

# FY2026 Budget Planning: Budget Foundation (Primer)



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## Agenda

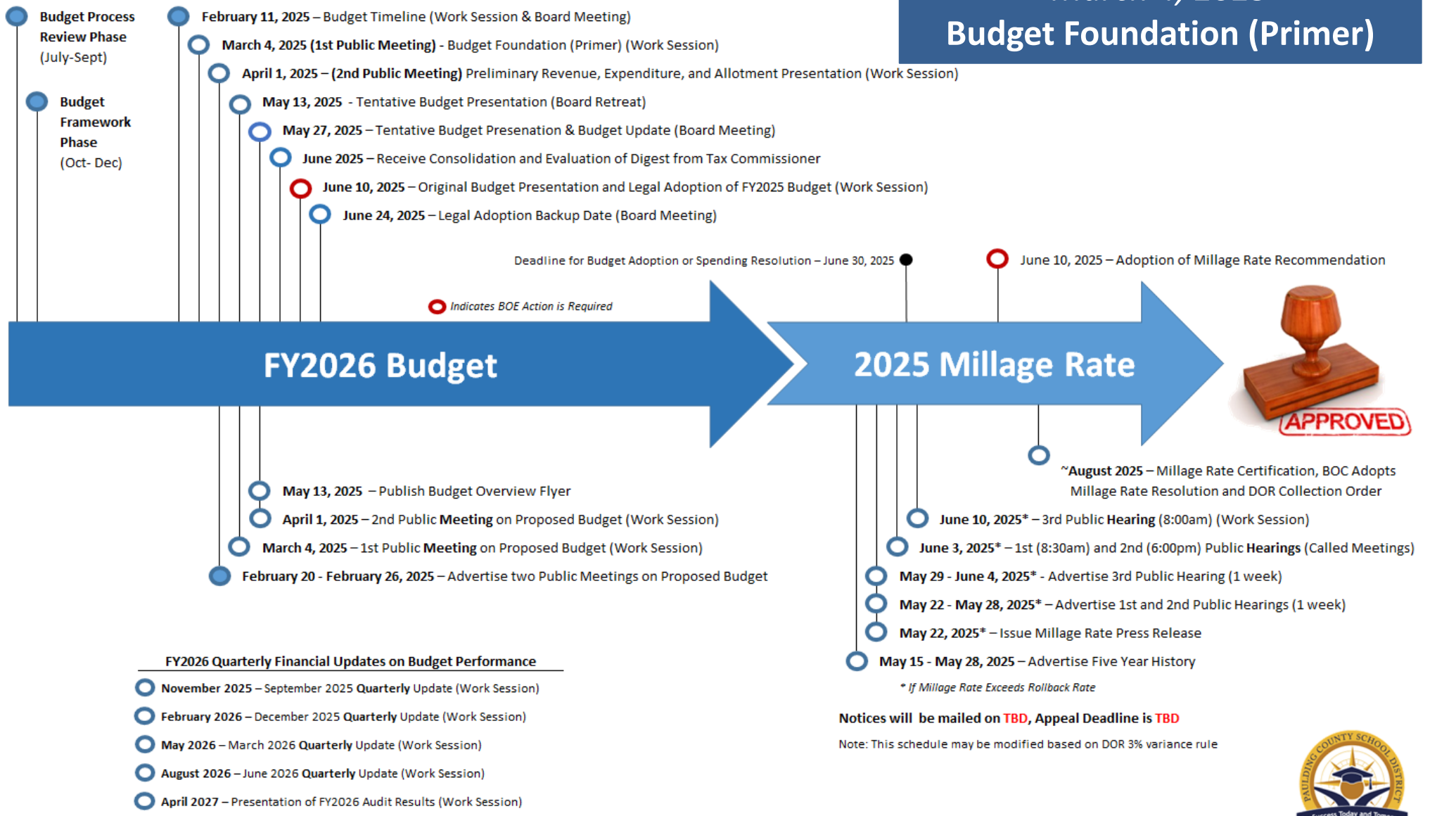
1. 2026 Budget Roadmap
2. Factors Influencing Budget Decisions:
  - Demographic and Economic Factors
  - Enrollment Factors
  - Funding Factors

## Appendix



FY2026 Budget Development - Major Milestones

March 4, 2025  
Budget Foundation (Primer)



FY2026 Public Meetings and Hearings, Press Releases, Advertisements and Notices



FY2026 Budget Roadmap

# Organizational Factors Influencing Decisions: Demographic and Economic Factors

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## Highlights:

- Largest employer and industry in county
- Relatively low poverty percentage and unemployment rate
- Most workers employed outside the county
- Limited commercial or industrial businesses, by land use and tax digest
- Tax digest is disproportionally residential properties.
- One of the fastest growing counties, with a significant number of school-age children
- Recent decline in building permits and residential sales
- Average residential home sale price in Paulding County is approximately \$386,000



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Top 10 Employers <sup>A</sup>	Count	%
1) PCSD	4,027	4%
2) Wellstar	1,922	2%
3) Paulding County	1,144	1%
4) Publix	375	0%
5) Chick-fil-A	375	0%
6) Kroger	310	0%
7) HES Facilities	300	0%
8) Walmart	282	0%
9) Metromont Corp	221	0%
10) McDonalds	186	0%
<b>Total</b>	<b>9,142</b>	<b>10%</b>

Unemployment Rate <sup>B</sup>	%
Paulding County	2.9%
Douglas County	3.7%
Carroll County	3.3%
Bartow County	3.5%
Cobb County	2.9%

County Where Employed <sup>C</sup>	
Paulding	33.5%
Other	66.5%

Top 10 Industries (by Employment) <sup>B</sup>	%
1) Government (Education)	20%
2) Retail	18%
3) Healthcare & Social Services	15%
4) Accommodations & Food Services	13%
5) Construction	9%
6) Admin, Support & Waste Services	5%
7) Manufacturing (all)	5%
9) Other Services	4%
8) Professional Services	3%
10) Wholesale Trade	1%
<b>Total</b>	<b>93%</b>

Commercial/Industrial Land Use <sup>D</sup>	%
Paulding County	4%
Douglas County	15%
Bartow County	6%
Coweta County	7%

## Employment.

PCSD is the largest employer and represents the largest industry in Paulding County. The county maintains a relatively low unemployment rate, with most workers employed outside the county.

## Land Use.

Only a small percentage of land in Paulding County is used for Commercial or Industrial Purposes.

A) Source: 2024 Comprehensive Annual Financial Report for Paulding County, Georgia

B) Source: Georgia Department of Labor Statistics (Area Labor Profile Updated Dec 2024) on 2.26.25

C) Source: US Census Residence-to-Workplace County Commuting Flows: 2016-2020 on 2.26.25

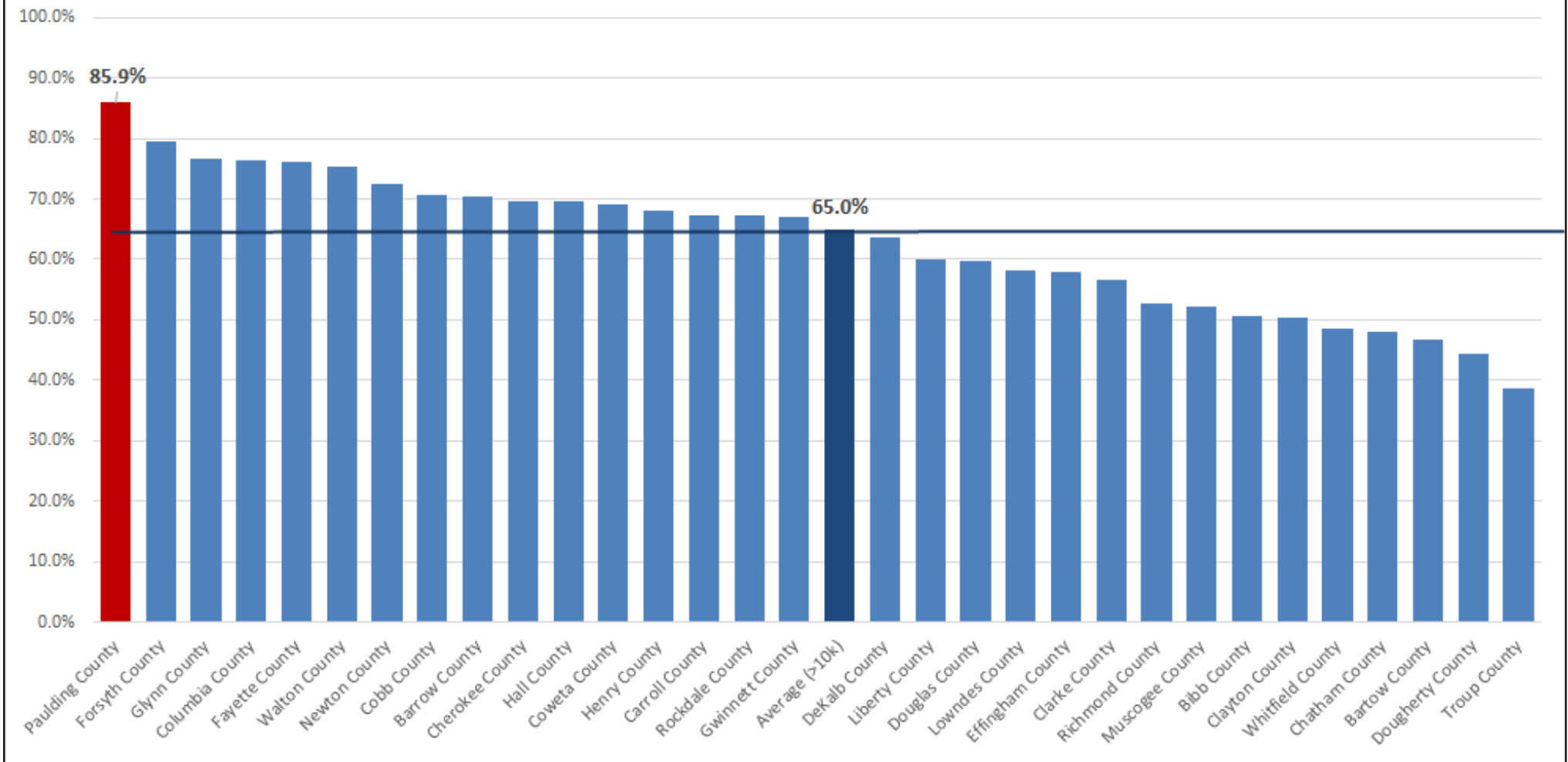
D) Source: Georgia Department of Revenue Tax Digest Consolidated Summaries on 2.26.25

Various

# Employment and Land Use



## Residential Digest Percentage, Tax Year 2024 (>10,000 FTE)

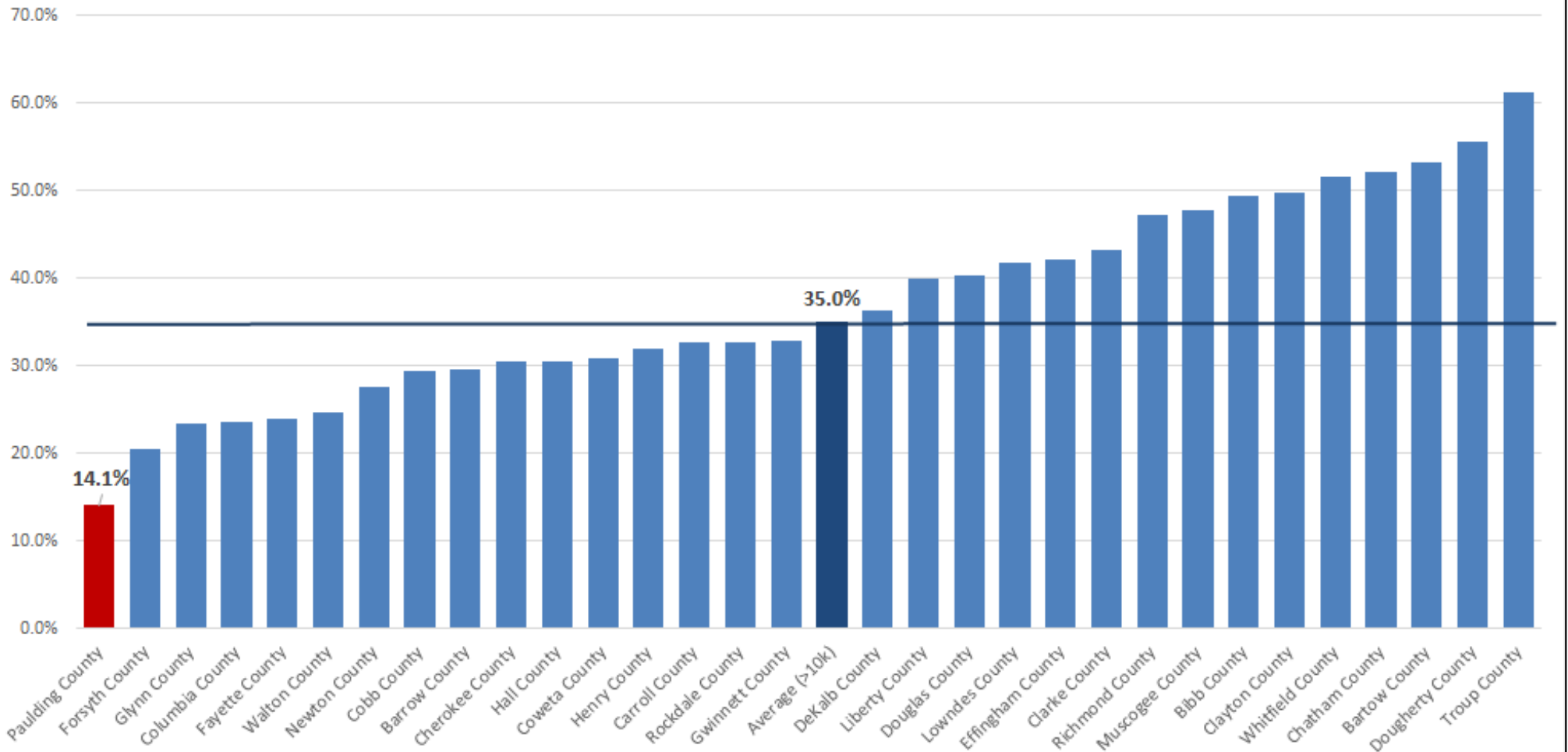


**Residential Digest Percentage.** As of 2024, Paulding County had the highest percentage of the digest considered residential at 85.9%, compared to a large district average of 65.0%.

2024

# Residential Digest Percentage

## Non-Residential Digest Percentage, Tax Year 2024 (>10,000 FTE)



**Non-Residential Digest Percentage.** As of 2024, Paulding County had the lowest percentage of the digest considered non-residential at 14.1%, compared to a large district average of 35.0%.

2024

# Non-Residential Digest Percentage

## Population Growth.

Paulding County is one of the fastest growing counties in Georgia.

## School-age Children.

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 local funding, which is based on property tax values not the number of school-age children living in the home.

