

Paulding County School District

January 28, 2025 | January 30, 2025 | February 4, 2025

House Bill 581: Public Hearing



Welcome! We're glad you're here.

Introduction

- Existing homestead exemptions are **NOT** impacted, even if the Board of Education decides to “opt out”.
- The amendment included a right to “opt out”.
- This is a one-time decision, that will permanently impact the school district.
- A statewide floating homestead exemption cannot not be easily modified.
- The Board of Education “intends” to listen to community feedback, consider the short and long-term implications, and then make a thoughtful, well-reasoned decision that reflects the needs of our students, families, taxpayers, and community no earlier than February 11th.

INTENT TO OPT OUT OF HOMESTEAD EXEMPTION

The Board of Education intends to opt out of the statewide adjusted base year ad valorem homestead exemption for Paulding County School District. All concerned citizens are invited to the public hearing on this matter...

Resources

The screenshot shows the Paulding County School District website. The header includes the district logo and navigation links: Home, Our District, Academics, Departments, Board of Education, and Employment. The main content area features a large banner for Kindergarten Registration, stating that registration starts on January 31, 2025, for the 2025-2026 school year. It provides contact information: (770) 505-3558 and centralregistration@paulding.k12.ga.us. A registration process list is also shown: 1. Schedule an appointment, 2. Complete online application, 3. Provide ALL required documents. To the right, the 'District News' section lists several items: 'Kindergarten Registration - Make Your Appointment Today', 'BOE Re-Elects Collett Chair, Fuller Vice Chair', 'Academics LIVE! Learn About PCSD's HS Academy Programs', 'BOE Schedules Public Hearings on New Statewide Floating Homestead Exemption' (highlighted with a red circle), and 'School Board Members Sworn In'.

PAULDING COUNTY SCHOOL DISTRICT
Engage Inspire Prepare

Home Our District Academics Departments Board of Education Employment

Kindergarten Registration

REGISTRATION Starts Jan. 31, 2025

Available for all children who will be 5 years old on or before September 1

2025 - 2026 School Year

(770) 505-3558
centralregistration@paulding.k12.ga.us

To Schedule an Appointment
<https://booknow.appointment-plus.com/6g9blvrc/>

To Register Online
<https://www.paulding.k12.ga.us/Page/36404>

Registration Process:

1. Schedule an appointment
2. Complete online application
3. Provide ALL required documents

District News

Kindergarten Registration - Make Your Appointment Today
Click here for information on how to register your student for kindergarten for the 2025-2026 school year.

BOE Re-Elects Collett Chair, Fuller Vice Chair
In unanimous votes at its regular meeting Jan. 14, 2025, the Paulding County Board of Education re-elected Deborah Collett as chair and Jeff Fuller as vice chair for 2025. Click here to read the press release.

Academics LIVE! Learn About PCSD's HS Academy Programs
Click here to learn more about PCSD's high school academy programs. The application window opens Jan. 24, 2025 and will close at midnight on March 5, 2025.

PUBLIC HEARINGS

BOE Schedules Public Hearings on New Statewide Floating Homestead Exemption
The Paulding County Board of Education has scheduled three public hearings regarding the newly approved statewide floating homestead exemption and the school district's option. Click here to learn more.

School Board Members Sworn In
Four members of the Paulding County Board of Education were sworn in to office on Dec. 18, 2024 following their re-elections on Nov. 5, 2024. Click here to see photos from the swearing in ceremony.

- Introduction Video
- Board of Education Presentation
- Press Release
- Frequently Asked Questions

- Potential Impacts to E-SPLOST
- Uniqueness of Paulding County Video
- Potential Impacts Video

House Bill 581: Public Hearing



Potential Impacts to E-SPLOST

Georgia law prohibits local Boards of Education from participating in the new property tax relief or (Floating) Local Option Sales Tax.

FLOST could still have a negative impact on the school district's E-SPLOST collections:

- Residents may be incentivized to shop in neighboring counties with a lower overall sales tax rate.
- Multiple local option sales tax initiatives could overburden taxpayers and jeopardize future E-SPLOST referendums.
- A decline in E-SPLOST collections could jeopardize our ability to maintain a zero-bond millage rate.

Code Section 48-8-109

- LOST collections “shall be used exclusively for tax relief”
- “Each taxpayer's ad valorem tax bill shall clearly state the dollar amount by which the property tax has been reduced”

Calculation Examples

Examples in the Appendix:

- With Statewide Floating Homestead Exemption
- Without Statewide Floating Homestead Exemption
- Impact of Millage Rate Reductions
- Impact of Expanded Senior Exemption

Example With Statewide Floating Homestead

2020	Market Value	\$	386,000
	Assessed Value (APV) and Base	\$	154,400
	Existing Homestead Exemption	\$	(2,800)
	Millage Rate		17.615
	Property Tax	\$	2,684
2021	Market Value*	5.1%	\$ 405,606
	Assessed Value (APV)		\$ 162,214
	Increase		7,814
	Inflation Index**	2.9%	4,410
	State Floating Homestead Exemption		\$ (2,800)
2020	Assessed Base		\$ 158,818
	Existing Homestead Exemption		\$ (2,800)
	Millage Rate		17.615
	Property Tax	\$	2,773

Annual Increase \$ 79.14
Monthly Increase \$ 6.60

* 2020 to 2021 increase

** 2020 to 2021 Consumer

Example Without Statewide Floating Homestead

2020	Market Value	\$	386,000
	Assessed Value (APV)	\$	154,400
	Existing Homestead Exemption	\$	(2,800)
	Millage Rate		17.615
	Property Tax	\$	2,684
2021	Market Value	5.1%	\$ 405,606
	Assessed Value (APV)		\$ 162,214
	Existing Homestead Exemption		\$ (2,800)
	Millage Rate		17.615
	Property Tax	\$	2,822

Annual Increase \$ 139.38
Monthly Increase \$ 11.60

Annual Difference \$ 60.84
Monthly Difference \$ 5.08

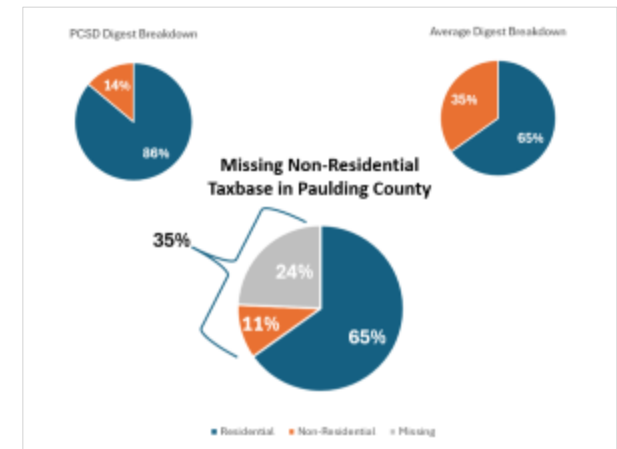
*2020 to 2021 Increase
**2020 to 2021 Increase

