States under James Polk. On May 14, 1852, Dallas was founded on land deeded from Garrett H. Spinks and became incorporated in 1854. Paulding County has two other incorporated cities, Hiram and Braswell.

### Our Courthouse:

The first two courthouses of Paulding were built in the county seat of Van Wert. In 1854, Paulding County purchased land to build another courthouse in the county seat of Dallas. In 1892, the new

courthouse was constructed. The building has been renovated several times throughout the years. The George T. Bagby Annex building was constructed in 1990. In 2008, the new Watson Government Complex opened and was dedicated to the Watson family. The new site is located at Constitution Boulevard in Dallas. The complex is the location of the courthouse and the administration offices for Paulding County.

#### The Civil War & Other Happenings:

Paulding County is well known for its role in the Civil War. In 1864, Union General William T. Sherman planned to take over Dallas to control the traffic on the county roads that led to larger cities such as Atlanta and Kennesaw. Confederate General Joseph Johnson commanded his troops to stop the Union from the attempted take-over. Because of the Union's attempt to control part of Paulding County, three battles took place at New Hope Church, Dallas and Pickett's Mill. The battles delayed Sherman's attack on Atlanta. Paulding County's historic Henderson House served as the Union headquarters. Today, Pickett's Mill is one of the best preserved Civil War sites in the nation.



After the reconstruction period, Paulding County began to flourish. Construction of the Southern and Seaboard Railroads began in 1882. Paulding County was also introduced to the textile industry at this time. Both industries played a great role in the growth of the county. Along with the introduction of the railroad and the textile industry, Paulding County's first newspaper was introduced, The Dallas New Era.

On October 18, 1903, "Ole 88" Engine 345, jumped the tracks and tore down part of the Pumpkinvine Creek Trestle. Pumpkinvine Creek Trestle, which was originally built in 1901, was rebuilt after the accident. The trestle is over 750 feet long and towers 126 feet above Pumpkinvine Creek. The trestle was restored in 1999 and now serves as part of the Silver Comet Trail.

On April 4, 1977, Southern Airways Flight 242 departed from Huntsville, Alabama traveling to Atlanta. The flight crew was advised of the presence of thunderstorms and possible tornadoes along their route prior to their departure. The flight crew had flown that same route from Atlanta earlier in the day and only encountered mild turbulence and light rain. During the flight, the weather intensified. The aircraft entered a thunderstorm cell and encountered excessive amounts of water and hail. The windshield was damaged by hail. Due to the massive amounts of water ingested, both engines failed.

The pilots executed an emergency landing on State Route 92, also known as Highway 381 or Dallas-Acworth Highway, located in the New Hope Community. When landing, the aircraft collided with a gas station/convenience store and several other structures. The flight crew and sixty-two passengers aboard

the aircraft died including eight people on the ground. Twenty-one passengers including both flight attendants survived.

The famous Silver Comet Trail, which runs through parts of the county, was originally a railroad. The trail is named after the Silver Comet Locomotive. The locomotive was a passenger train with dining and sleeping amenities. In 1992, The Georgia Department of Transportation purchased the abandoned railway from CSX. The land was purchased with the intentions of it becoming a transit extension but currently the land is being used as a trail for Paulding, Cobb, and Polk Counties. Construction on the trail began in Smyrna in 1998 and was completed in 2008 in Anniston, Alabama. The Silver Comet Trail is perfect for walking, biking, rollerblading, dog walking and horse riding.



## Glossary and Exhibits

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### Glossary

This glossary contains definitions of terms necessary for a common understanding of the *PCSD Budget Book*. Some of these definitions are not primarily financial accounting terms, but have been included due to their significance to the accounting and budgeting process. The glossary is arranged alphabetically with appropriate cross-referencing where necessary.

#### **AD VALOREM TAXES**

Taxes levied on the assessed valuation (less exemptions) of real and personal property, including automobiles.

#### **APPROPRIATION**

An authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

#### **APPROPRIATION CONTROL**

The control or management of a school district's business affairs in accordance with an approved budget and with a responsibility to keep expenditures within authorized amounts.