	Paulding County	State of Georgia	%
Population, July 1, 2023	183,164	11,029,227	1.7%
Population, 2020 Census	168,661	10,711,908	1.6%
Change	14,503	317,319	
% Change	8.6%	3.0%	
Housing Units, July 1, 2023	64,972	4,610,567	1.4%
Building Permits, 2023	1,383	63,621	2.2%
Persons per Household (2019-2023)	2.96	2.64	12.1%
Population Age 5 - 18	19.2%	17.2%	2.0%



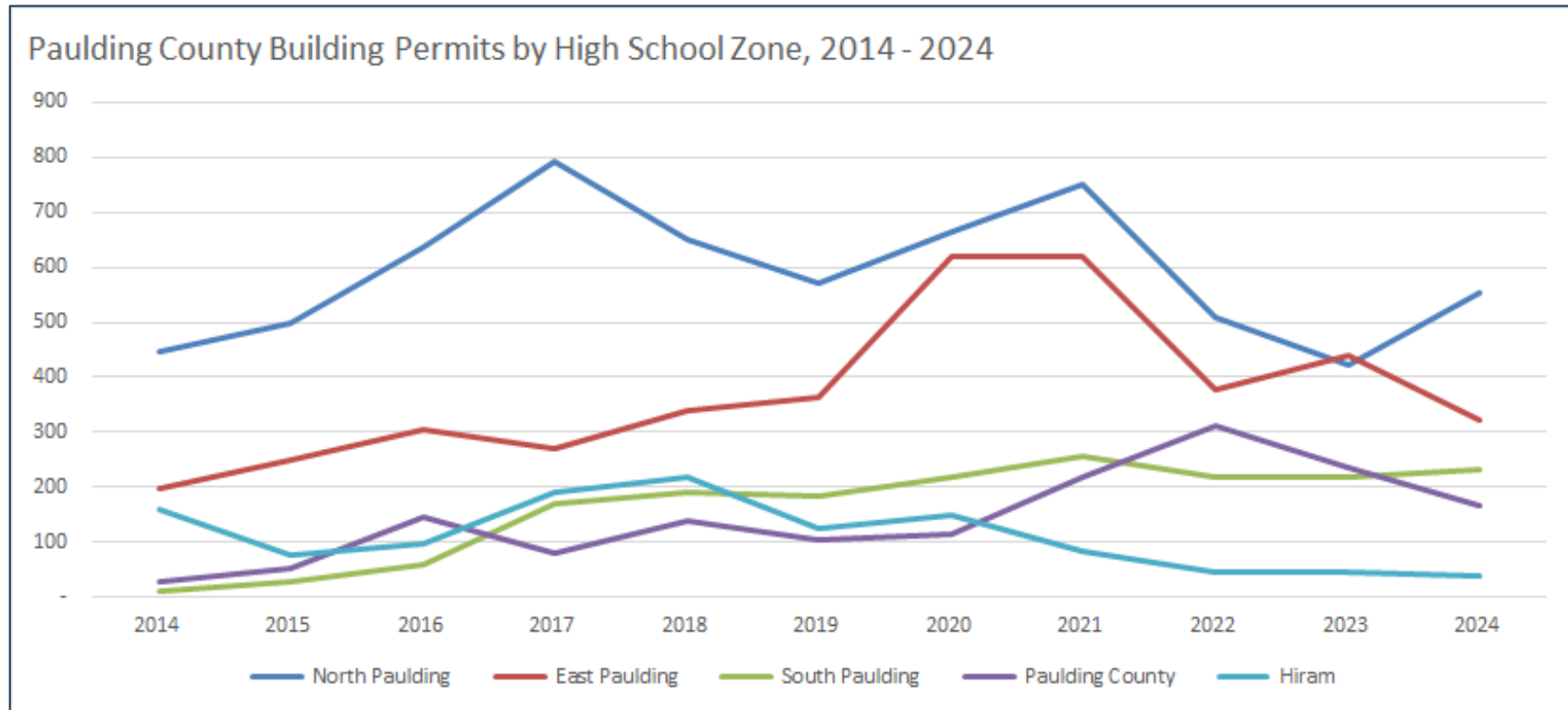
	Population	%	Housing Units	%	Var	Persons per HH	Age 5-18	Persons per HH Age 5-18 %
Paulding County	183,164	1.7%	64,972	1.4%	0.3%	2.96	19.2%	0.57
Bartow County	115,041	1.0%	46,910	1.0%	0.0%	2.78	17.1%	0.48
Douglas County	149,160	1.4%	57,159	1.2%	0.1%	2.82	19.2%	0.54
Carroll County	127,098	1.2%	48,627	1.1%	0.1%	2.73	17.6%	0.48
Coweta County	155,892	1.4%	60,287	1.3%	0.1%	2.70	17.2%	0.46
Cobb County	776,743	7.0%	316,727	6.9%	0.2%	2.59	16.7%	0.43
Cherokee County	286,602	2.6%	109,270	2.4%	0.2%	2.75	17.0%	0.47
<i>Average Comp</i>	<i>268,423</i>	<i>2.4%</i>	<i>106,497</i>	<i>2.3%</i>	<i>0.1%</i>	<i>2.73</i>	<i>17.5%</i>	<i>0.48</i>

Source: <http://www.census.gov/quickfacts> on 2.25.25  
Large Districts are districts with >10,000 FTE

2023

# Population Growth and School-Age Children

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
North Paulding	446	497	636	792	649	570	664	750	510	421	555
East Paulding	199	251	304	269	340	365	620	621	378	441	323
South Paulding	11	29	60	170	190	184	219	258	219	219	231
Paulding County	28	53	146	81	137	105	113	217	311	235	165
Hiram	160	75	96	189	218	124	148	82	44	44	39
<b>Total</b>	<b>844</b>	<b>905</b>	<b>1,242</b>	<b>1,501</b>	<b>1,534</b>	<b>1,348</b>	<b>1,764</b>	<b>1,928</b>	<b>1,462</b>	<b>1,360</b>	<b>1,313</b>



**Building Permits.** In 2024, 1,313 building permits were issued in Paulding County, representing a 32% decrease from 2021 or an annual decline of 12% (CAGR). Additionally, 67% of 2024 building permits were in the North and East Paulding HS attendance zones.

Source: Paulding County Economic Development and Paulding County Chief Appraiser

**FY2014 – FY2024**

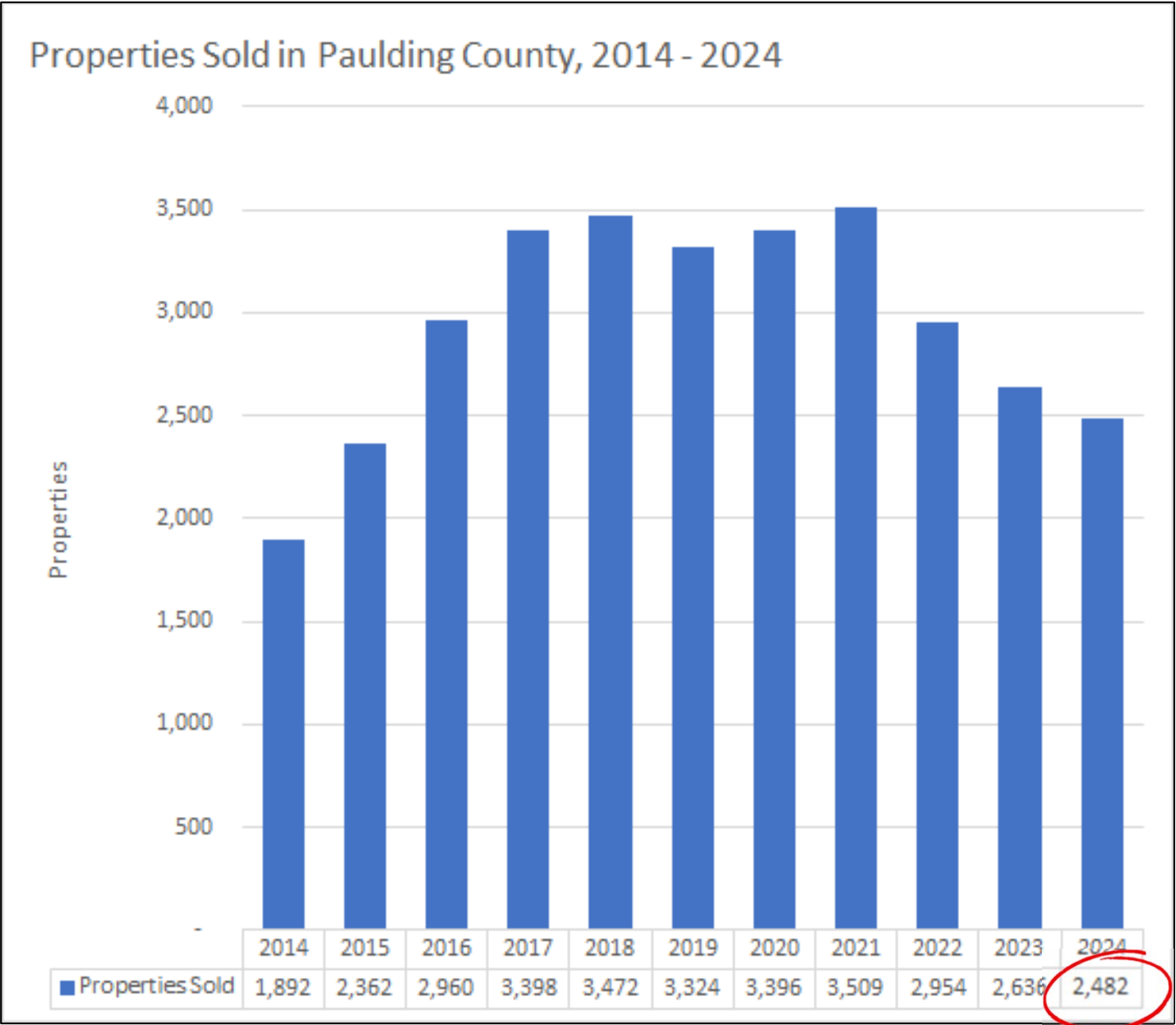
# Building Permits



**Residential Homes.**

In 2024, 2,482 residential homes were sold in Paulding County, reflecting a 6% decline from 2023 and a 30% decrease from 2021, an annual decline of 11% (CAGR).

Since 2014, residential homes have increased 3% annually (CAGR).



Source: Paulding County Chief Appraiser

**2014 – 2024**

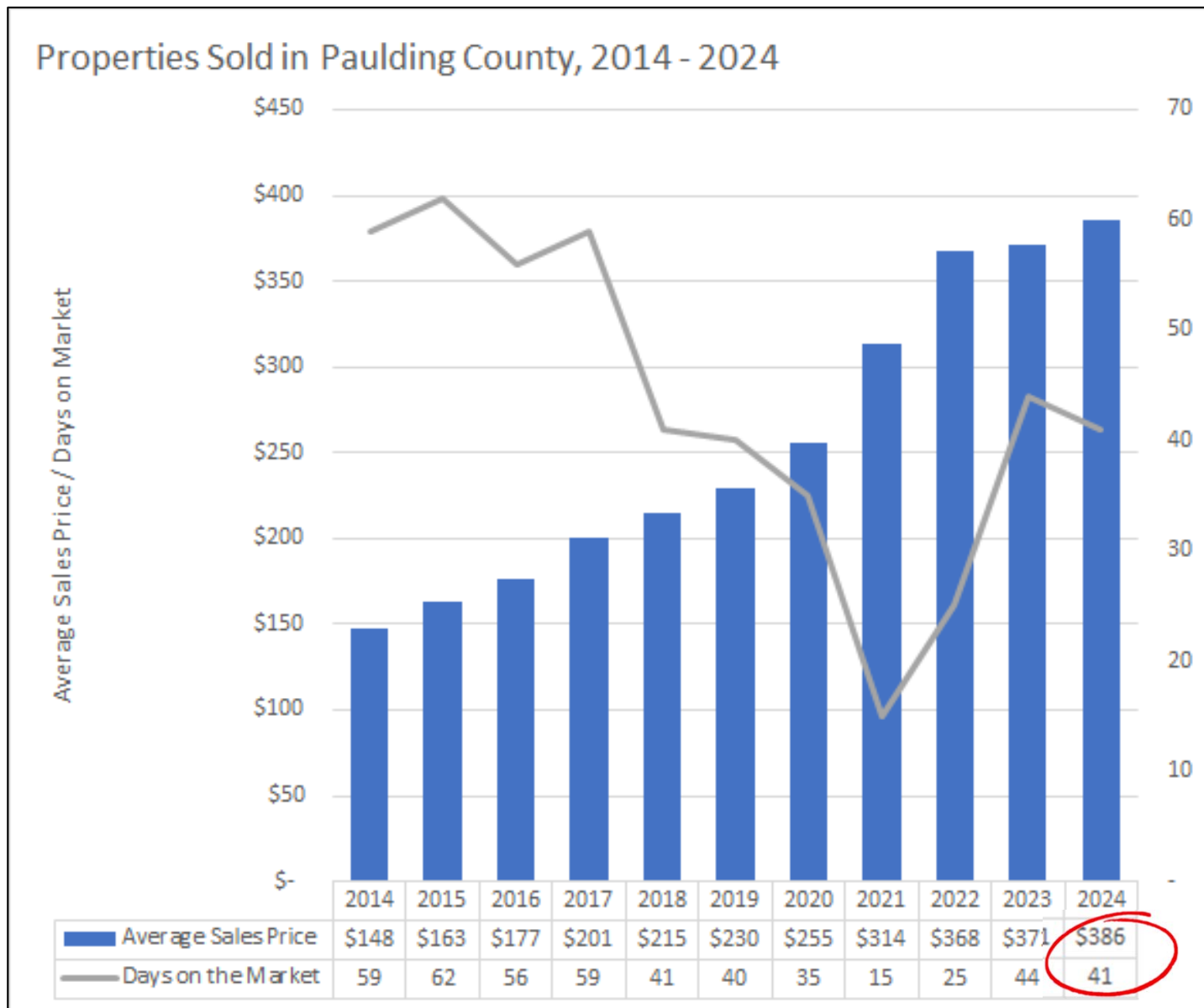
### Average Sales Price.

In 2024, the average residential home sale price in Paulding County was \$385,789, reflecting a 4% increase from 2023 and an annualized growth rate of 2.4% since 2022 (CAGR).

Since 2014, the average home price has grown 10% annually (CAGR).

### Days on the Market.

In 2024, the average number of days on the market decreased 3 days or -6.8% to 41 days.



Source: Paulding County Chief Appraiser

2014 – 2024

# Organizational Factors Influencing Decisions: Enrollment Factors

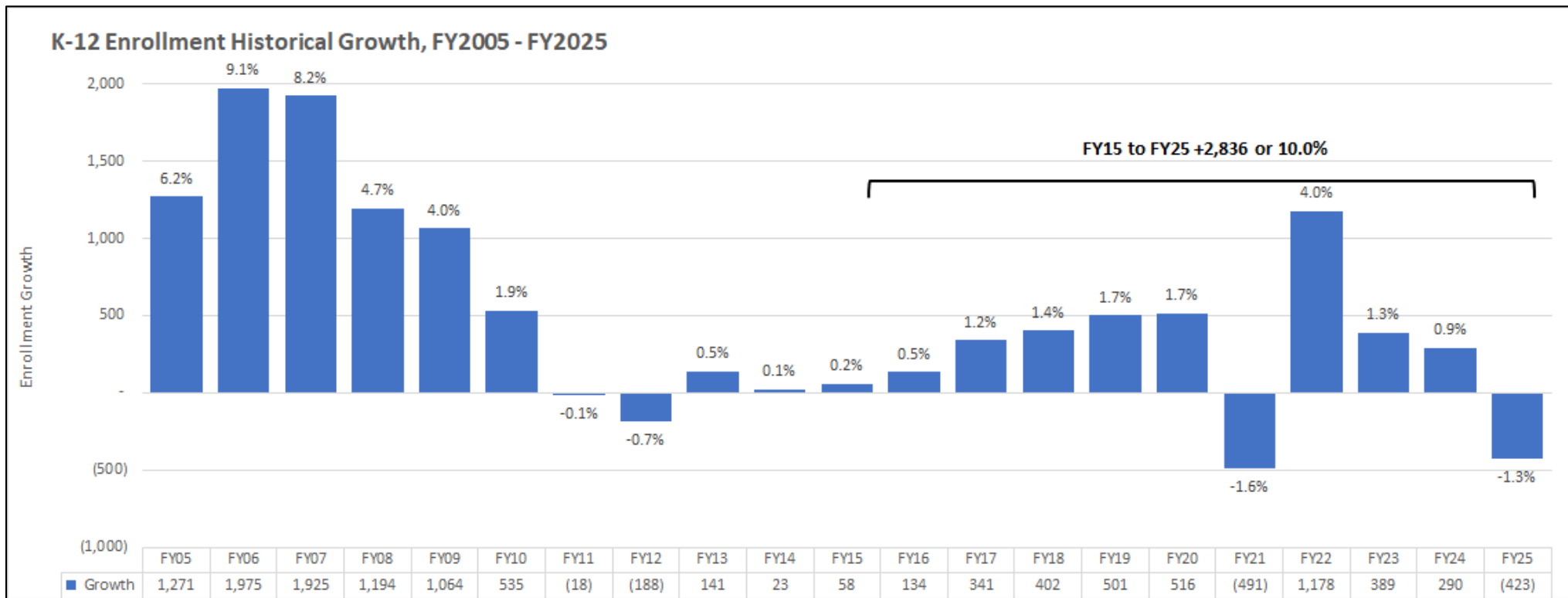
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## Highlights:

- Projections currently reflect a decrease of 93 students to 31,075
- Ranked as the 11<sup>th</sup> largest district in the state of Georgia
- 15th fastest growing large districts in Georgia
- Over the prior 10-years the district has grown 2,836 or 10.0%
- 16.0% of students are enrolled in an ESEP program



**K-12 Enrollment Historical Growth.** For the 10 years ending FY2025, the district had an annual growth rate of 1.0%. FY2015 to FY2025 enrollment increased 2,836 or 10.0%. FY2025 enrollment decreased 423 or -1.3% to 31,168. Preliminary FY2026 projections reflect an enrollment decrease of 93 or -0.3% to 31,075.