Prior to Millage Rate Decrease				Current Millage Rate				Current Millage Rate at 60			
2020	Market Value		\$386,000	Market Value		\$386,000	Market Value		\$ 386,000		
	Assessed Value (APV)		\$154,400	Assessed Value (APV)		\$154,400	Assessed Value (APV)		\$ 154,400		
	Existing Homestead Exemption		\$ (2,800)	Existing Homestead Exemption		\$ (2,800)	Existing Homestead Exemption		\$ (254,600)		
	Millage Rate		17.615	Millage Rate		17.615	Millage Rate		216.67		
	Property Tax		\$ 2,684	Property Tax		\$ 2,684	Property Tax		\$ -		
2026	Market Value	5.1%	\$405,086	Market Value	5.1%	\$405,086	Market Value	5.1%	\$ 405,086		
	Assessed Value (APV)		\$162,214	Assessed Value (APV)		\$162,214	Assessed Value (APV)		\$ 362,214		
	Existing Homestead Exemption		\$ (2,800)	Existing Homestead Exemption		\$ (2,800)	Existing Homestead Exemption		\$ (362,214)		
	Millage Rate		17.615	Millage Rate		17.615	Millage Rate		216.67		
	Property Tax		\$ 2,773	Property Tax		\$ 2,773	Property Tax		\$ -		
Annual Difference \$ (112.20)				Annual Difference \$ (112.20)				Annual Difference \$ (2,833.02)			
Monthly Difference \$ (11.30)				Monthly Difference \$ (11.30)				Monthly Difference \$ (236.07)			

Average Sales Price of \$386,000, 2.9% CPI, and 5.1% Value Increase

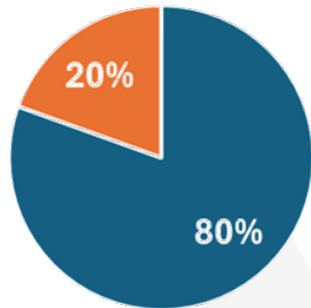
Uniqueness of Paulding County

- Due to the extraordinary **residential housing growth** in Paulding County and the composition of the county's **tax digest**, our school district is one of the largest, fastest-growing, and lowest-wealth school districts in the State of Georgia on a per pupil basis.
- As a result, the statewide floating homestead will have a much more profound impact on our school district than others.

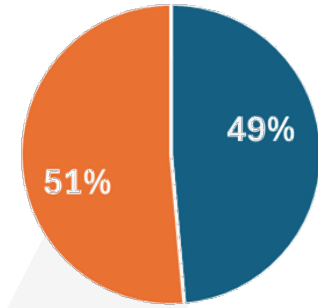


Uniqueness of Paulding County

PCSD FY2019 Digest Breakdown

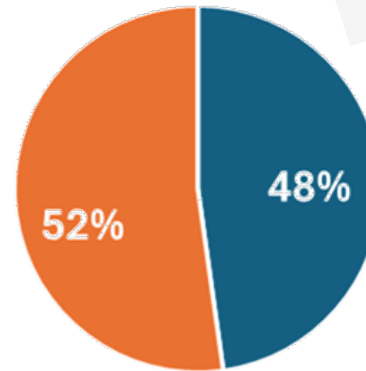
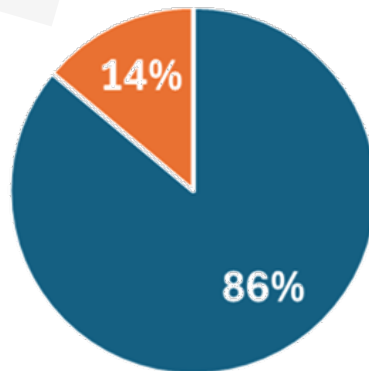


BCSD FY2019 Digest Breakdown



Residential Tax Digest Growth Trend

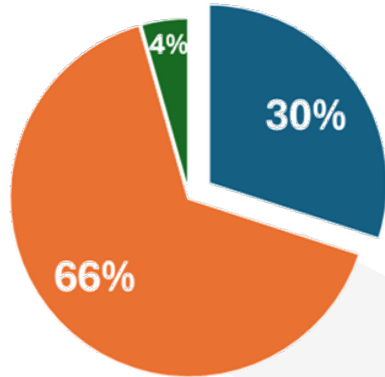
PCSD FY2024 Digest Breakdown BCSD FY2024 Digest Breakdown



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

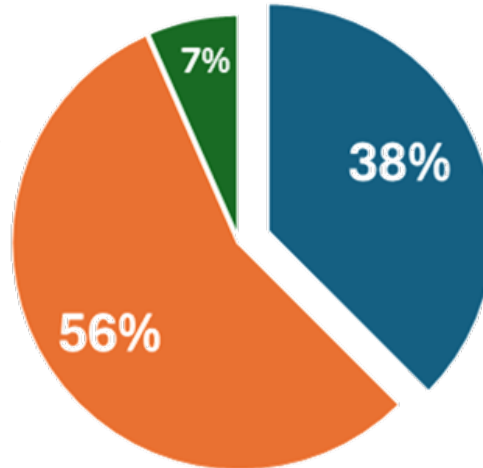
Uniqueness of Paulding County

Paulding County School District
FY2019 Funding Sources



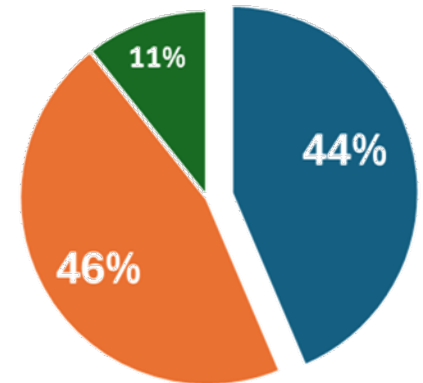
Increased Dependency on Local Funding Sources