See also BUDGETARY CONTROL.

#### **AUSTERITY**

Measures taken by government to reduce expenditures in an attempt to shrink a growing budget deficit.

#### **BALANCE SHEET**

A summarized statement, as of a given date, of the financial position of a local education agency per fund and/or all funds combined showing assets, liabilities, reserves and fund balance.

#### **BOARD OF EDUCATION (DISTRICT)**

The elected or appointed body which has been created according to State law and vested with responsibilities for educational activities in a given geographical area. These bodies are sometimes called school boards, governing boards, boards of directors, school committees, school trustees, etc. This definition relates to the general term and covers State boards, intermediate administrative unit boards, and local basic administrative unit boards.

#### **BOND**

A written promise, generally under seal to pay a specified sum of money, called the face value, at a fixed time in the future, called the maturity date, and carrying interest at a fixed rate, usually payable

periodically. The difference between a note and a bond is that the latter usually runs for a longer period of time and requires greater legal formality.

#### **BONDED DEBT**

The part of the school district debt which is covered by outstanding bonds of the district. This type of debt is sometimes called "Funded Debt."

#### **BONDS ISSUED**

Bonds sold to a holder, to whom the issuer is indebted.

#### **BUDGET**

A budget is a plan of financing operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them. The budget usually consists of three parts. The first part contains a message from the budget-making authority together with a summary of the proposed expenditures and the means of financing them. The second part is composed of drafts of the appropriation, revenue, and borrowing measures necessary to put the budget into effect. The third part consists of schedules supporting the summary. These schedules show in detail the proposed expenditures and means of financing them together with information as to past years' actual revenues and expenditures and other data used in making the estimates.

#### **BUDGET ADJUSTMENT (AMMENDMENT)**

An administrative procedure used to revise a budgeted amount after the Annual Budget has been adopted by the Board of Education and approved by the State Board of Education.

#### **BUDGETARY CONTROL**

Budgetary Control refers to the management of the business affairs of the school district in accordance with an approved budget. Budget managers have a responsibility to keep expenditures within the authorized amounts.

See also APPROPRIATION and POSITION CONTROL.

#### **CAPIAL ASSET**

Capital Assets are items owned by the Paulding County School District such as land, buildings, equipment and other that are used over a period of time to provide service to the organization and the organization community. Capital assets may be used to produce goods or to repair, maintain or construct other assets.



## **CAPITAL BUDGET**

The capital budget is a plan of proposed capital outlays and the means of financing them for the current fiscal period. It is usually a part of the current budget. If a Capital Program is in operation, it will be the first year thereof. A Capital Program is sometimes referred to as a Capital Budget.

See also CAPITAL PROGRAM.

## **CAPITALIZATION**

A process of defining the value or threshold used to determine whether an item will need to be recorded as expenditure or kept as a fixed asset.

## **CAPITAL OUTLAYS**

Expenditures which result in the acquisition of or addition to fixed assets.

## **CAPITAL PROGRAM**

A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the local education agency is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

## **CAPITAL PROJECTS**

Capital Projects are those that result in the acquisition or construction of land, buildings and related improvements.

## **CAREER & TECHNICAL EDUCATION (CTAE)**

Career & Technical Education programs provide students opportunities to apply mathematics, science and communication competencies in laboratory and occupational settings that develop specific technical skills applicable in broad concentration areas.

## **CHART OF ACCOUNTS**

A list of accounts systematically arranged, applicable to a specific concern, listing account names and numbers, if any. A chart of accounts, accompanied by descriptions of their use and of the general operation of the books of accounts, becomes a classification or manual of accounts: a leading feature of a system of accounts.

## **CONTINGENCY**

Amount of money set aside for emergency school needs during the year.

### **CONTRACTED SERVICES**

Contracted Services are a type of expenditure that includes labor, material and other costs for services rendered by personnel who are not on the payroll of the local education agency.