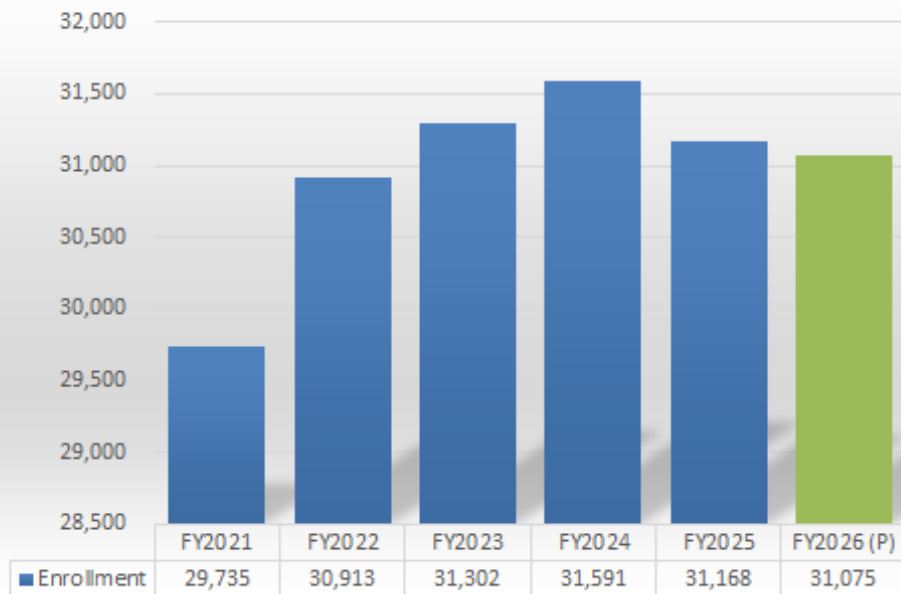


Source: GaDOE (Student Enrollment by Grade)

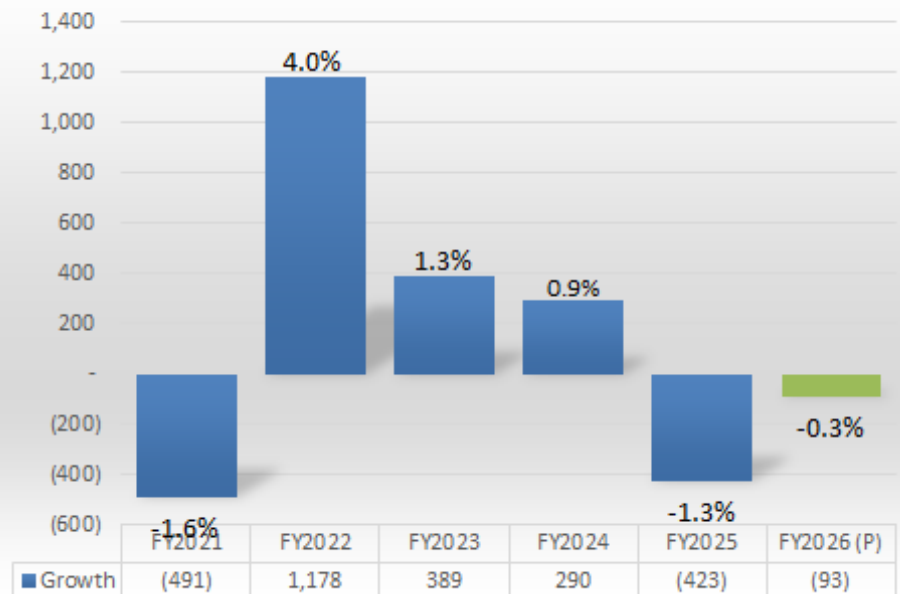
**FY2005 – FY2025**

# Historical Growth

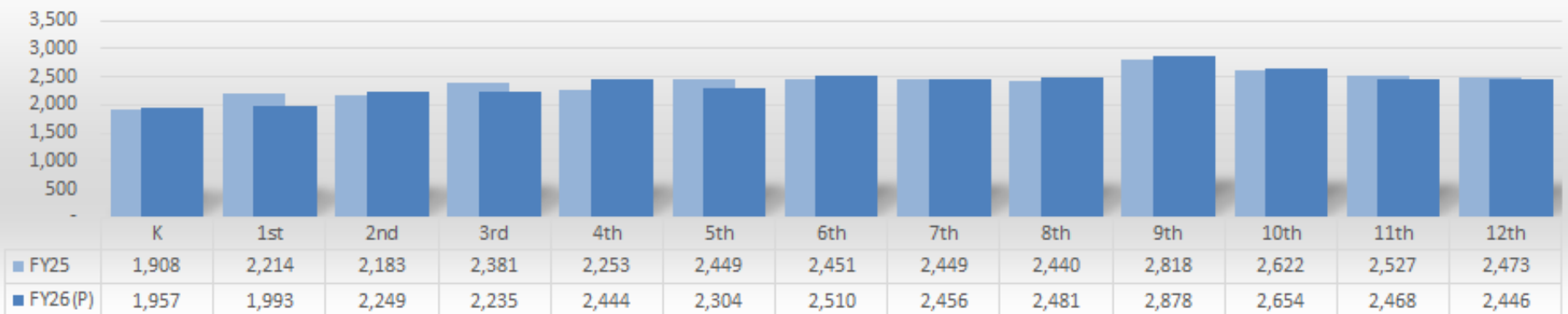
### FY2026 K-12 Enrollment



### FY2026 K-12 Enrollment Growth



### FY2026 Enrollment by Grade

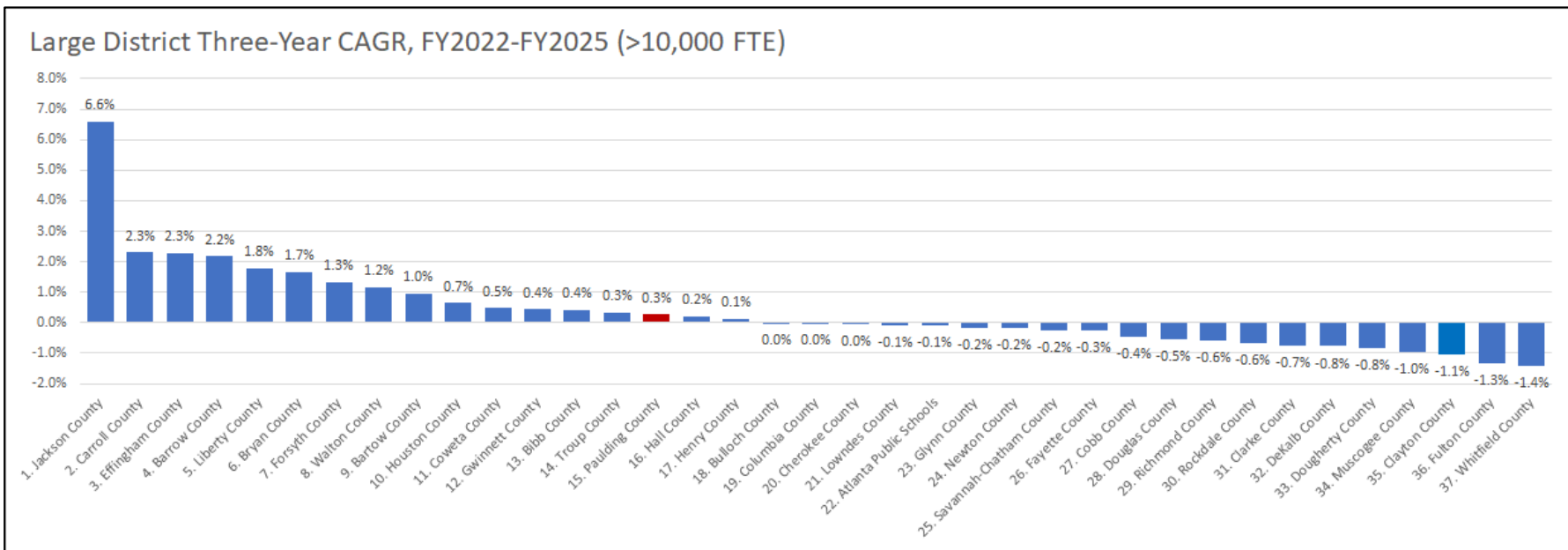
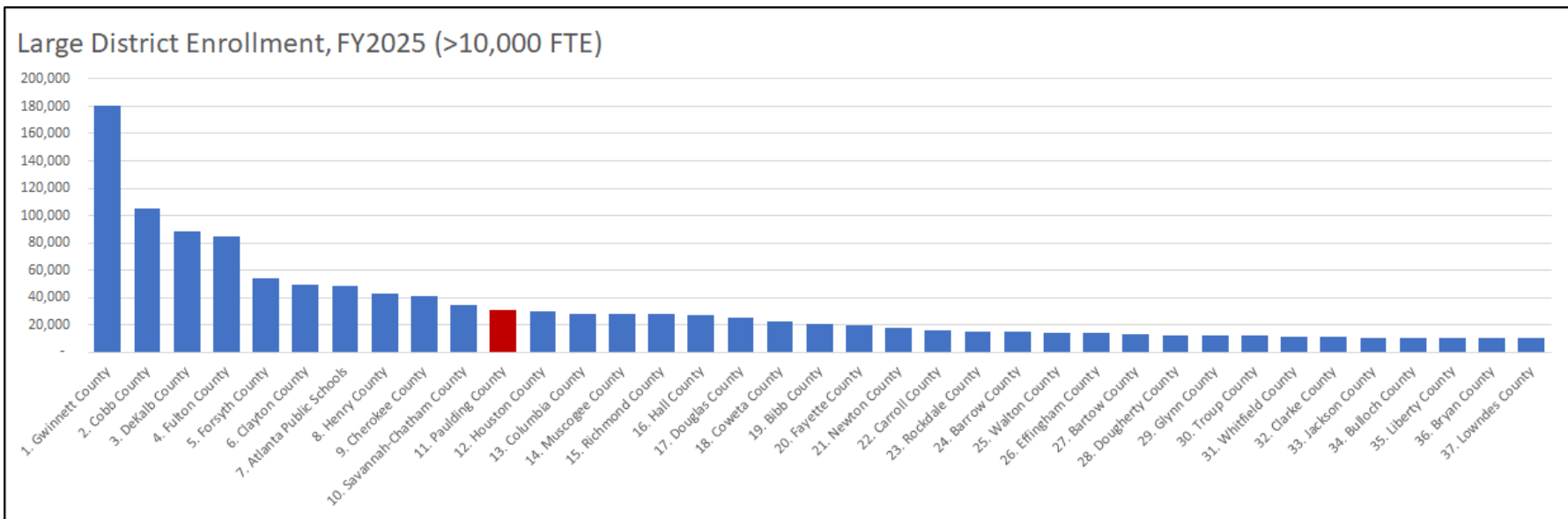


Please Note: These are preliminary numbers and will be influenced by Kindergarten Registration, School Choice, Programs, etc.

**FY2026 (P)**

# Preliminary Enrollment





**Large District Enrollment.** As of October 2024, PCSD was the 11<sup>th</sup> largest school district in Georgia (out of the 180 districts and 37 large districts).

Source: GaDOE (Student Enrollment by Grade), Large Districts are districts with >10,000 FTE

**FY2022- FY2025**

# Enrollment Growth

# Organizational Factors Influencing Decisions: Funding Factors

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## Highlights:

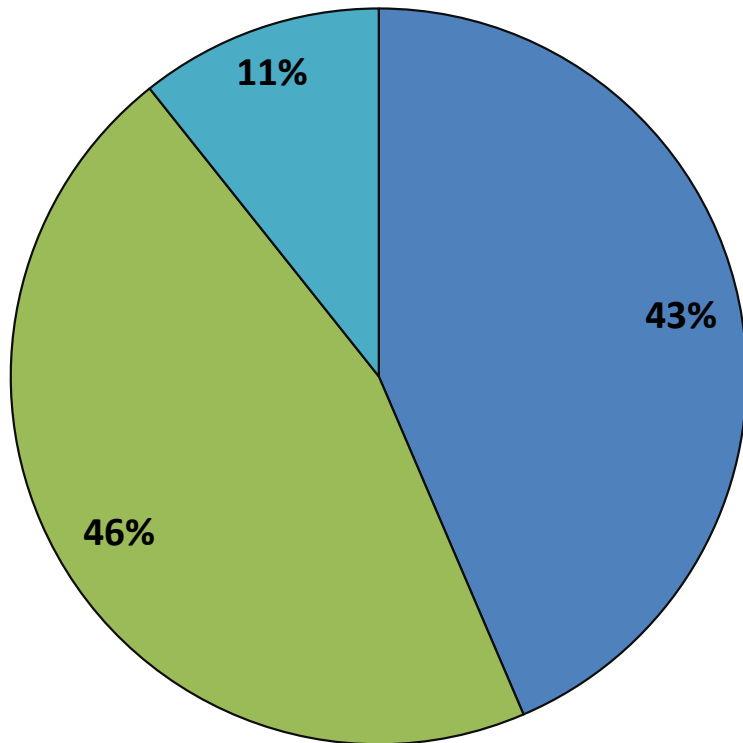
- 56% of revenue comes from state sources, compared to a statewide average of 46%
- Revenue from local sources has increased from 31% to 36% since FY2020
- Local revenue per-pupil rank is 10th out of 15 comparable districts
- State revenue per-pupil rank is 2nd out of 15 comparable districts
- District is well below the average local revenue per pupil
- Held an average M&O Millage Rate and did not have a Bond Millage Rate
- 5th largest recipient of the Equalization Grant, 6% of total revenue