FY2024 Funding Sources



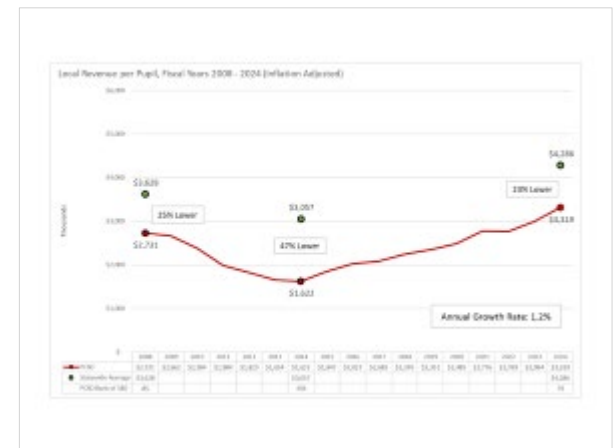
■ Local ■ State ■ Federal

Statewide Average
FY2024 Funding Sources



Potential Impacts

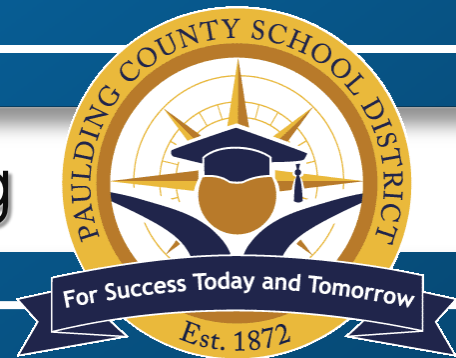
- One-time Adoption of a Statewide, State-controlled Solution
- Further Erosion of Already Limited Local Control
- Potentially Higher Property Tax Burden
- Significant Impact on Long-Term Fiscal Stability and Operations
- Limited Ability to Recover from Economic Downturns
- Increased Vulnerability to State Funding Shortfalls
- Reduced Capacity to Fund Local Initiatives
- Statewide, State-controlled Inflation Index
- Unknown Long-term and Far-reaching Impact



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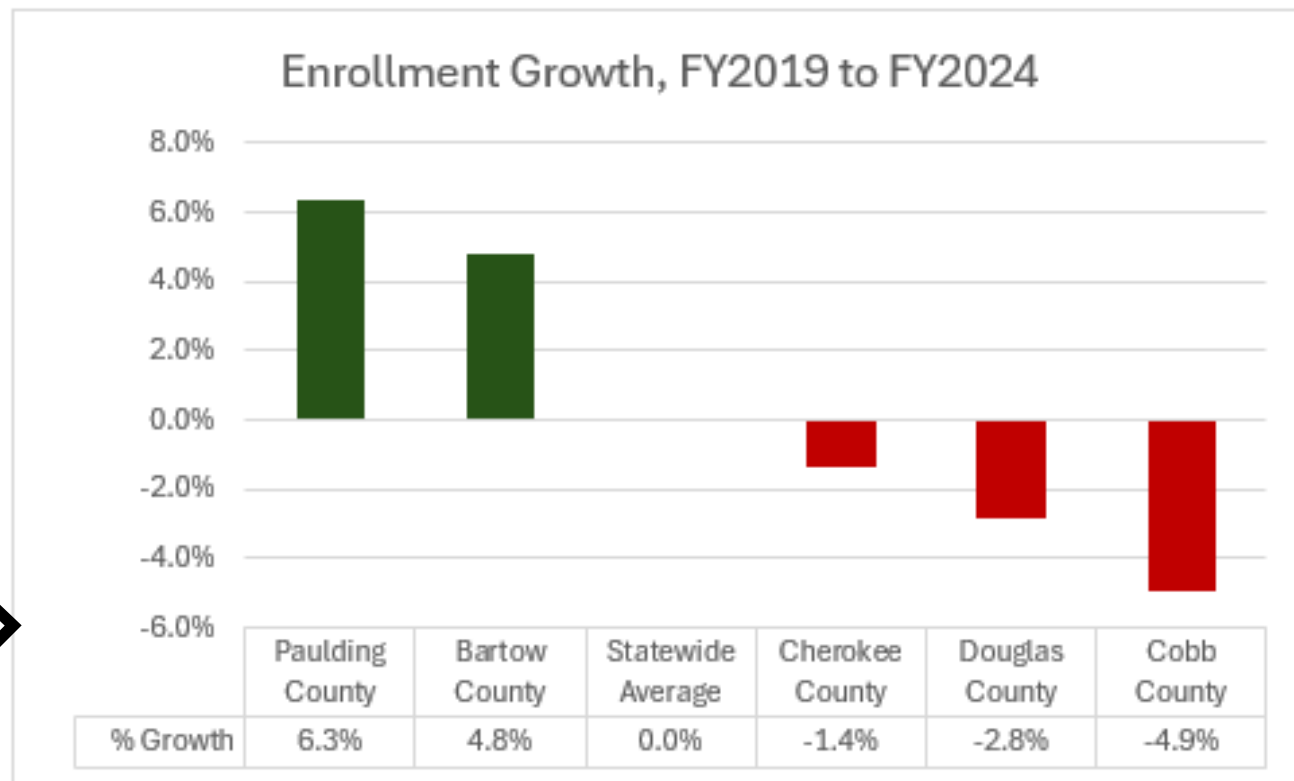
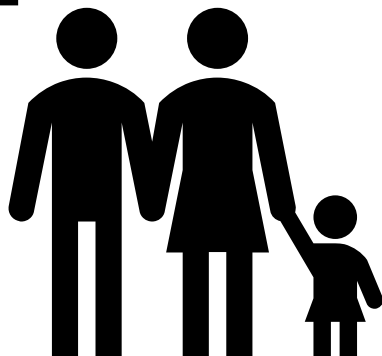
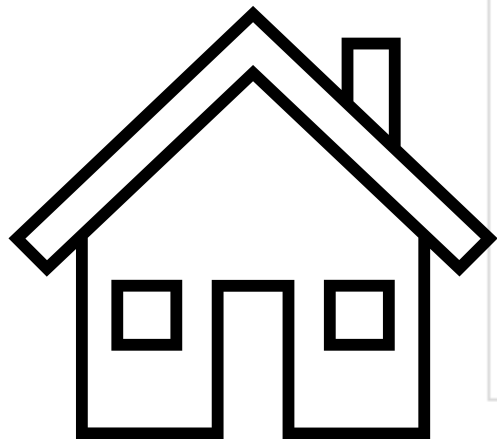
House Bill 581: Public Hearing



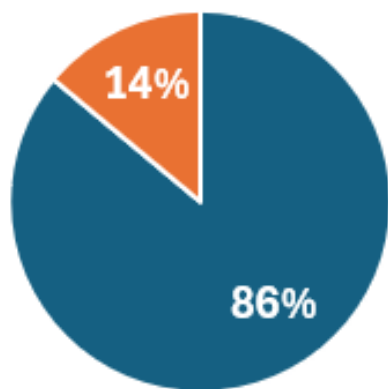
Thank you for coming!