### **COST PER PUPIL**

By dividing a monetary amount by an enrollment number, can be normalized across schools and districts in order to determine relative efficiencies. Possible measures can include budget or expenditure data for a given period of time, or a pupil unit of measure such as daily membership or daily enrollment.

### **COUPON RATE**

A coupon rate is the yield paid by a fixed-income security; a fixed-income security's coupon rate is simply the annual coupon payments paid by the issuer relative to the bond's face or par value. The coupon rate is the yield the bond paid on its issue date.

### **DEBT**

A debt is an obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants and notes, etc.

### **DEBT LIMIT**

The debt limit is the maximum amount of gross or net debt that is legally permitted.

### **DEBT SERVICE**

Interest and principal payments associated with the issuance of bonds.

### **DELINQUENT TAXES**

Delinquent taxes are those that remain unpaid on or after the date on which a penalty for non-payment is attached.

### **DIVISION (DEPARTMENT)**

A division is a major administrative component of the school system that indicates overall management responsibility for an operation or a group of related operations within a functional area.

### **ELEMENTARY SCHOOL**

A school classified as elementary by state and local statutes or practices and composed of kindergarten through grade five.

### **EMPLOYEE BENEFITS (FRINGE)**

Amount paid by the school system on behalf of employees; these amounts are not included in the gross salary, but are over and above. Such payments are, in a sense, overhead payments. They are fringe

benefit payments, and while not paid directly to employees, are part of the cost of salaries and benefits. Examples include: (a) group health or life insurance, (b) contribution to employee retirement, (c) Social Security and (d) Worker's Compensation.

#### **ENGLISH FOR SPEAKERS OF OTHER LANGUAGES (ESOL)**

A program that provides English instruction for students whose first language is one other than English.

#### **ESEP**

Exceptional Students Education Program

#### **EXPENDITURES**

This includes total charges incurred, whether paid or unpaid, for current expense, capital outlay and debt service.

#### **FISCAL PERIOD**

Any period at the end of which a local education agency determines its financial position and the results of its operations. The period may be a month, a quarter, or a year, depending upon the scope of operations and requirements for managerial control and reporting purposes.

#### **FISCAL YEAR (FY)**

A twelve-month period of time to which the annual budget applies and at the end of which a local education agency determines its financial position and their results of its operations. For Paulding County School District this period is July 1 through June 30.

#### **FRINGE BENEFITS**

Total employers share of F.I.C.A. Taxes, hospitalization, dental, disability, worker's compensation, unemployment and retirement contributions made on behalf of employees.

See also EMPLOYEE BENEFITS.

#### **FULL-TIME EQUIVALENT – EMPLOYEE (FTE)**

The amount of employed time required in a part-time position expressed in proportion to that required in a full-time position, with 1.0 representing one full-time position. It is derived by dividing the amount of employed time in the part-time position by the amount of employed time required in a corresponding fulltime position.

#### **FULL-TIME EQUIVALENT – STATE FUNDING (FTE)**

Local school systems in Georgia must report enrollment at least twice during the school year for funding purposes. This reporting reflects the school day being divided into six parts (periods). The student is counted six times, according to which programs he or she participates in during the day.

Each student is counted for each one-sixth of the school day for the eligible program in which he or she is enrolled. The resulting total, when divided by six, is known as the full-time equivalent (FTE) program count. An average of three reported counts are used in the funding formula.

See also QUALITY BASIC EDUCATION.

#### **FUNCTION<sup>19</sup>**

Function is an accounting term relating to both the budget and the financial report. A “function” is a grouping of activities being performed for which salaries and other types of direct costs are expended and accounted. Functions and sub functions consist of activities which have somewhat the same general operational objectives. Furthermore, categories of activities comprising each of these divisions and subdivisions are grouped according to the principle that the activities should be combinable, comparable, relatable and mutually exclusive. Both the budget and the financial reports group activities within “functions.”