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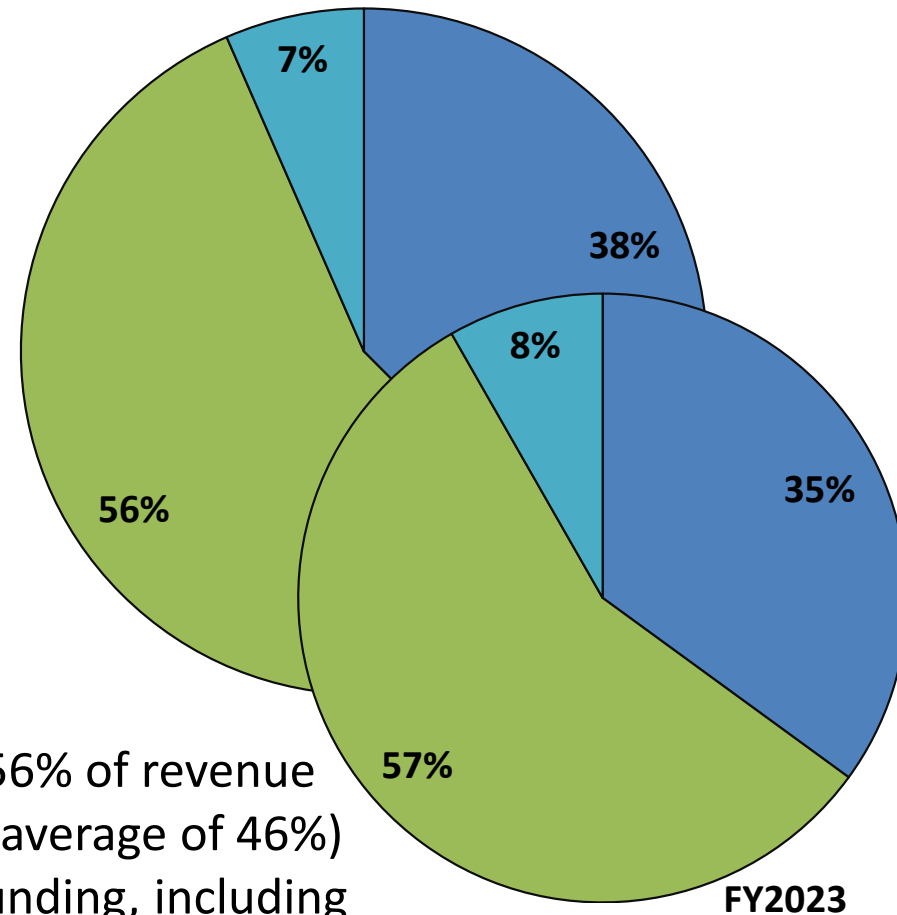
## FY2024 Statewide Revenue Sources

Local Revenue State Revenue Federal Revenue



## FY2024 PCSD Revenue Sources

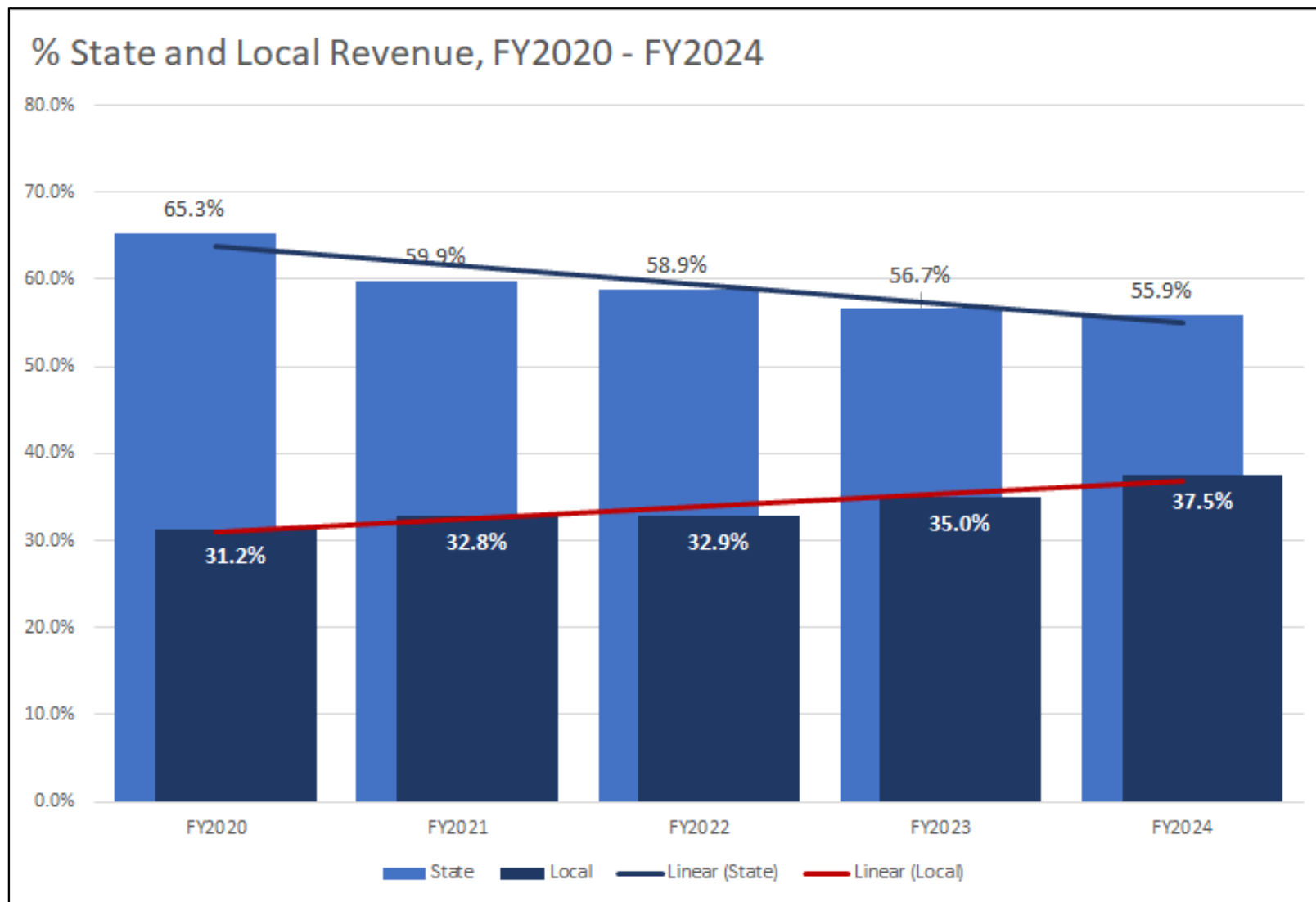
Local Revenue State Revenue Federal Revenue



**Dependency on State Sources.** With approximately 56% of revenue coming from state sources (compared to a statewide average of 46%) the District is highly susceptible to changes in state funding, including austerity reductions, Equalization Grant funding and changes in the Quality Basic Education (QBE) formula.

Source: GaDOE School System Revenue/Expenditures Report as of FY2024

**FY2024**



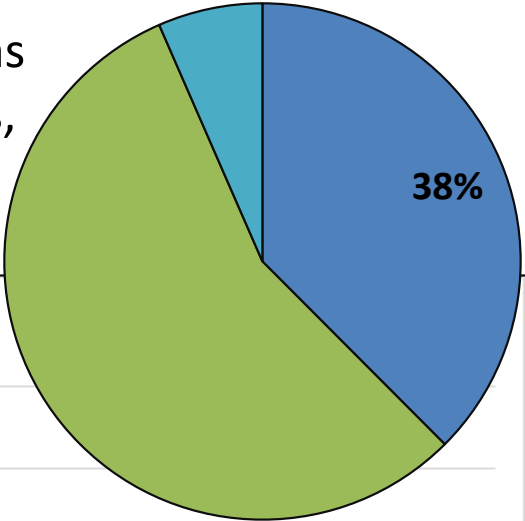
**% State and Local Revenue Trend.** From FY2020 to FY2024, the percentage of revenue from state sources has decline from 65.3% to 55.9%, while the percentage of revenue from local sources has increased from 31.2% to 37.5%.

Source: GaDOE School System Revenue/Expenditures Report as of FY2024

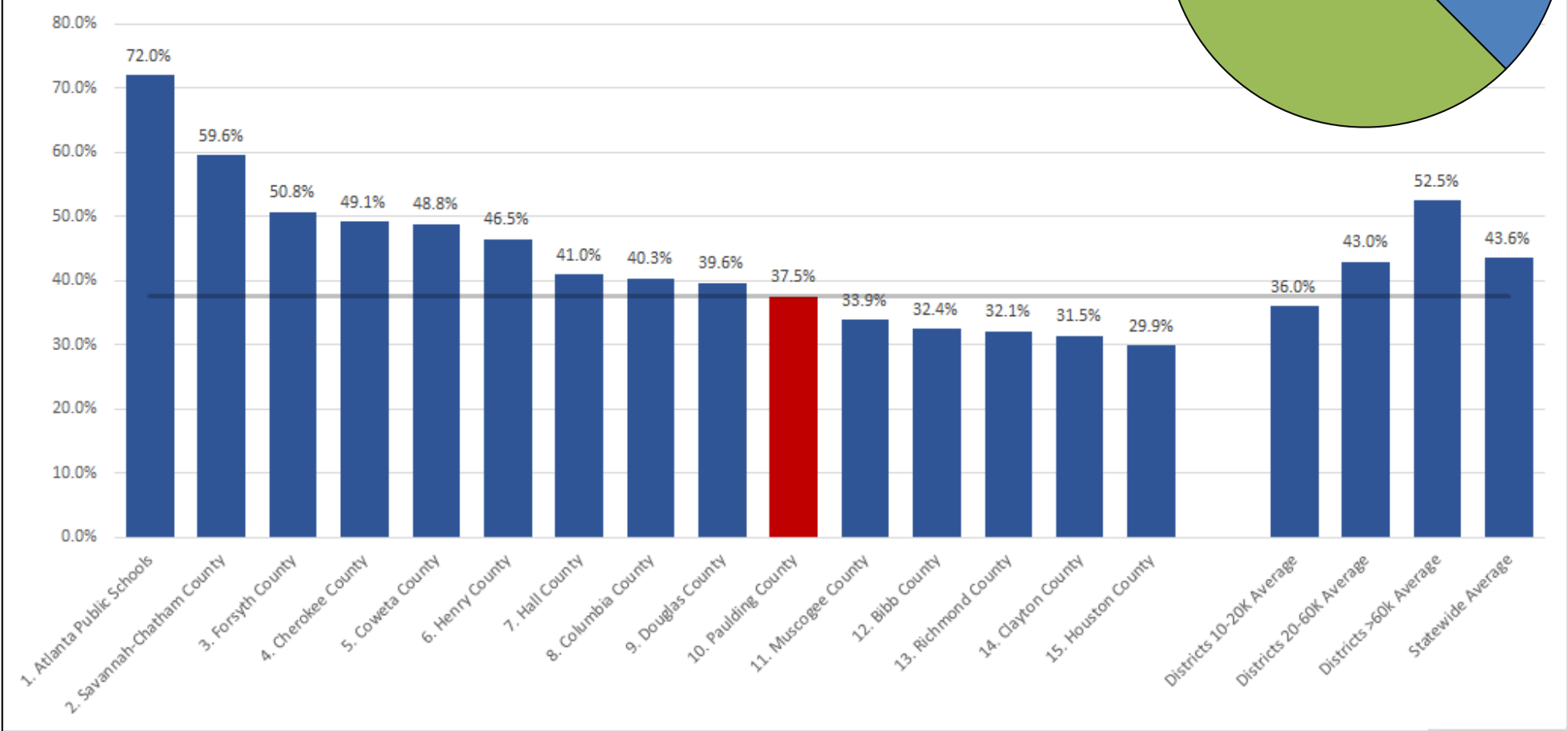
**FY2020 – FY2024**

# Revenue Sources Trend

**Local Per-Pupil Revenue.** As of FY2024, local per-pupil revenue was 37.5% of total revenue. This is lower than most comparable groups, including the statewide average of 43.6%.



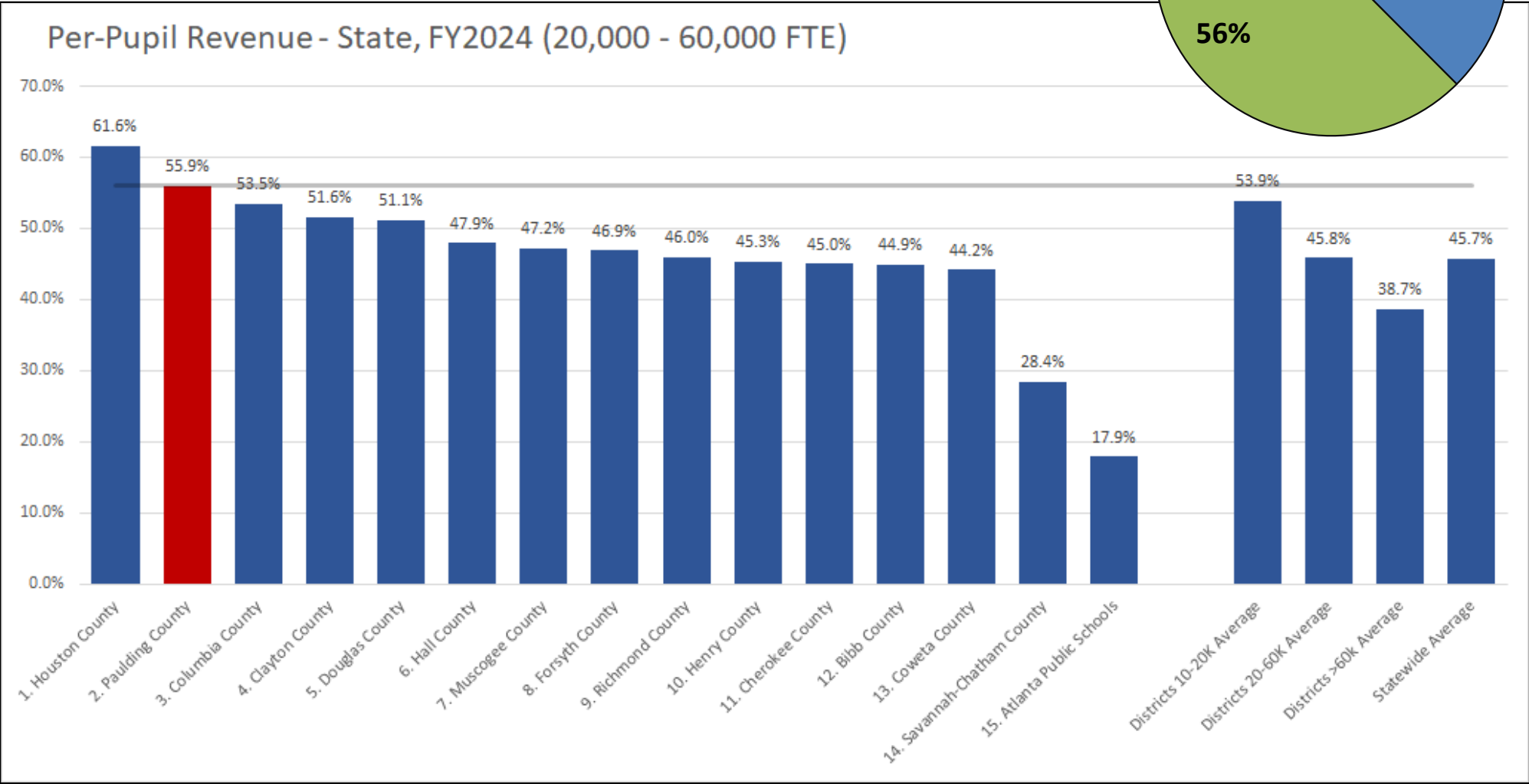
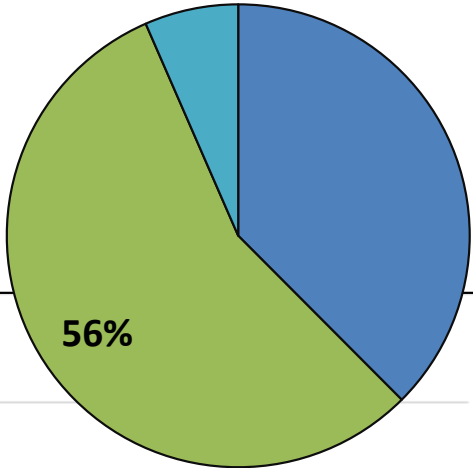
Per-Pupil Revenue - Local, FY2024 (20,000 - 60,000 FTE)