Appendix

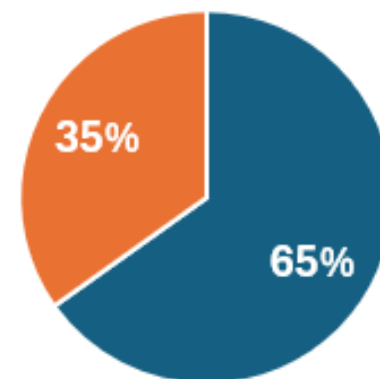




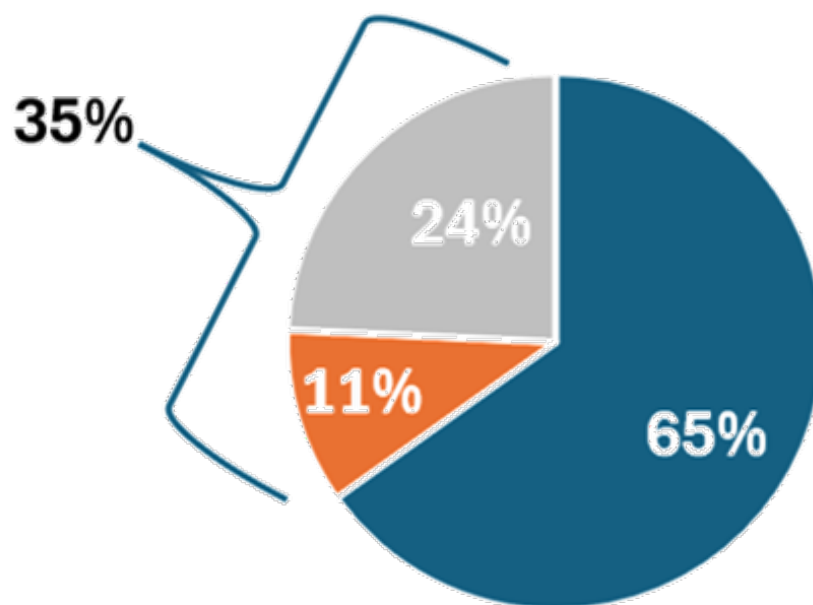
PCSD Digest Breakdown



Average Digest Breakdown



Missing Non-Residential Taxbase in Paulding County



■ Residential ■ Non-Residential ■ Missing

Example With Statewide Floating Homestead

2025	Market Value	\$	386,000
	Assessed Value (40%) and Base	\$	154,400
	Existing Homestead Exemption	\$	(2,000)
	Millage Rate		17.675
	Property Tax	\$	2,694

2026	Market Value*	5.1%	\$	405,686
	Assessed Value (40%)		\$	162,274
	Increase		\$	7,874
	Inflation Index**	2.9%	\$	4,478
	State Floating Homestead Exemption		\$	(3,397)
	Adjusted Base		\$	158,878
	Existing Homestead Exemption		\$	(2,000)
	Millage Rate			17.675
	Property Tax		\$	2,773

Annual Increase \$ 79.14
Monthly Increase \$ 6.60

*2024 Tax Digest Increase

**2023-2024 CPI (December)

Example Without Statewide Floating Homestead

2025	Market Value	\$	386,000
	Assessed Value (40%)	\$	154,400
	Existing Homestead Exemption	\$	(2,000)
	Millage Rate		17.675
	Property Tax	\$	2,694

2026	Market Value	5.1%	\$	405,686
	Assessed Value (40%)		\$	162,274
	Existing Homestead Exemption		\$	(2,000)
	Millage Rate			17.675
	Property Tax		\$	2,833

Annual Increase \$ 139.18
Monthly Increase \$ 11.60

Annual Difference \$ 60.04
Monthly Difference \$ 5.00

Prior to Millage Rate Decrease

2025	Market Value	\$ 386,000
	Assessed Value (40%)	\$ 154,400
	Existing Homestead Exemption	\$ (2,000)
	Millage Rate	18.750
	Property Tax	\$ 2,858

2026	Market Value	5.1%	\$ 405,686
	Assessed Value (40%)		\$ 162,274
	Existing Homestead Exemption		\$ (2,000)
	Millage Rate		18.750
	Property Tax		\$ 3,005

Annual Difference \$ (172.29)

Monthly Difference \$ (14.36)

Current Millage Rate

2025	Market Value	\$ 386,000
	Assessed Value (40%)	\$ 154,400
	Existing Homestead Exemption	\$ (2,000)
	Millage Rate	17.675
	Property Tax	\$ 2,694

2026	Market Value	5.1%	\$ 405,686
	Assessed Value (40%)		\$ 162,274
	Existing Homestead Exemption		\$ (2,000)
	Millage Rate		17.675
	Property Tax		\$ 2,833

Current Millage Rate at 68

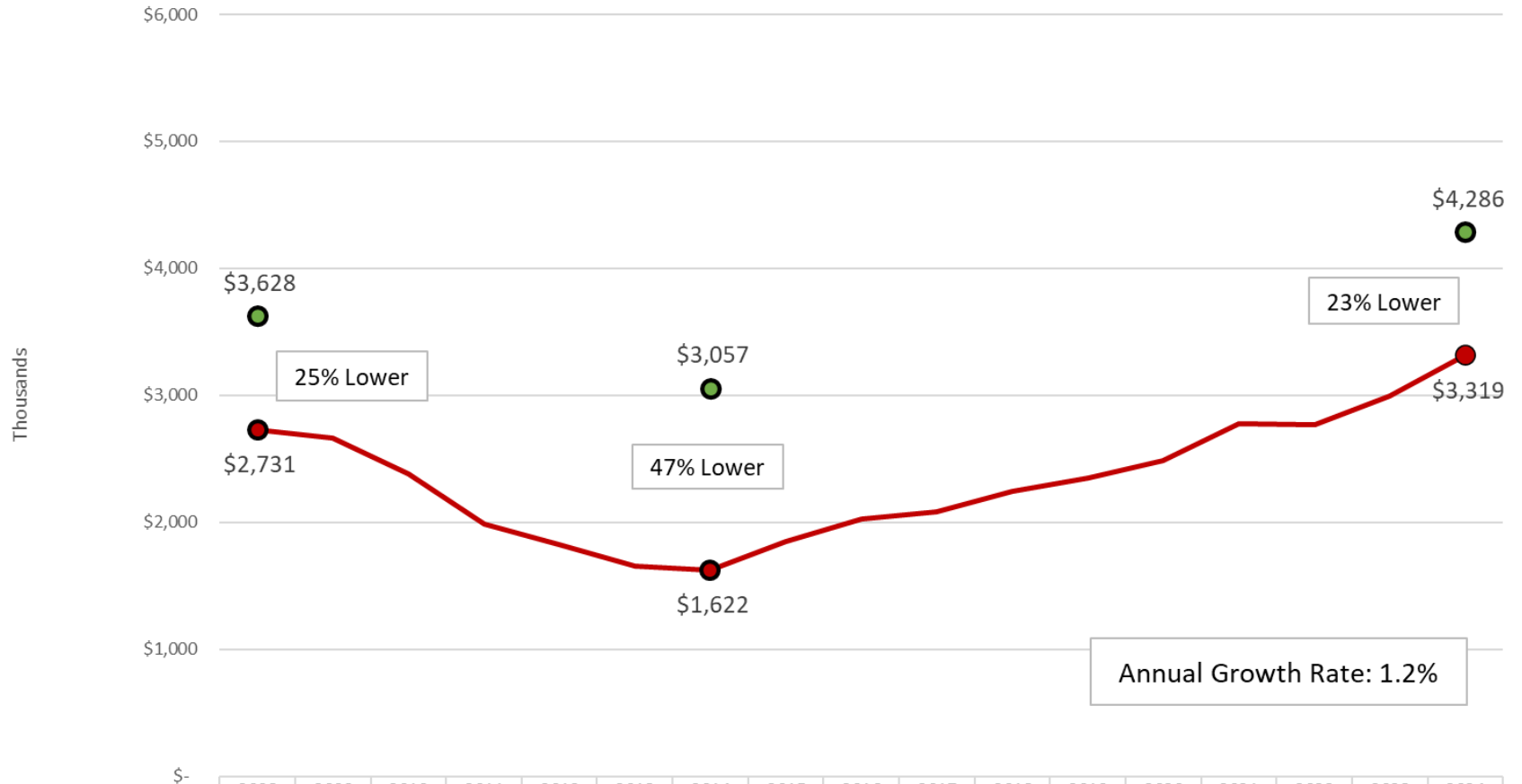
2025	Market Value	\$ 386,000
	Assessed Value (40%)	\$ 154,400
	Existing Homestead Exemption	\$ (154,400)
	Millage Rate	17.675
	Property Tax	\$ -