#### **INSTRUCTION (1000)**

Instruction includes activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location such as a home or hospital, and in other learning situations such as those involving co-curricular activities. It may also be provided through some other approved medium such as television, radio, telephone, and correspondence. Included here are the activities of aides or classroom assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process. Note: Counselors and Technology Specialists funded through QBE are allowable charges to this function for expenditure control purposes.

#### **PUPIL SERVICES (2100)**

Activities designed to assess and improve the well-being of students and to supplement the teaching process. Activities include guidance, counseling, testing, attendance, social work, health services, etc. Also include supplemental payments for additional duties such as coaching or supervising extracurricular activities.

#### **IMPROVEMENT OF INSTRUCTIONAL SERVICES (2210)**

Technical and logistical support activities designed to aid teachers in developing the curriculum, preparing and using special curriculum materials, and understanding the various techniques that stimulate and motivate students. These services facilitate, sustain, and enhance instruction techniques. Includes costs associated with technology personnel (Technology Specialists), contracted support services, systems planning and analysis, systems application development, network support services, and other technology-related costs that relate to the support of

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<sup>19</sup> Georgia DOE Chart of Accounts, 11/1/2018

instructional activities. Effective FY 2018 – All Instructional Staff Training (professional development) costs will be reported using Function 2213. Training and professional development for other, non-instructional employees should be reported in their respective functions.

#### **INSTRUCTIONAL STAFF TRAINING (2213)**

Activities associated with the professional development and training of instructional personnel. These include such activities as in-service training (including mentor teachers), workshops, conferences, demonstrations, courses for college credit (tuition reimbursement), and other activities related to the ongoing growth and development of instructional personnel. Training that supports the use of technology for instruction should be included in this code. The incremental costs associated with providing substitute teachers in the classroom (while regular teachers attend training) should be captured in this function code. All costs should be charged to this code regardless of whether training services are provided internally or purchased from external vendors. It should be noted that the salary of a teacher who is attending training would still be reported in function 1000.

#### **EDUCATIONAL MEDIA SERVICES (2220)**

Activities concerned with directing, managing and operating educational media centers. Included are school libraries, audio-visual services and educational television.

#### **FEDERAL GRANT ADMINISTRATION (2230)**

Activities concerned with the demands of Federal Programs grant management. Federal Indirect Cost Charges should continue to be charged to 2300-880.

#### **GENERAL ADMINISTRATION (2300)**

Activities concerned with establishing and administering policy for operating the LUA. These include the activities of the members of the Board of Education. Local activities in interpretation of the laws and statutes and general liability situations are charged here, as are the activities of external auditors. Also recorded here are activities performed by the superintendent, administrative support personnel and deputy, associate, or assistant superintendent having overall administrative responsibility.

#### **SCHOOL ADMINISTRATION (2400)**

Activities concerned with overall administrative responsibility for school operations. Included are activities of principals, assistant principals, full time department chairpersons and clerical staff.



**SUPPORT SERVICES – BUSINESS (2500)**

Activities concerned with the fiscal operation of the LUA, including budgeting, financial and property accounting, payroll, inventory control, internal auditing and managing funds. Also included are purchasing, warehouse and distribution operations, and printing, publishing and duplicating operations.

**MAINTENANCE AND OPERATION OF PLANT SERVICES (2600)**

Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair. This includes the activities of maintaining safety in buildings, on the grounds, and in the vicinity of schools. Property insurance expenditures are recorded in this function.

**STUDENT TRANSPORTATION SERVICE (2700)**

Activities concerned with the conveyance of students to and from school and trips to school activities. These activities include supervision of student transportation, vehicle operation, servicing and maintenance, bus monitoring and traffic direction. Transportation insurance expenditures are charged to this function.

**SUPPORT SERVICES – CENTRAL (2800)**

Central Office activities other than general administration and business services. Included are personnel services, data processing services, strategic planning including research, development and evaluation on a system-wide basis; and public relations activities, such as writing, editing and other preparation necessary to disseminate information to students, staff and the general public.

**OTHER SUPPORT SERVICES (2900)**

All other support services not properly classified elsewhere in the 2000 series.