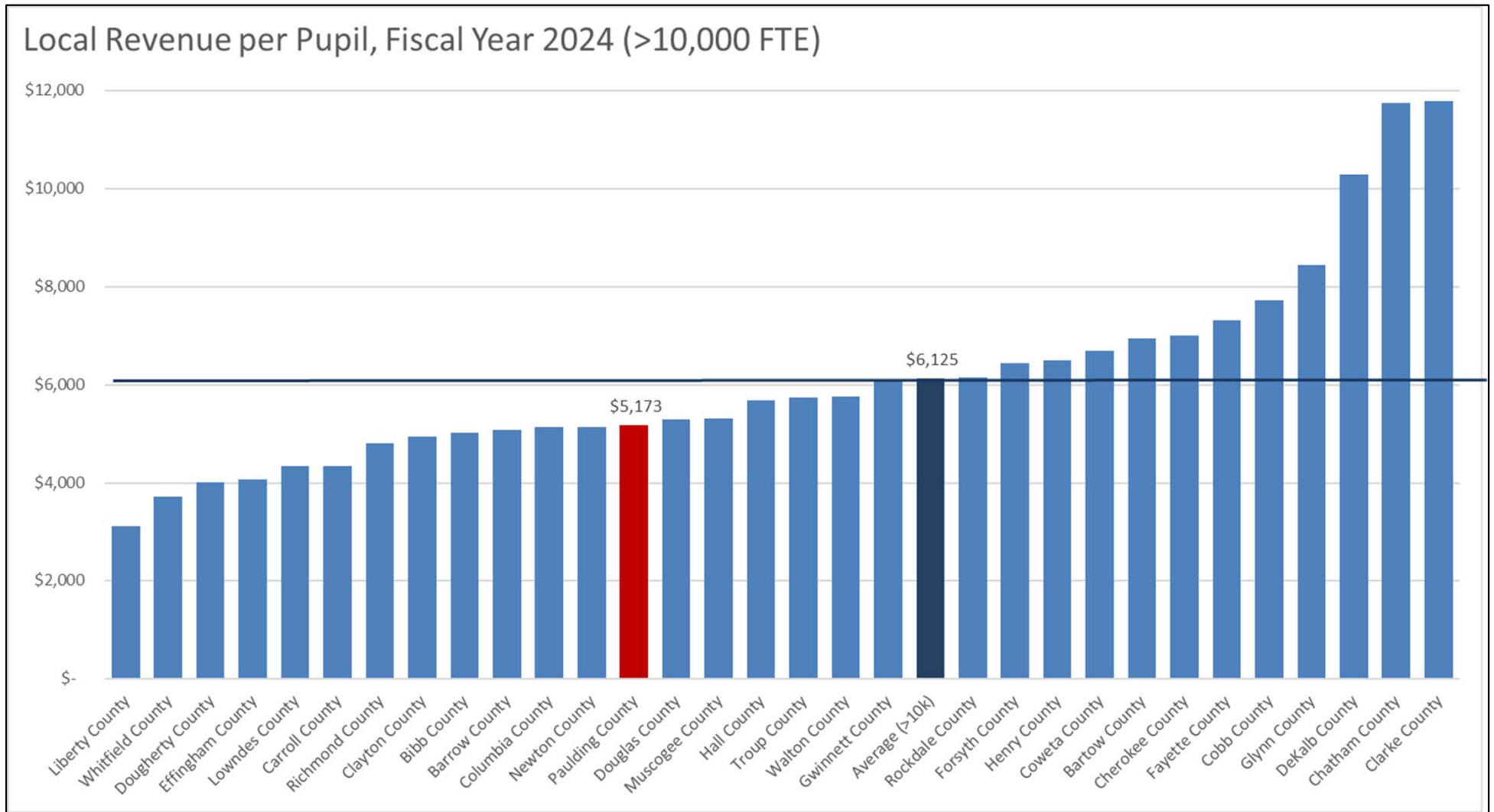
Source: GaDOE School System Revenue/Expenditures Report as of FY2024



**State Per-Pupil Revenue.** As of FY2024, state per-pupil revenue was 55.9% of total revenue. This is higher than any comparable group, including the statewide average of 45.7%.

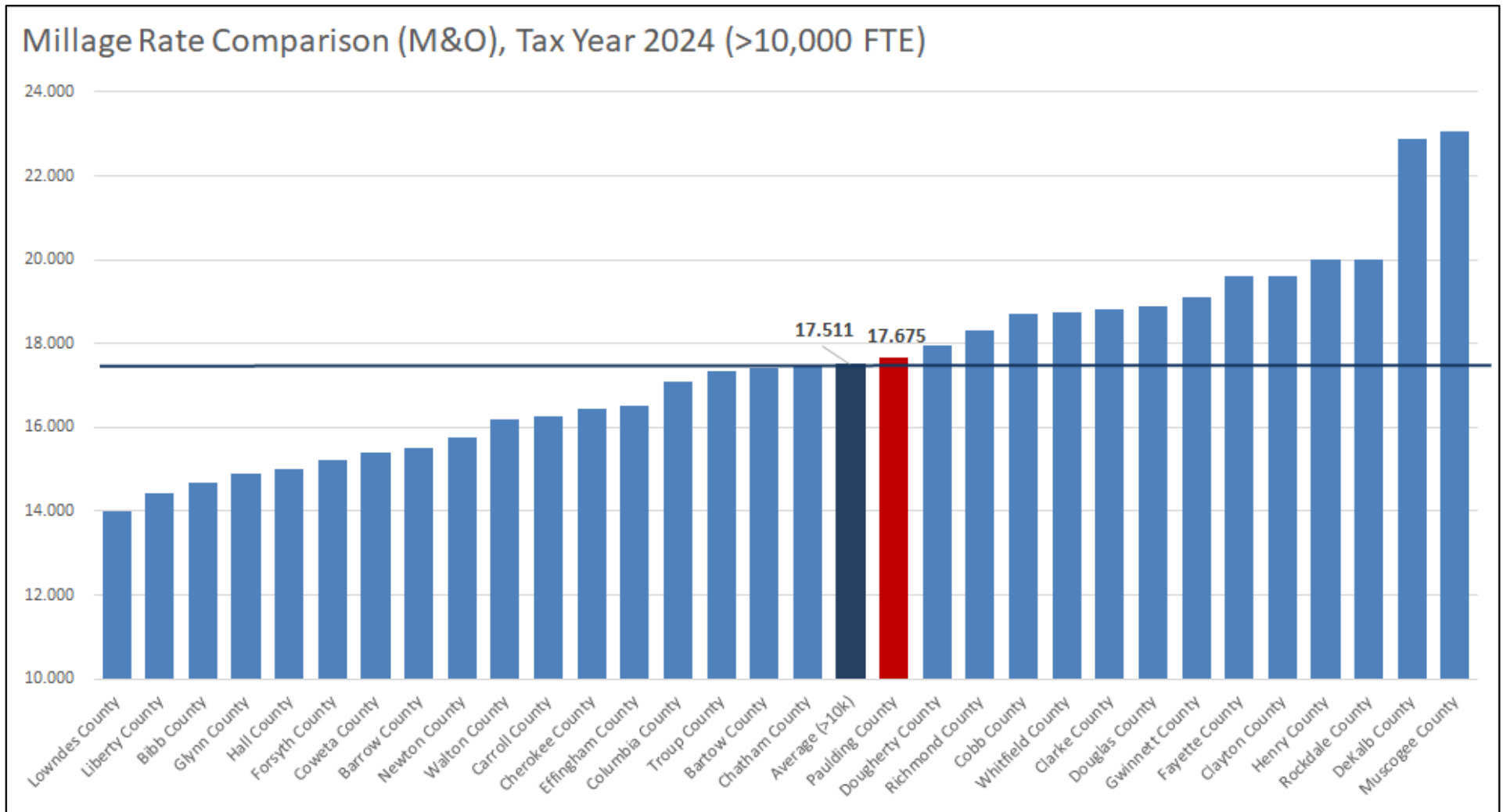


Source: GaDOE School System Revenue/Expenditures Report as of FY2024



**Local Revenue Metrics.** In FY2024, among large district in Georgia, PCSD was well below the average local revenue per pupil.

Source: GaDOR (Consolidated Tax Digest Summaries)  
 Large Districts are districts with >10,000 FTE

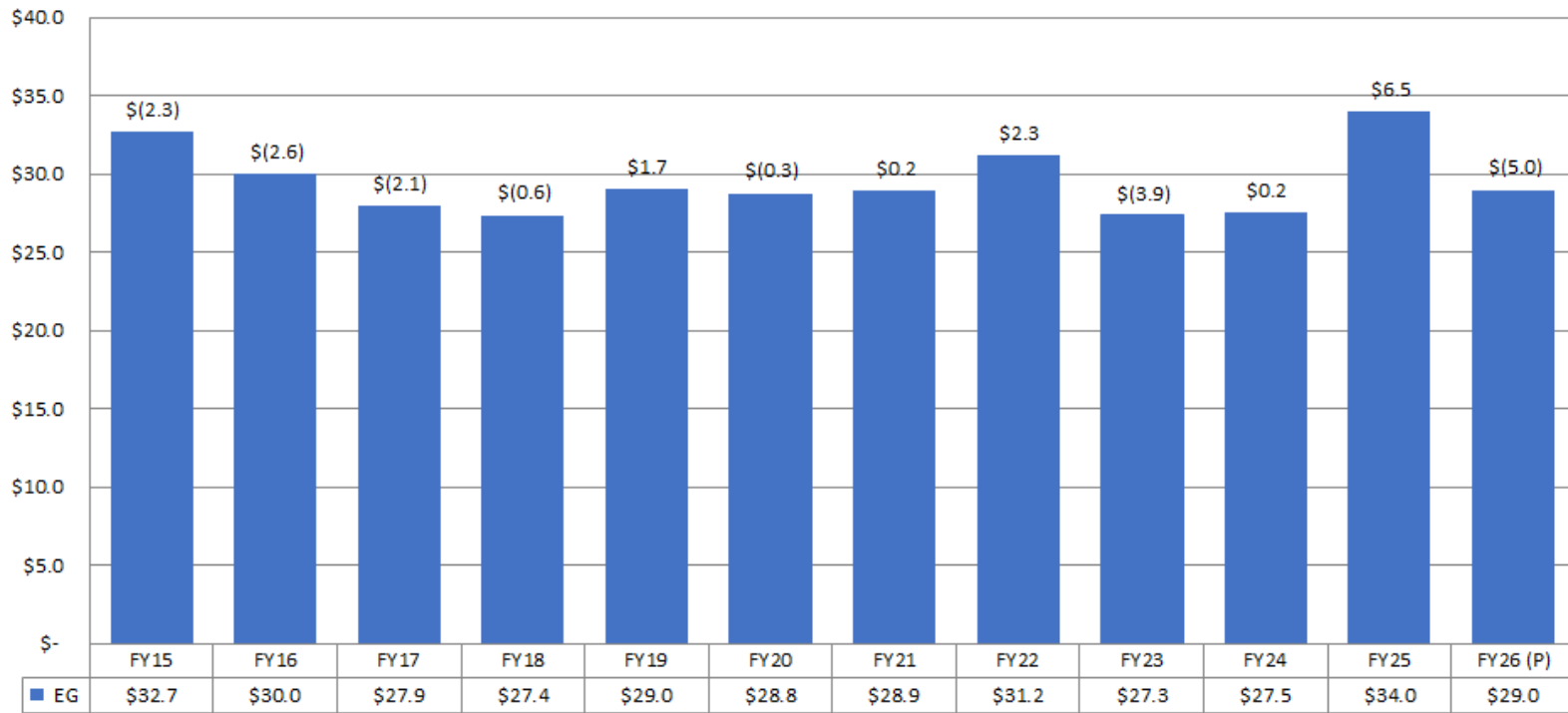


**Local Revenue Metrics.** Among large district in Georgia, PCSD held an average M&O Millage Rate and did not have a Bond Millage Rate.

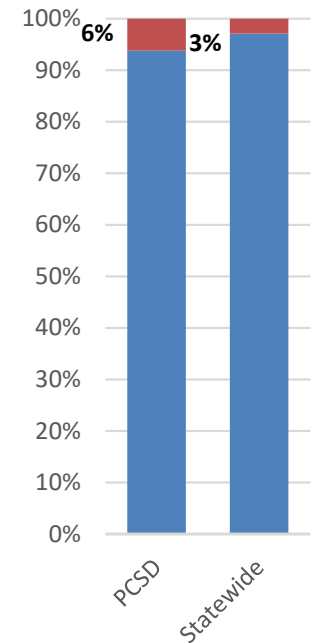
Source: GaDOR (Consolidated Tax Digest Summaries)  
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**2024**

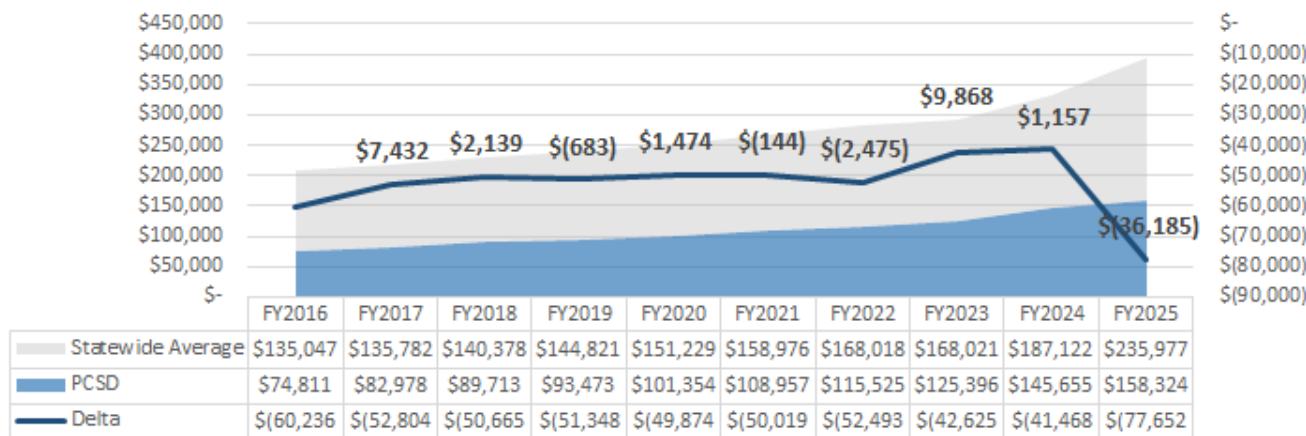
## Equalization Grant, FY2010 - FY2026(P)



## FY2024 Per-Pupil EG Percentage



## Historical Wealth per Weighted FTE, FY2016 - FY2025



**Equalization Grant.** The Equalization Grant accounts for 6% of total revenue.

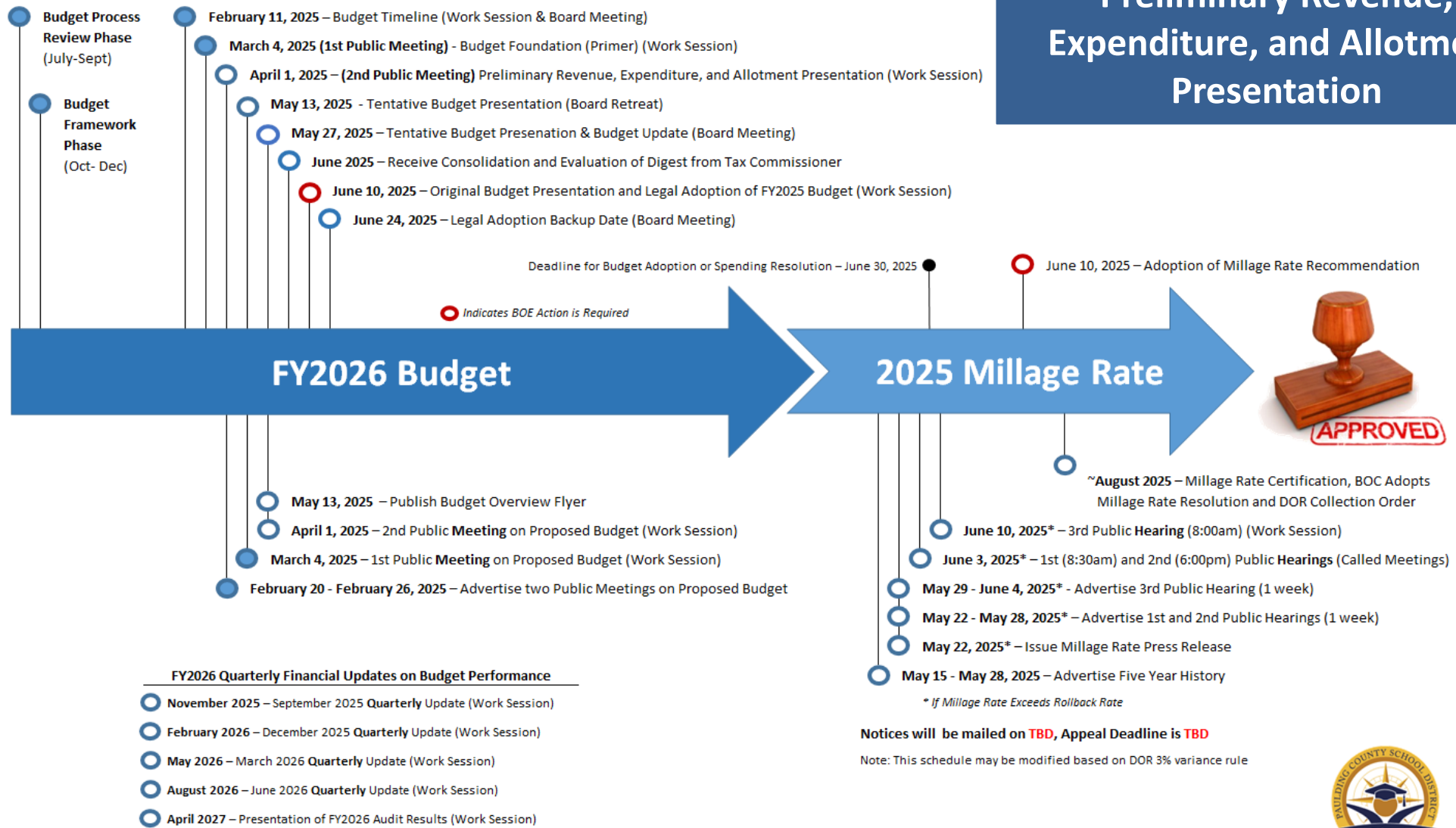
A decreasing (unfavorable) variance between PCSD and Statewide Wealth-per-Weighted FTE has result in a grant decrease and limited growth.