2026	Market Value	5.1%	\$ 405,686
	Assessed Value (40%)		\$ 162,274
	Existing Homestead Exemption		\$ (162,274)
	Millage Rate		17.675
	Property Tax		\$ -

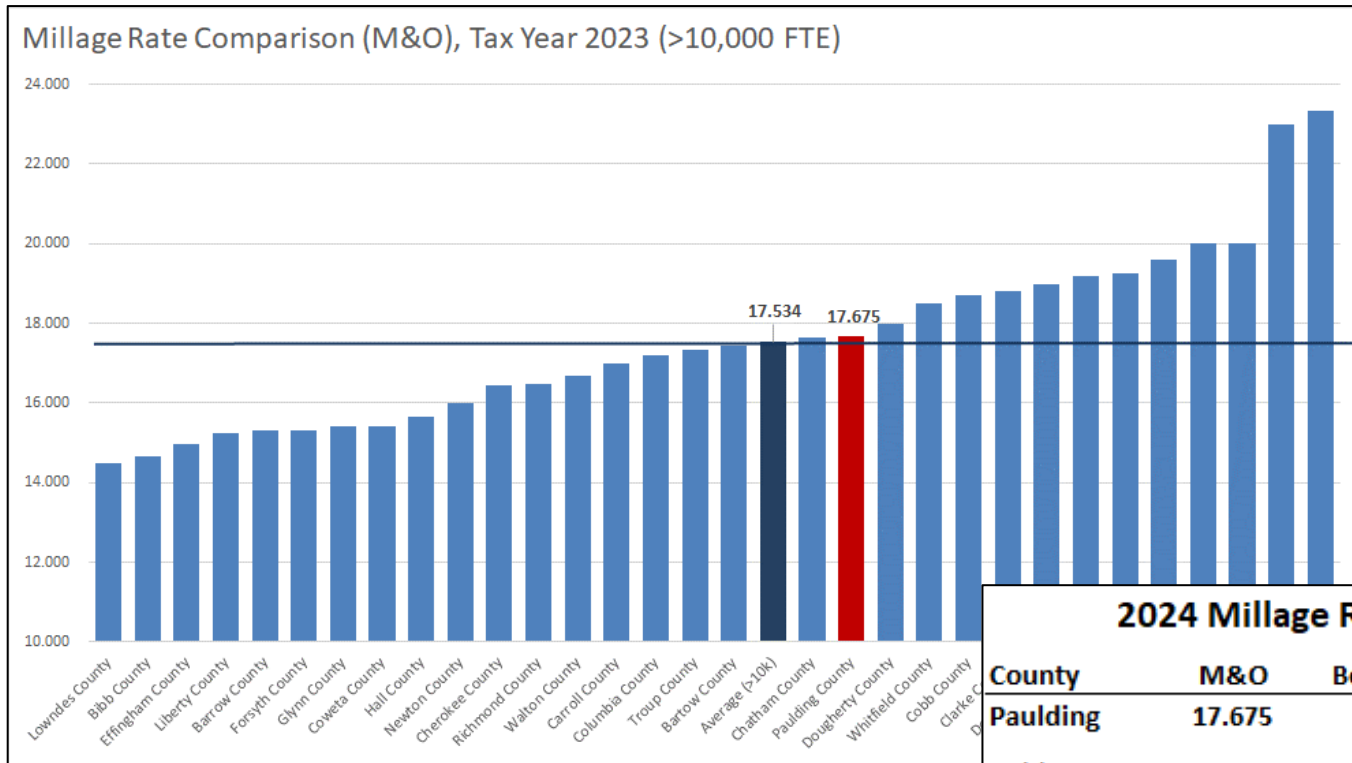
Annual Difference \$ (2,832.85)

Monthly Difference \$ (236.07)

Local Revenue per Pupil, Fiscal Years 2008 - 2024 (Inflation Adjusted)