**SCHOOL NUTRITION PROGRAM (3100)**

Activities concerned with providing food to students and staff in a school or LUA. This service area includes the preparation and serving of regular and incidental meals or snacks in connection with school activities and delivery of food. Activities should be recorded in Fund 600 (School Nutrition Program) except when paid by federal funds from fund 100 on behalf of the food service operation due to a shortage of funds or by special arrangement.

**ENTERPRISE OPERATIONS (3200)**

Activities that are financed and operated in a manner similar to private business enterprises - where the intent is to recover costs through user charges. Examples: LUA operated bookstore, cannery or freezer plant operation, stadium operation, etc.

### **COMMUNITY SERVICES OPERATIONS (3300)**

Activities concerned with providing community services to students, staff or other community participants. Examples of this function would be the operation of a community swimming pool, a recreation program for the elderly, a child care center for working mothers, etc.

### **FACILITIES ACQUISITION AND CONSTRUCTION SERVICES (4000)**

Activities concerned with the acquisition of land and buildings; renovating buildings; the construction of buildings and additions to buildings, initial installation or extension of service systems and other build-in equipment; and improvements to sites.

### **OTHER OUTLAYS (5000)**

Outlays which cannot be properly classified as expenditures, but require budgetary or accounting control. Transfers to other funds are recorded as 5000-930.

### **DEBT SERVICE (5100)**

Outlays to retire the long-term debt (obligations in excess of one year) of the LUA. Included are payments of principal, interest and paying agents' fees. Interest on current loans (repayable within one year) is charged to function 2500.

## **FUND**

A fiscal and accounting entity which is comprised of a self-balancing set of accounts that reflect all assets, liabilities, equity, revenue and expenditures (or expenses) necessary to disclose financial position and the results of operations. Funds are established as individual entities in order to segregate financial records for purposes of legal compliance, different natures of the activities performed, measurement of different objectivities and to facilitate management control.

## **FUND BALANCE**

Fund Balance refers to the excess of assets of a fund over its liabilities and reserves. During the fiscal year prior to closing, it represents the excess of the fund's assets and estimated revenues for the period over the liabilities, reserves and appropriations for the period.

## **FUND BALANCE – UNASSIGNED**

That portion of the excess funds which has no legal commitments or formal designations by the Board for future funding needs.

## **FUND, CAPITAL PROJECTS**

The Capital Projects Fund is used to account for all resources used for acquiring capital sites, buildings, and equipment as specified by the related bond issue. Capital project funds are designated to account for acquisition or construction of capital outlay assets which are not acquired directly by the general

fund, special revenue funds or enterprise funds. Capital project funds have been developed to account for the proceeds of a specific bond issue and revenue from other possible sources which are designated for capital outlay, i.e., for land, buildings and equipment.

#### **FUND, DEBT SERVICE**

The fund used to finance and account for payment of principal and interest on all long-term general obligation debts. Debt service funds are used to accumulate resources over the outstanding life of the bond issue in an amount equal to the maturity value. Cash of the debt service may be invested in income producing securities which are converted back into cash at the maturity date for use in retiring bonds.

#### **FUND, GENERAL**

The fund used to finance the ordinary operations of the education agency. It is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.

#### **FUND, SPECIAL REVENUE**

A fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or for major capital projects) that are legally restricted to expenditures for specific purposes.

#### **FUND, FIDUCIARY**

The fund used to account for money and property held in trust by a school system for individuals, government entities, or non-public organizations. A Trust Fund is usually in existence over a longer period of time than an Agency Fund. Primarily, Agency Funds function as a clearing mechanism for cash resources collected by the district held for a short period and then disbursed to authorized recipients.

#### **GENERAL OBLIGATION BONDS**

Bonds issued to finance major projects with resources from tax collection to repay debt. The full faith, credit and taxing power of the government back this type of bond.

#### **GENERALLY ACCEPTED ACCOUNTING PRINCIPALS (GAAP)**

A system of uniform minimum standards for financial accounting and recording, encompassing the conventions, rules and procedures that define accepted accounting principles.