**FY2015 – FY2026 (P)**

# (2) Equalization Grant

# FY2026 Budget Development - Major Milestones

April 1, 2025  
Preliminary Revenue,  
Expenditure, and Allotment  
Presentation



## FY2026 Public Meetings and Hearings, Press Releases, Advertisements and Notices



# FY2026 Budget Roadmap

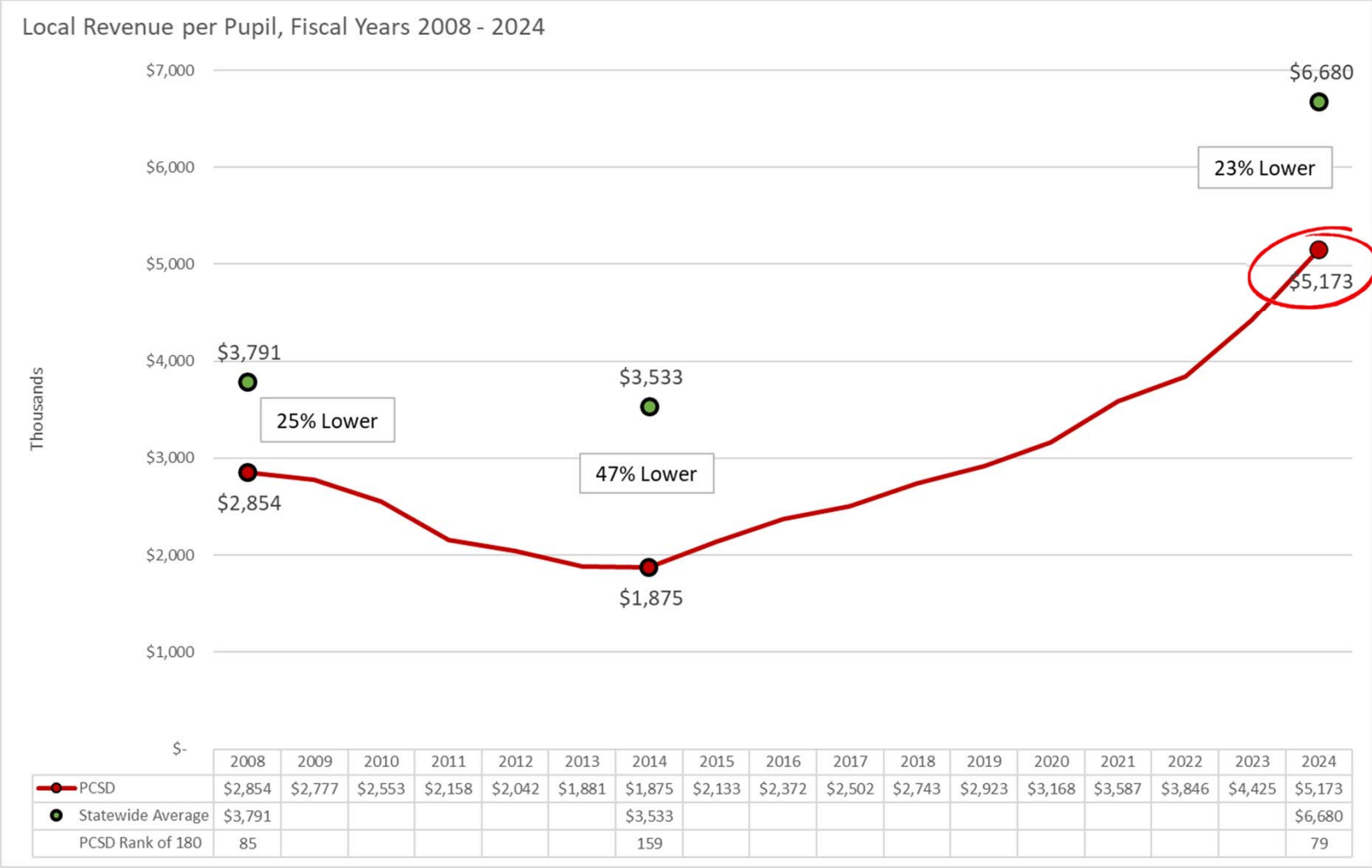




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# Thank You

**Local Revenue per Pupil.** As of FY2024, local revenue per pupil had a compound annual growth rate (CAGR) of 3.8% (1.2% adjusted for inflation) since FY2008, compared to a statewide average CAGR of 3.6% (1.0% adjusted for inflation).



The District remains significantly below the statewide average for local revenue per pupil - \$1,507 or 23% below the average. With an enrollment of 31,075 students this results in a \$46.8 million funding deficit.

Source: GaDOE School System Revenue/Expenditures Report as of FY2023

**FY2008 – FY2024**



### **Local and Total Revenue.**

PCSD currently collects \$0.90 for every \$1.00 in total revenue per student statewide (average) and \$0.77 for every \$1.00 in local revenue per student statewide (average).

**SPLOST Collections.** PCSD currently collects only \$0.55 for every \$1.00 collected on average by our neighboring school districts, including Cherokee, Cobb, Bartow, and Douglas Counties.

Source: GaDOE School System Revenue/Expenditures Report as of FY2024 and Georgia Department of Revenue Sales Tax Collections June 2023 – July 2024



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# Appendix

# Organizational Factors Influencing Decisions: Demographic and Economic Factors

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## Highlights:

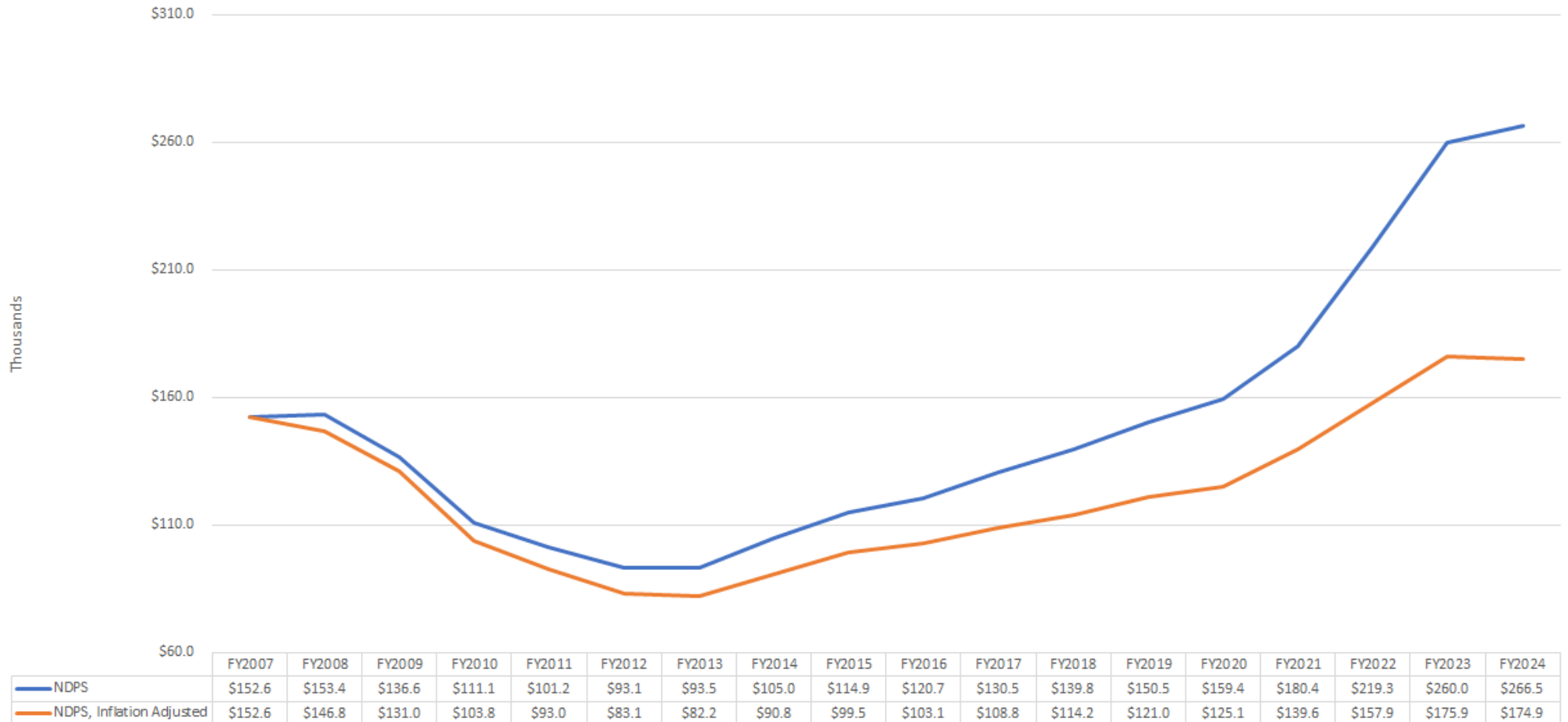
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- Most workers employed outside the county
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- One of the fastest growing counties, with a significant number of school-age children
- Recent decline in building permits and residential sales
- Average residential home sale price in Paulding County is approximately \$386,000



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**Net Digest per Student.** As of FY2024, Net Digest per Student (NDPS) had a compound annual growth rate (CAGR) of 3.3% (0.8% adjusted for inflation) since FY2007. Net Digest per Student (NDPS) had increased 14.6% from FY2007, inflation adjusted.

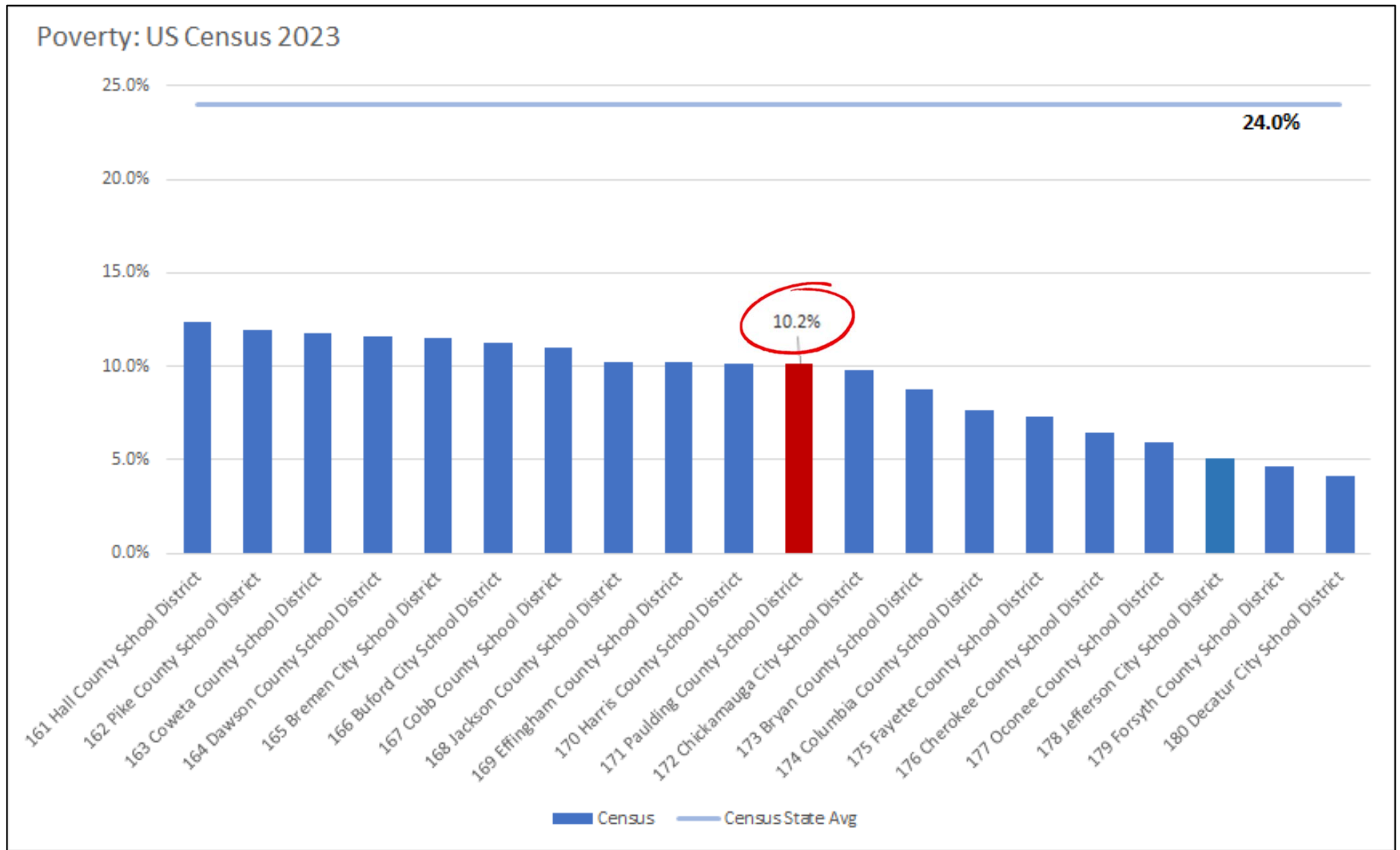
Net Digest per Student (NDPS) Inflation Adjusted, Tax Year 2007 - 2024



Source: Bureau of Labor Statistics, CPI Calculator (measured in January, annually) and Georgia Department of Revenue, Consolidated Tax Digest Summary

**FY2007 – FY2024**

# Tax Digest and the Great Recession



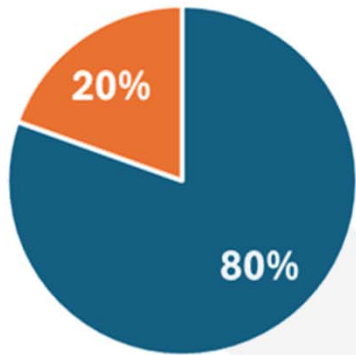
**Poverty Metrics.** As of 2023, the most recent reporting period, with an 10.2% poverty percentage, the US Census ranked PCSD 171 (out of 180, 24.0% average).