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Millage Rate Comparisons

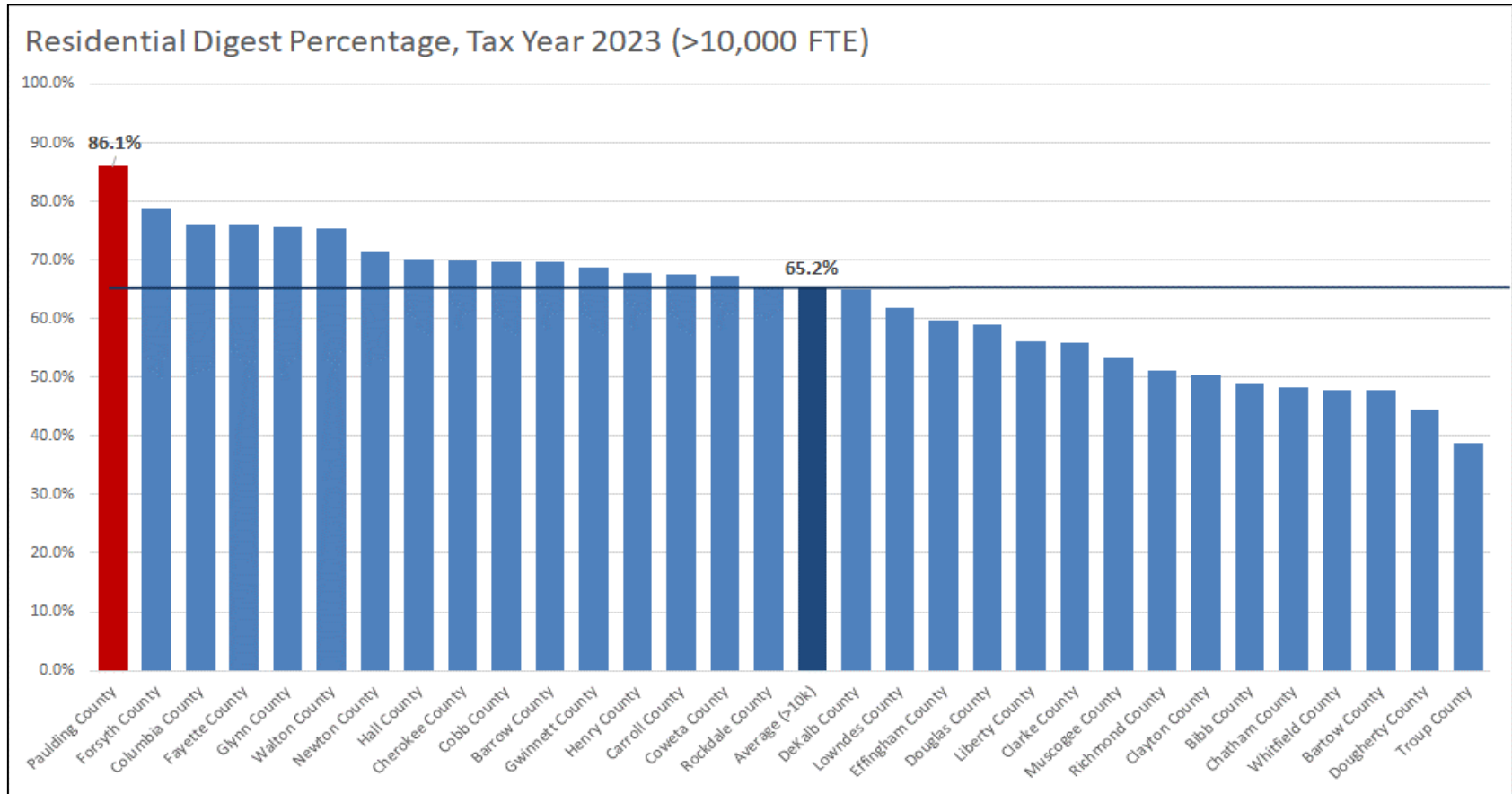


PCSD has maintained a comparable millage rate to the average large district in Georgia and neighboring school districts, lowered the millage rate 2 of the past 3 years, has its **lowest millage rate in 18 years** and maintained a 0.000 bond millage.

2024 Millage Rates			
County	M&O	Bond	Total
Paulding	17.675	-	17.675
Cobb	18.700	-	18.700
Cherokee	16.450	1.500	17.950
Douglas	18.900	0.500	19.400
Bartow	17.430		17.430
Average	17.870	0.667	18.370

Source: 2024 Millage Rate Hearings

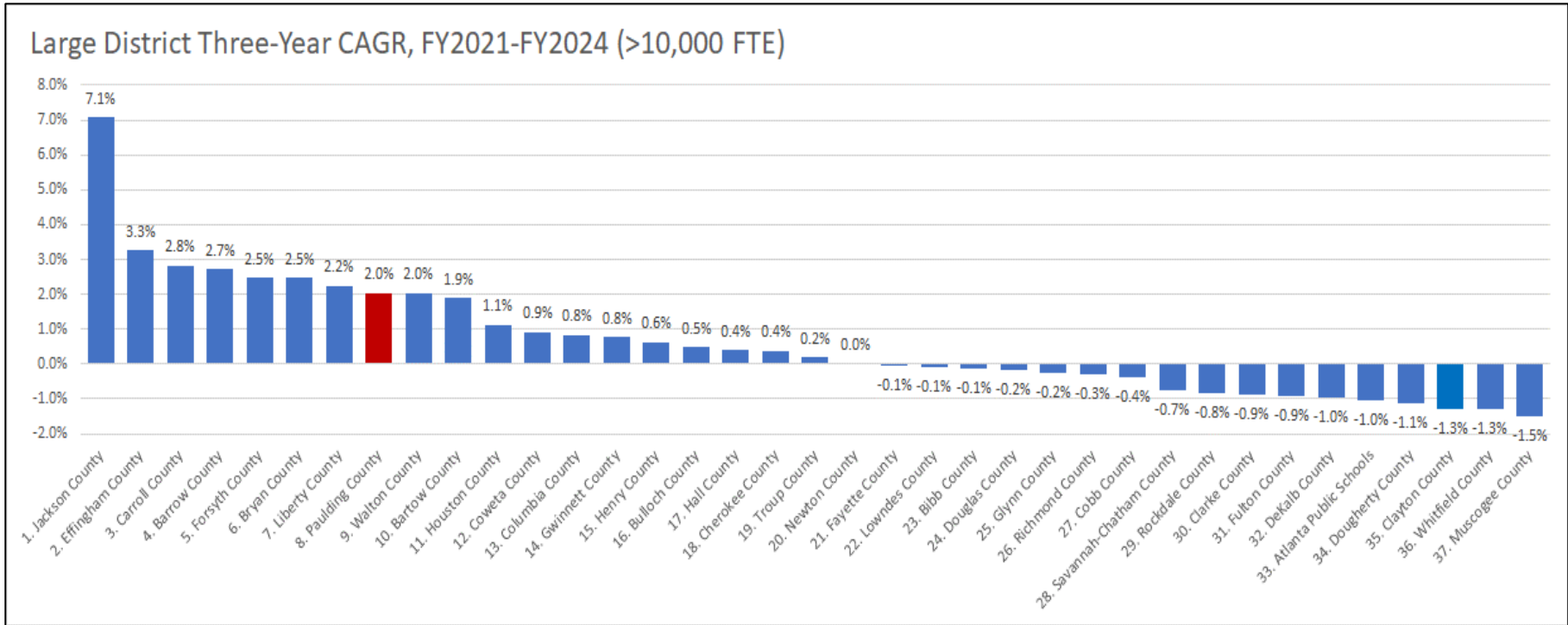
Residential % Comparisons



PCSD ranked highest in residential digest percentage among large districts, while maintaining a comparable millage rate to the average (2023 Comparison).