#### **GRANT**

Contribution of either money or material goods given by a contributing unit (public or private) to another receiving unit and for which the contributing unit expects no repayment. Grants may be for a specific or general purpose.

**HIGH SCHOOL (SECONDARY EDUCATION)**

A school classified as high school by state and local statutes or practices and composed of grades nine through twelve.

**INTER-FUND TRANSFERS**

Amounts transferred from one fund to another fund.

**KINDERGARTEN**

A group or class that is organized to provide educational experience for children for the year immediately preceding the first grade and conducted during the regular school year.

**LAPSE**

A lapse is the difference between budgeted revenue and expenses and actual revenue and expenses.

**LOCAL EDUCATION AGENCY (LEA)**

As defined by the Elementary and Secondary Education Act, a Local Education Agency is a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for a combination of school districts or counties that is recognized in a State as an administrative agency for its public elementary schools or secondary schools.

**LEVY**

(Verb) To impose taxes or special assessments or (noun) the total of taxes or special assessments imposed by a governmental unit.

**MAINTENANCE & OPERATIONS (M&O)**

Refers to the cost associated with the maintenance and operations of the school district.

**MIDDLE SCHOOL (PRIMARY EDUCATION)**

A school classified as middle by state and local statutes or practices and composed of grades six through eight.

**MILLAGE RATE**

The ad valorem tax rate expressed in terms of the levy per thousand dollars of taxable assessed value established by the governing authority each fiscal year.

A millage rate may be levied for the maintenance and operation of the school district (M&O millage) or to fund debt service (Bond millage).

A mill is equal to \$1 for each \$1000 of taxable property value.

#### **MODIFIED ACCRUAL BASIS**

The accrual basis of accounting adapted to the governmental fund-type measurement focus. Under this basis, revenues and other financial resources are recognized when they accrue, that is when they become both “measurable” and “available” to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred.

#### **OBJECT**

An accounting term used to describe the service or commodity obtained as a result of a specific expenditure or to describe a specific revenue source.

#### **ORIGINAL BUDGET**

Original budget adopted by the governing body before any budget adjustments.

#### **PAYROLL COSTS**

All costs covered under the following objects of expenditures: Certified Salaries, Classified Salaries and Employee Benefits.

#### **PERSONNEL COSTS – FULLY LOADED**

Personnel Costs are expenditures for salaries, fringe benefits, etc.

#### **PER PUPIL (ALLOTMENT)**

The per pupil allotment is an allotment to each school for materials and supplies based on the quantity and characteristics of those pupils.

#### **PER PUPIL (EXPENDITURE)**

This refers to expenditures for a given period of time divided by a pupil unit of measure.

#### **POSITION CONTROL**

The control or management of a school district’s personnel allotments in accordance with an approved budget and with a responsibility to keep expenditures within authorized amounts.

#### **PROGRAM**

In budgeting, a program refers an effort to accomplish a specific objective or objectives consistent with funds or resources available. Budgets and actual revenue and expenditure records may be maintained per program.



## **PROGRAM WEIGHTS**

Since different programs vary in their cost to operate, each of the nineteen (19) QBE programs is assigned a different program weight. These weights reflect the cost of teachers, paraprofessionals and other instructional personnel; instructional materials; facility maintenance and operation (M&O) costs; media center personnel and material costs; school and central office administration costs and staff development.

See also QBE.

## **QUALITY BASIC EDUCATION ALLOTMENTS (QBE)**

Funds are allotted by the State on the basis of “Weighted” FTE (Full-time Equivalent students) to the local school system. The following are nineteen (19) programs of allotment under QBE:

1. Kindergarten (EIP)
2. Grades 1 - 3 (EIP)
3. Grades 4 - 5 (EIP)
4. Kindergarten
5. Grades 1 – 3
6. Grades 4 – 5
7. Grades 6 – 8
8. Grades 9 – 12
9. HS Vocational Lab
1. 19. English for Speakers of Other Languages (ESOL)
10. Middle School Program
11. Persons with disabilities: Category I
12. Persons with disabilities: Category II
13. Persons with disabilities: Category III
14. Persons with disabilities: Category IV
15. Persons with disabilities: Category V
16. Intellectually Gifted Students: Cat VI
17. Remedial Education
18. Alternative Education
19. ESOL

## **QBE – MID-TERM ADJUSTMENT**

Because the QBE formula is based on FTE counts which are taken primarily in the previous school year, there will be a need to adjust the total allotment as more recent counts become available. If the more recent counts result in an increase in funds needed, the State Board will request the additional funds from the General Assembly.