2023

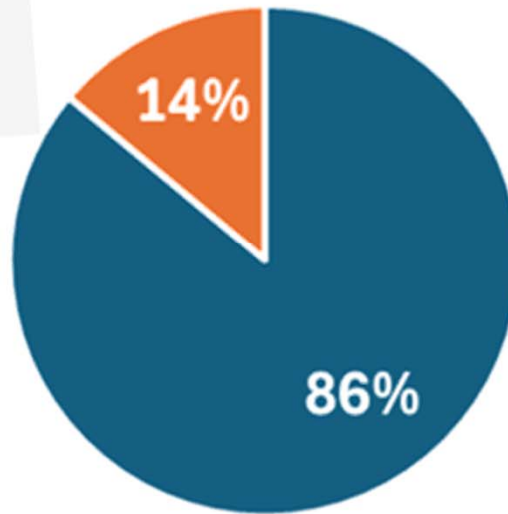
Poverty Level



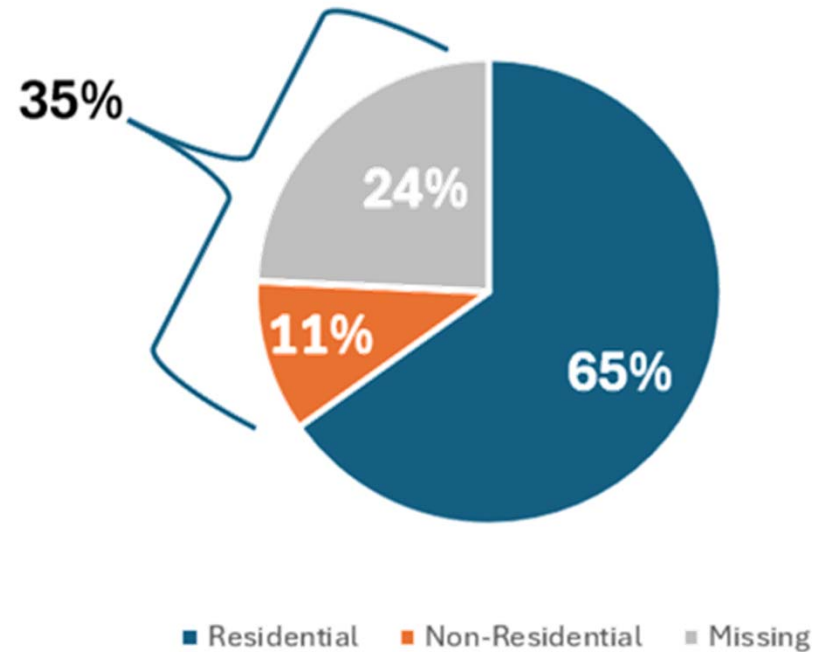
## PCSD FY2019 Digest Breakdown



## PCSD FY2024 Digest Breakdown



■ % Residential per FTE ■ % Non-Residential per FTE



**Residential Digest Percentage.** Since FY2019, the percentage of the digest classified as residential has increased from 80% to 86%. Bringing the digest in line with the average residential value percentage (35%) would require an additional 24% in value, or approximately \$3.1 billion.

2024

# Non-Residential Digest Percentage

# Organizational Factors Influencing Decisions: Enrollment Factors

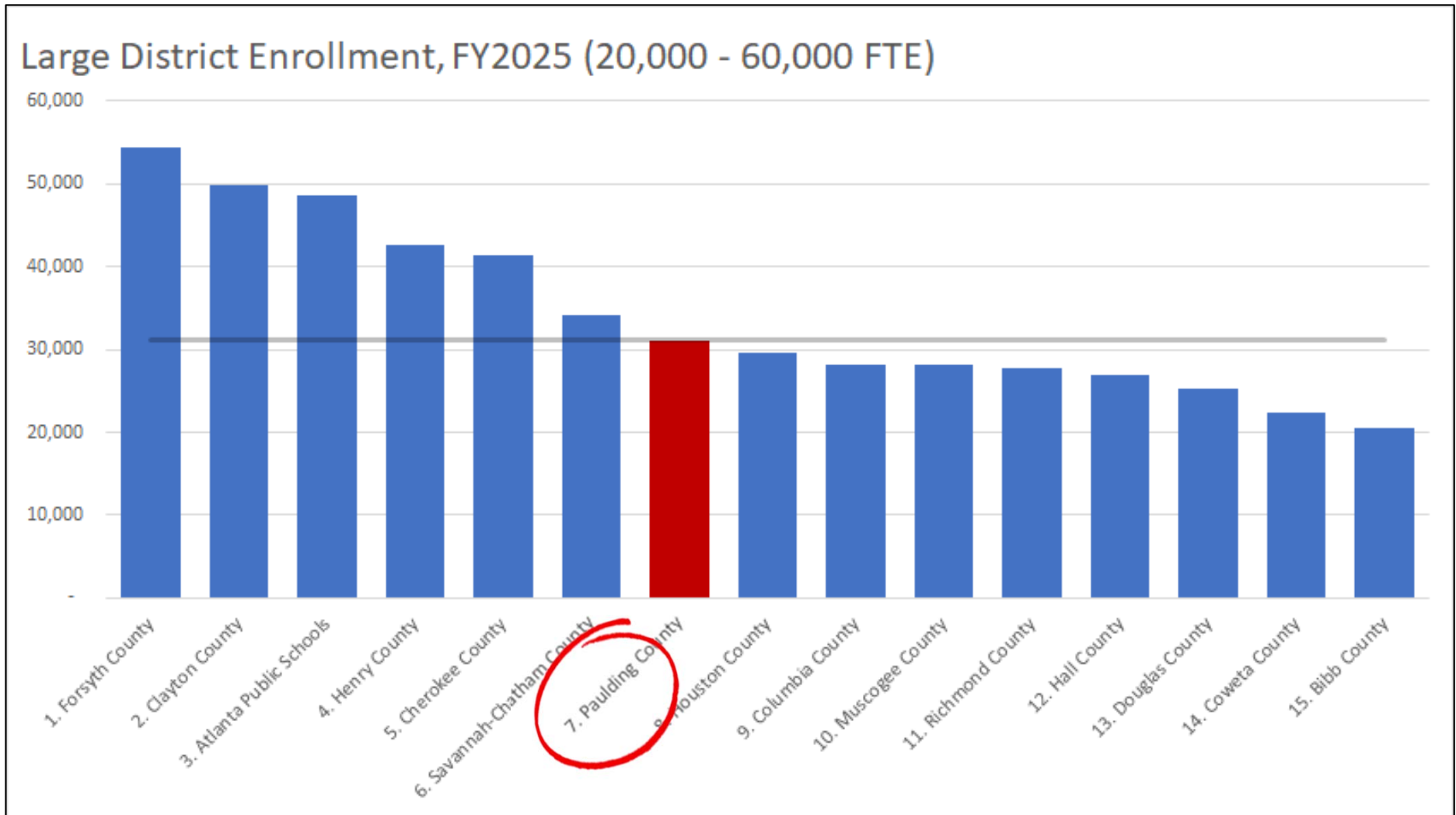
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## Highlights:

- Projections currently reflect a decrease of 93 students to 31,075
- Ranked as the 11<sup>th</sup> largest district in the state of Georgia
- 15th fastest growing large districts in Georgia
- Over the prior 10-years the district has grown 2,836 or 10.0%
- 16.0% of students are enrolled in an ESEP program



**20,000 to 60,000 Comp Enrollment.** As of October 2024, PCSD was the 7<sup>th</sup> largest school district in Georgia (out of districts with 20,000 to 60,000 enrollment).



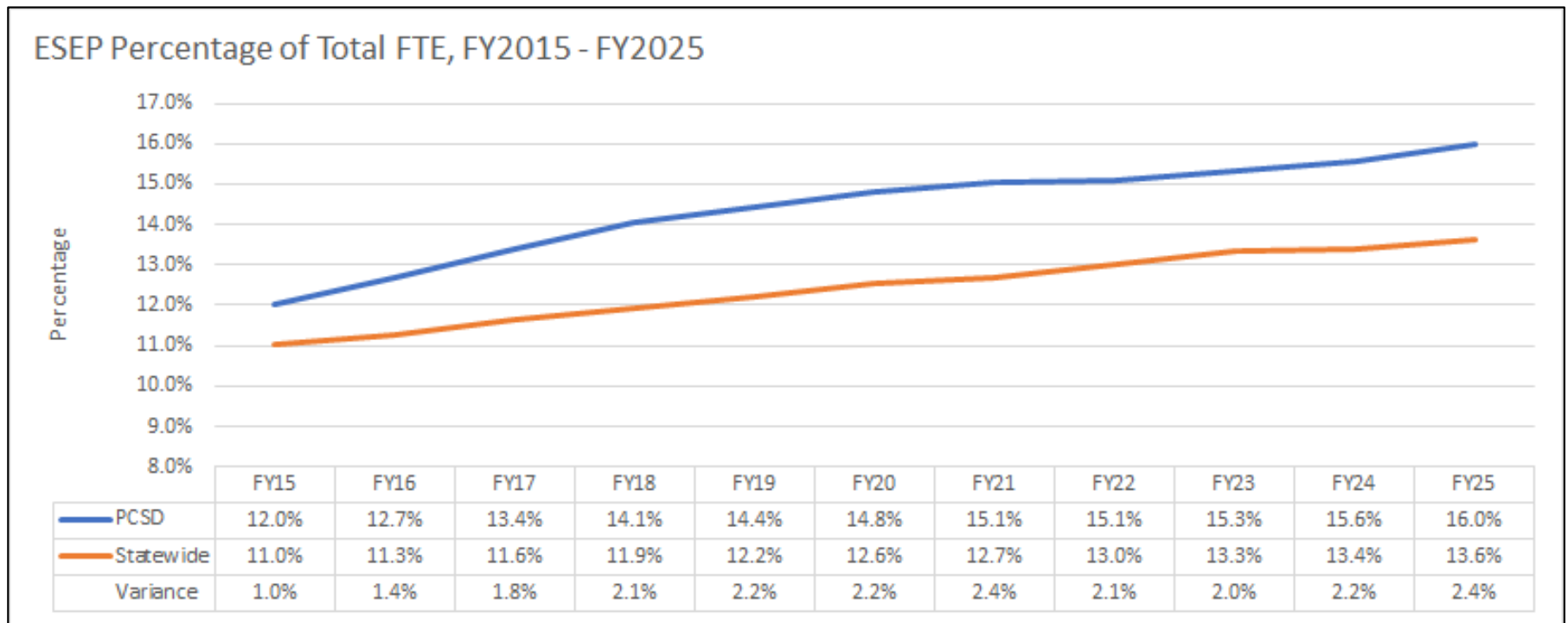
Source: GaDOE (Student Enrollment by Grade)

FY2025

# Enrollment Growth

**ESEP Participation.** In FY2025, enrollment in Exceptional Students Educational Programs (ESEP) was 16.0% of the student population, compared to a statewide and large district average of 13.6% and 13.6%, respectively.

From FY2015 to FY2025, the district, statewide and large district participation percentage increased 4.0%, 2.6% and 2.6%, respectively.



Source: GaDOE Enrollment by Disability and Student Enrollment by Grade as of FY2024 (includes PK)  
 Large Districts are districts with >10,000 FTE

**FY2015- FY2025**

# Organizational Factors Influencing Decisions: Funding Factors

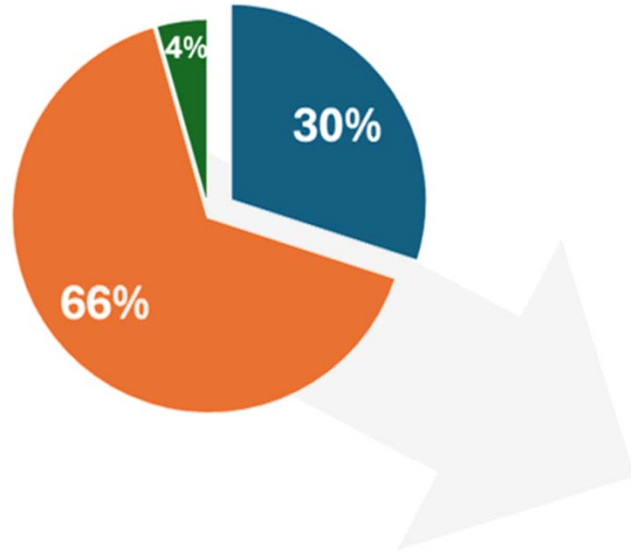
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## Highlights:

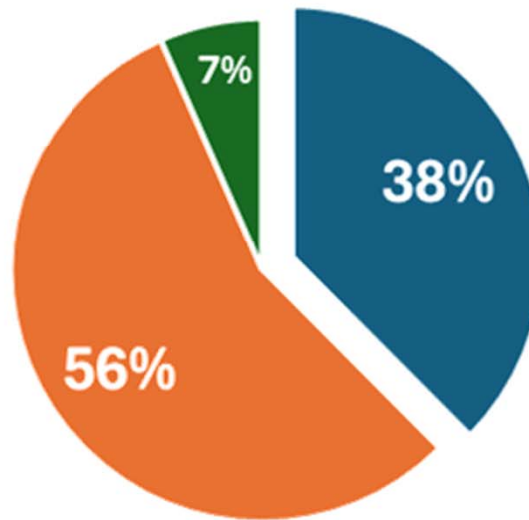
- 56% of revenue comes from state sources, compared to a statewide average of 46%
- Revenue from local sources has increased from 31% to 36% since FY2020
- Local revenue per-pupil rank is 10th out of 15 comparable districts
- State revenue per-pupil rank is 2nd out of 15 comparable districts
- District is well below the average local revenue per pupil
- Held an average M&O Millage Rate and did not have a Bond Millage Rate
- 5th largest recipient of the Equalization Grant, 6% of total revenue



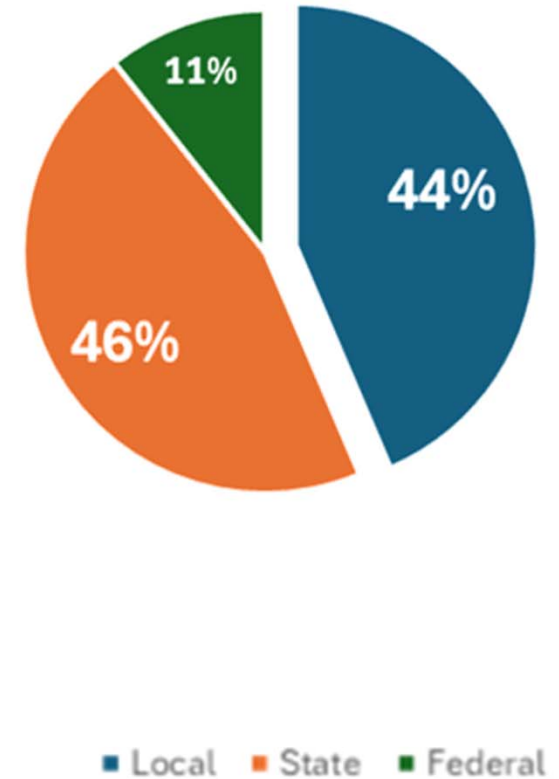
Paulding County School District  
FY2019 Funding Sources