Source: 2024
Millage Rate
Hearings

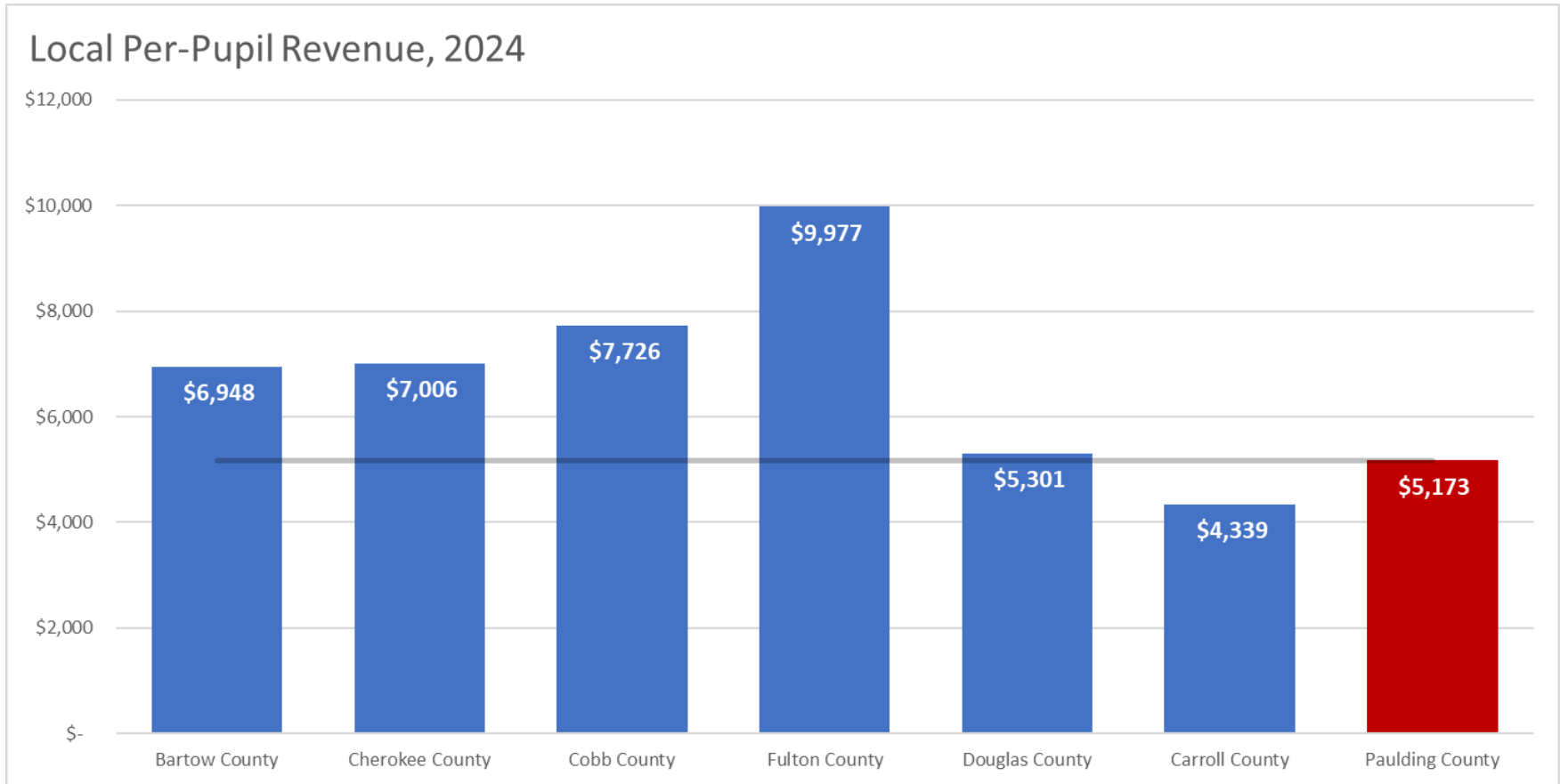
Enrollment Growth Comparisons



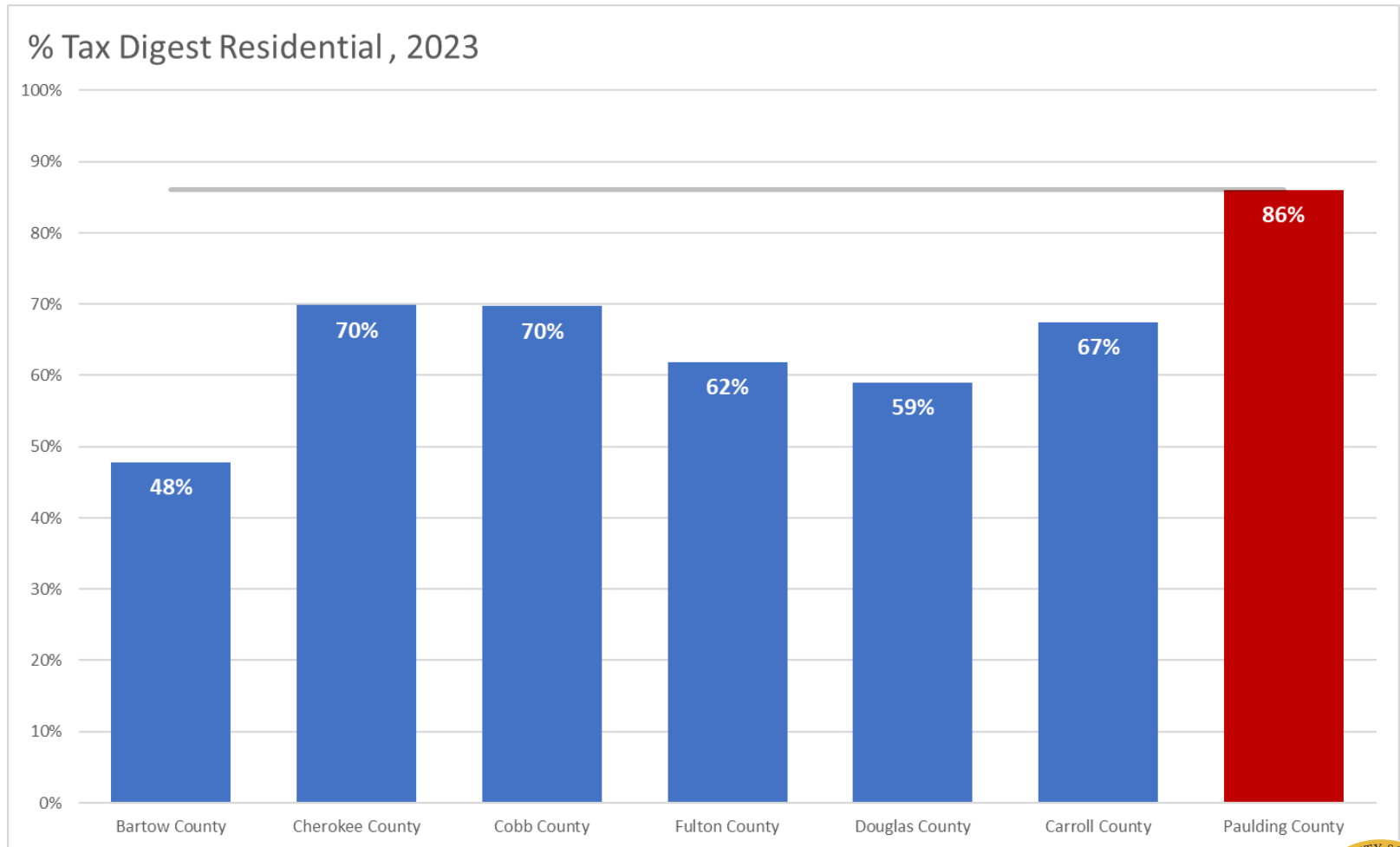
PCSD is the eleventh largest of the 180 school districts in Georgia. With a 3-year annual growth rate of 2.0%, PCSD is the eighth fastest growing large school district in Georgia.