## **REIMBURSEMENT**

Cash or other assets received as a repayment of the cost of work or services performed or of other expenditures made for or on behalf of another governmental unit or department, or for an individual, firm or corporation.

## **RESERVE FOR GROWTH (CONTINGENCY)**

An amount reserved by the Board to accommodate student growth beyond projections and state compliance situations.

## **REVENUE**

Additions to the assets of a fund that are made available to finance the fund's expenditures during a fiscal period.

## **ROLLBACK**

A rollback is a reduction in the millage tax rate to offset any increased revenue resulting from property re-evaluation.

## **SALARIES**

This includes expenditures for hourly, daily and monthly salaries including overtime pay and sick pay.

## **SOURCE OF FUNDS**

This dimension identifies the expenditure with the source of revenue, i.e., local, state, federal and others.

## **SPECIAL EDUCATION**

Consists of direct instructional activities designed to deal mainly with the following pupil exceptionalities: the physically handicapped, the emotionally and/or socially handicapped, the culturally handicapped (including compensatory education), the mentally retarded, and the mentally talented and gifted.

## **SPECIAL PURPOSE LOCAL OPTION SALES TAX FOR EDUCATION (E-SPLOST)**

Authorized by the State of Georgia and then "opted-in" by local governments, an E-SPLOST is a 1% sales tax voted on and approved by citizenry to be used by that government.

## **STATE HEALTH BENEFIT PLAN**

The cost of employee health insurance is determined on an annual basis by the State Personnel Board.

#### **STEP INCREASE**

A scheduled annual increase to an eligible employee's salary based on pay grade and performance reviews. A step increase may be withheld from employees based on poor evaluations. A step increase is distinct from a salary raise which is determined for all or groups of employees by the Board.

#### **STUDENT-ACTIVITY FUNDS**

Services for public school pupils, such as entertainment, publications, clubs, band, and orchestra, that are managed or operated by the student body under the guidance and direction of an adult and are not part of the regular instructional program.

#### **TAX DIGEST**

The Paulding County Tax Assessor's summary of the projected taxable value of all commercial, industrial and residential property in the school district.

#### **TEACHER ALLOTMENT**

The teachers are allotted to each school on the basis of active enrollment. The formula used for allocations meet the provisions of the State Board of Education and accrediting standards.

#### **TEACHER RETIREMENT SYSTEM (TRS)**

The Georgia Teacher Retirement System is a cost-sharing multiple-employer public employee retirement system. The participation of all teachers and certain other designated employees is mandated by statute. The TRS is funded through a combination of employee, employer, and State contributions.

#### **TITLE AD VALOREM TAX**

Vehicles purchased on or after March 1, 2013 and titled in Georgia are exempt from sales and use tax and the annual ad valorem tax. Instead, these vehicles are subject to a one-time title ad valorem tax that is based on the value of the vehicle.

#### **TRAINING AND EXPERIENCE (T&E)**

This is a measure representing the combination levels of training and experience held by an employee. This measure is used to augment the base state funding levels.

#### **VOCATIONAL PROGRAM**

A program offered for the primary purpose of offering education and training in one or more semi-skilled, skilled, or technical occupations.

#### **WEIGHTED FULL-TIME EQUIVALENT (WFTE)**

The result of FTE counts times the State-assigned program weight for each of the nineteen (19) QBE programs.

**WORKING BUDGET**

An increase or decrease to the Original Budget amount as adopted by the Board.