FY2024 Funding Sources



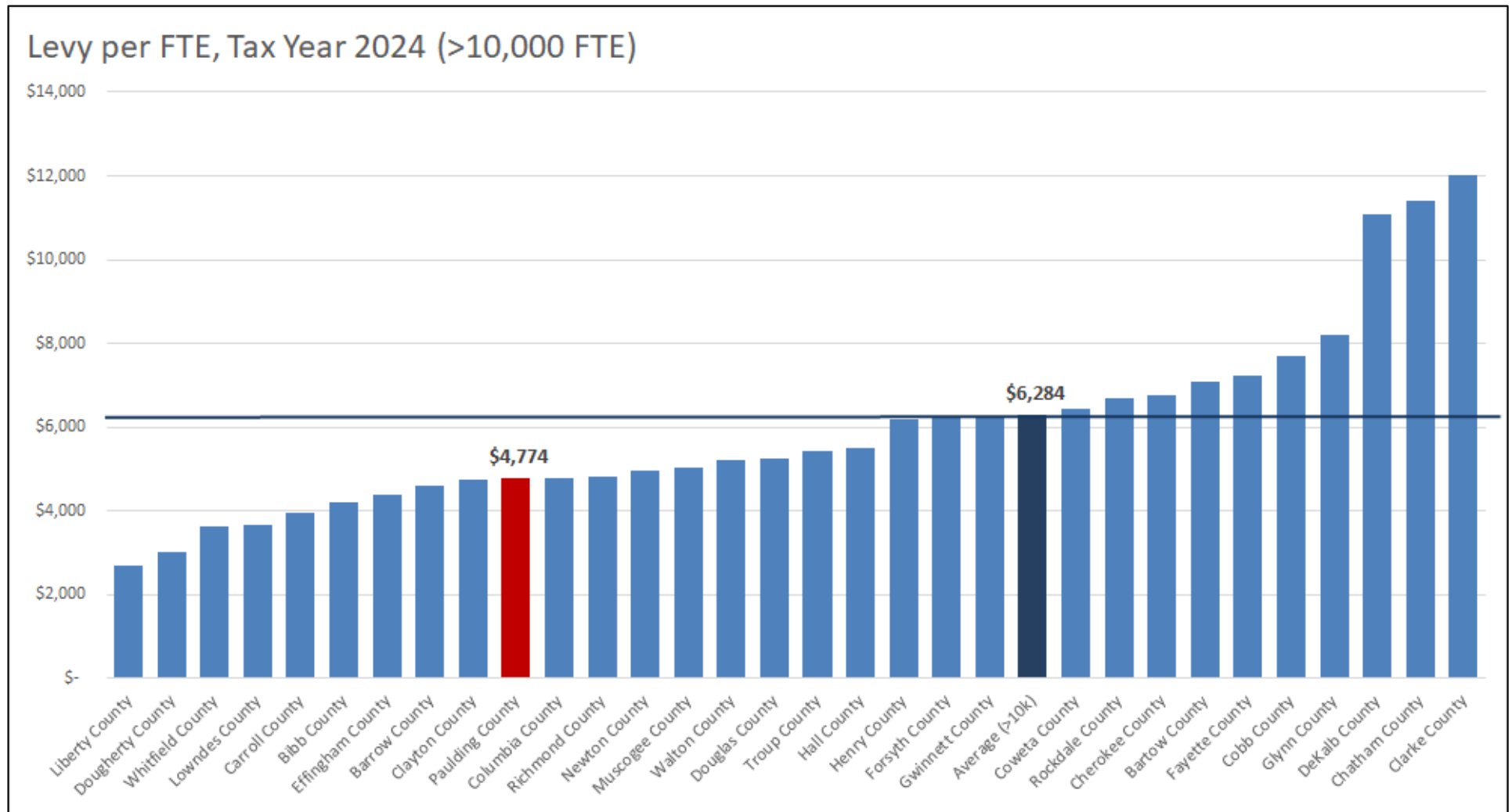
Statewide Average  
FY2024 Funding Sources



**Dependency on State Sources.** With approximately 56% of revenue coming from state sources (compared to a statewide average of 46%) the District is highly susceptible to changes in state funding, including austerity reductions, Equalization Grant funding and changes in the Quality Basic Education (QBE) formula.

Source: GaDOE School System Revenue/Expenditures Report as of FY2024

**FY2024**



**Local Revenue Metrics.** Among large district, PCSD ranked lowest in non-residential digest percentage, had an average millage rate, and ranked 10<sup>th</sup> lowest in levy per FTE.

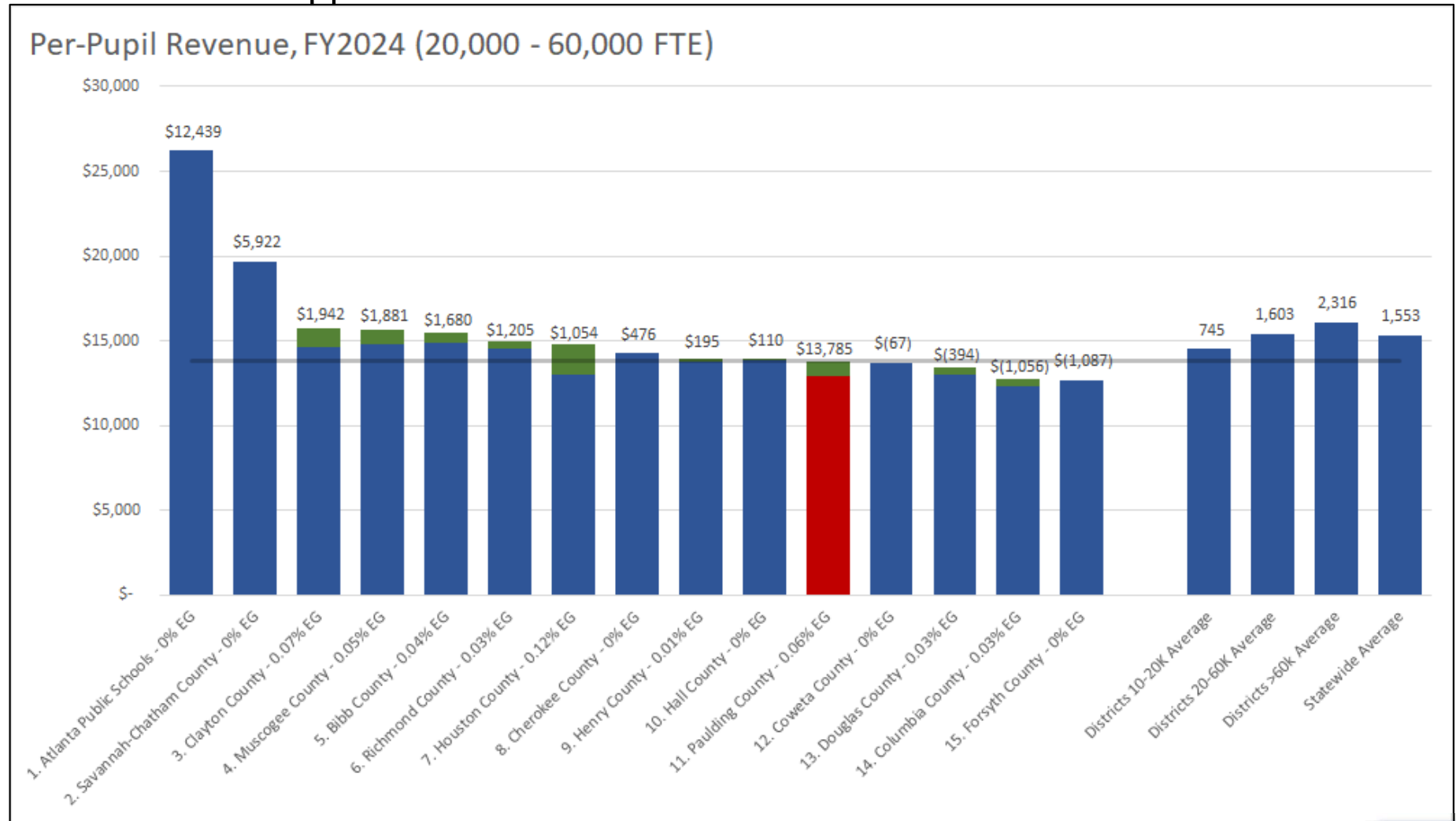
Source: GaDOR (Consolidated Tax Digest Summaries)  
Large Districts are districts with >10,000 FTE

2024

# Local Revenue: Property Tax



**Total Per-Pupil Revenue.** As of FY2024, total per-pupil revenue was \$13,785. Lower than any comparable group, including the statewide average, which was \$1,553 more per-pupil. Approximately, \$857 or 6.0% was funded through the Equalization Grant (green). Variances to PCSD appear above the columns.

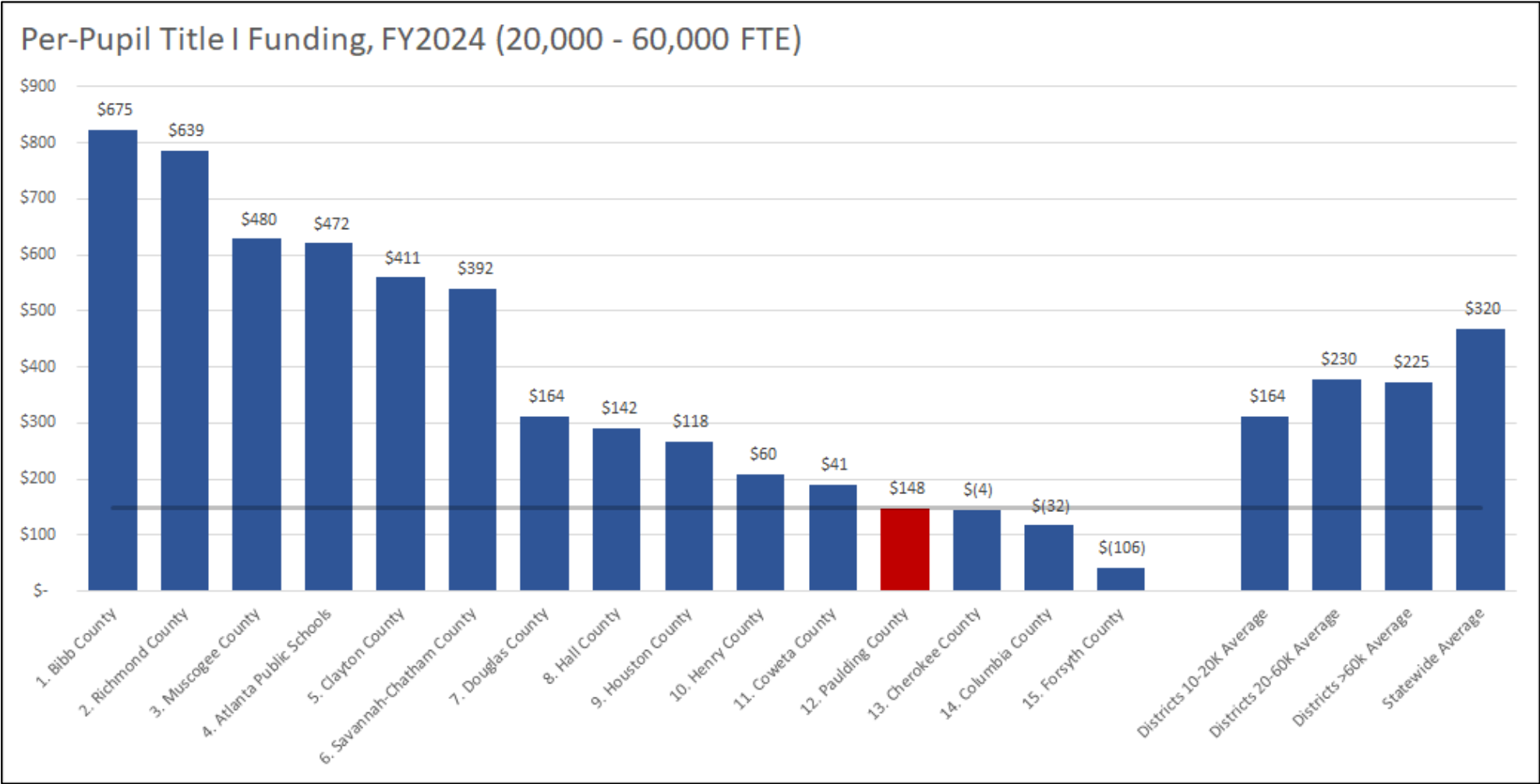


Source: GaDOE School System Revenue/Expenditures Report as of FY2024

**FY2024**

# Per-Pupil Revenue: All Sources

**Per-Pupil Title I.** As of FY2024 and based on overall enrollment, per-pupil Title I funding was \$148. This is lower than any comparable group, including the statewide average, which was \$320 more per-pupil. Variances to PCSD appear above the columns.

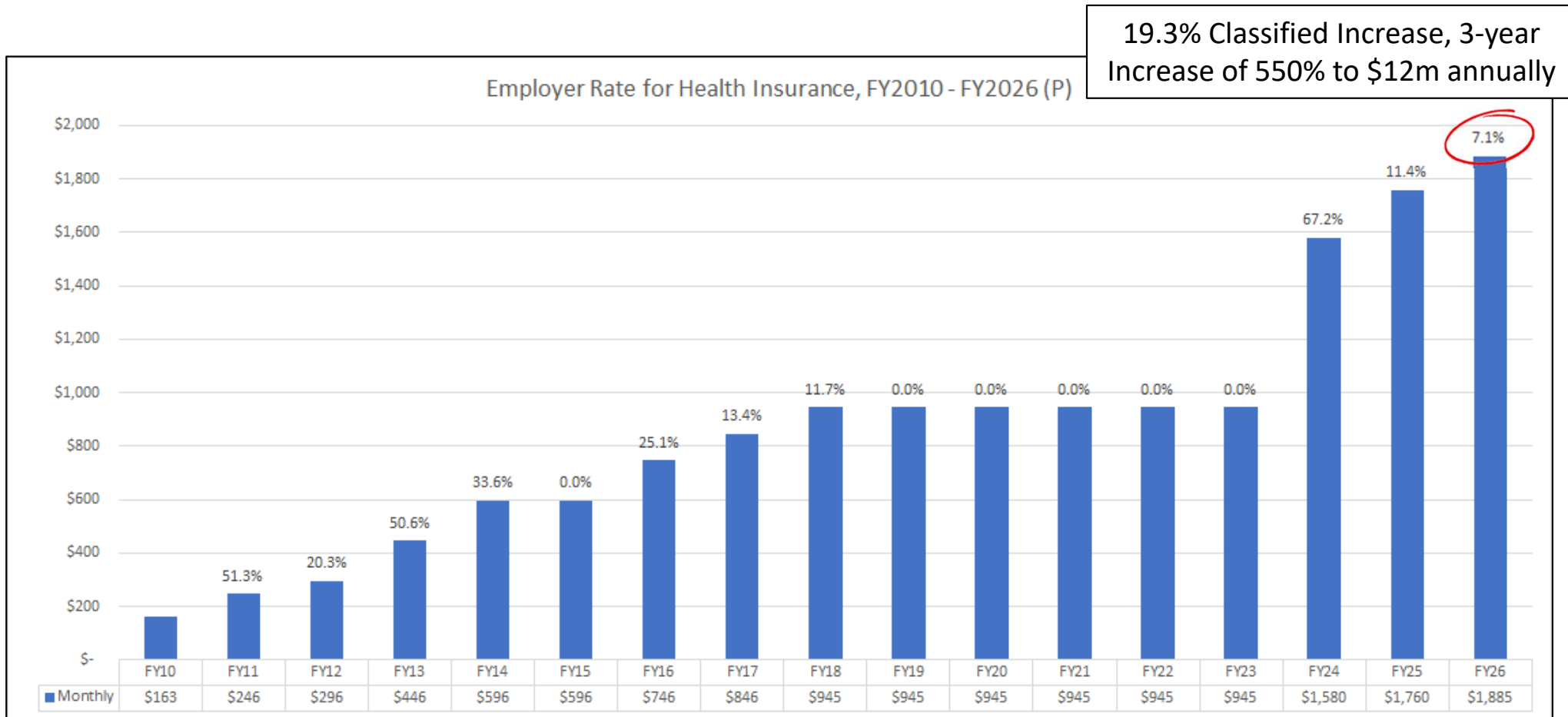


Source: GaDOE, Title I Awards

FY2024

# Per-Pupil Federal Title I Funding

**Health Insurance.** In FY2026, the employer cost for the State Health Benefit Plan is expected to increase by 7.1% to \$1,885 per month for certified employees and by 19.3% to \$1,885 per month for classified employees. Health insurance costs have nearly doubled over the past three years, with state funding increasing only 61%.



FY2010 – FY2026(P)