Source: 2024 Millage Rate Hearings

Local Comparable Districts



Local Comparable Districts



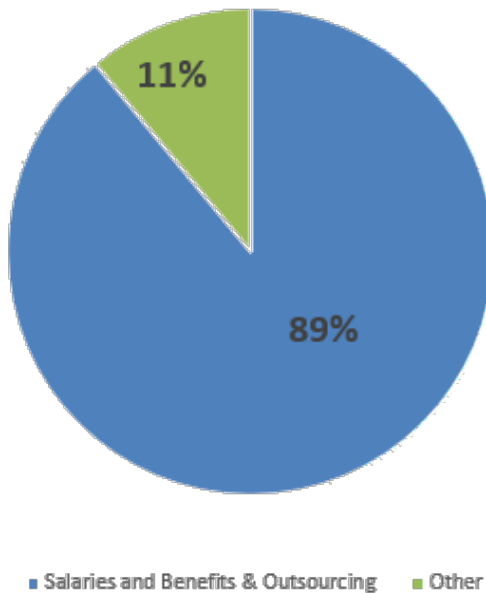
Estimated Financial Impact

Local Revenue:

- ✓ PCSD collects \$0.90 for every \$1.00 in total revenue per student statewide and \$0.74 for every \$1.00 in local revenue per student statewide (on average).
- ✓ The actual long-term impact of the SFHE in HB 581 has not been determined
 - FY2019-24 Estimate: -\$7.7 million average annually or -\$38.3m cumulative
 - FY2025-30 Projection: -\$4.8 million average annually or \$23.9m cumulative*
- ✓ Impairs our ability to recover from future recessions, other market adjustments, or state-level funding deficiencies (Great Recession)
 - FY2013-25 Estimate: -\$5.5 million average annually or \$60.4m cumulative
- ✓ The actual long-term impact to the housing market is also unknown.
 - Market distortions will occur as a longtime property owner could be paying much lower property tax compared to their neighbor, who recently purchased their home. This makes it less advantageous for homeowners to sell and purchase new homes since the tax value reset upon a purchase.

*Estimated using 6.7% Growth & 2.8% CPI, allotments referenced are teacher allotments
Source: GaDOE School System Revenue/Expenditures Report as of FY2023

Expenditures Example



Expenditures	FY24 Budget	FY25 Budget	Change	%
Salaries & Benefits	\$ 353.4	\$ 384.5	\$ 31.1	8.8%
Professional Services	\$ 6.6	\$ 6.8	\$ 0.2	3.0%
Utilities	\$ 6.7	\$ 7.2	\$ 0.5	7.5%
Vehicle Purchases	\$ 4.1	\$ 4.8	\$ 0.7	17.1%
Other	\$ 28.1	\$ 28.7	\$ 0.6	2.1%
	\$ 45.4	\$ 47.5	\$ 2.0	4.4%
	\$ 398.8	\$ 432.0	\$ 33.1	8.3%

Expenditures	FY24 Budget	FY25 Budget	Change	%
Adjusted Salaries & Benefits	\$ 353.4	\$ 378.4	\$ 25.0	7.1%
Professional Services	\$ 6.6	\$ 6.8	\$ 0.2	3.0%
Utilities	\$ 6.7	\$ 7.2	\$ 0.5	7.5%
Vehicle Purchases	\$ 4.1	\$ 4.8	\$ 0.7	17.1%
Other	\$ (17.4)	\$ (18.8)	\$ (1.4)	8.0%
	\$ (0.1)	\$ -	\$ (0.0)	0.0%
	\$ 353.3	\$ 378.4	\$ 25.0	7.1%

Adjusted to remove all allotment increases

Spending Comparisons & Trends

DOAA Special Examination: School System Spending

Expense	State Average	PCSD
Instruction Growth (FY19-23)	25%	35%
Instruction % of Total (FY23)	55%	65%
Administrative Allocation (FY23)		
Central Office	45%	31%
School Based	55%	69%
Admin % of Expend (FY19/FY23)	10%	8% / 8%
Central Office	4% / 4%	2% / 2%
School Based	6% / 6%	6% / 5%
Administrative Growth (FY19-23)*	7%	7%
Central Office	9%	16%
School Based	4%	4%
Inflation (DOAA)	4%	4%

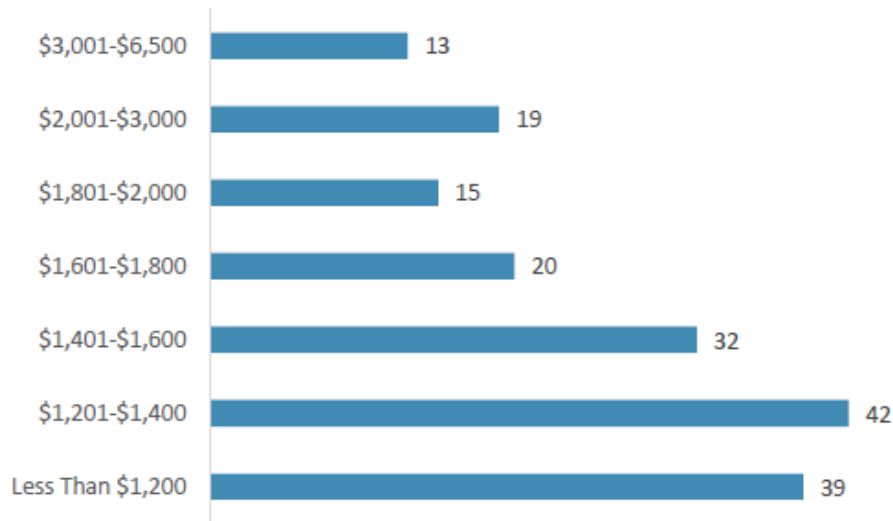
*CAGR

Administrative Spending per Pupil

DOAA Special Examination: School System Spending

Exhibit 7

Most systems' administrative per pupil expenditures were less than \$1,600 (FY 2023)



Only 22% of school districts statewide were less than \$1,200 in Administrative Expenditures per Pupil
PCSD was \$998 per Pupil

Expenditure Allocation

