



School Finance Dollars and Sense

Aspiring Principals

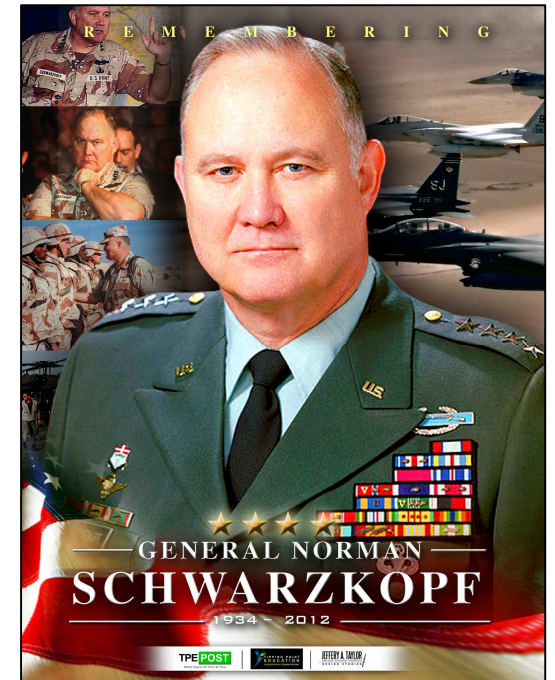


JANUARY 27, 2019



“Stormin’” Norman Swarzkopf, Jr.

- ▶ *“When placed in command, take charge and do the right thing.”*





Yours Truly

▶ *“To achieve success in love, life and vocation, always do more than is expected of you.”*

Basic Principle of Economics

- ▶ We all deal with scarce resources:
 - ▶ Money
 - ▶ Time



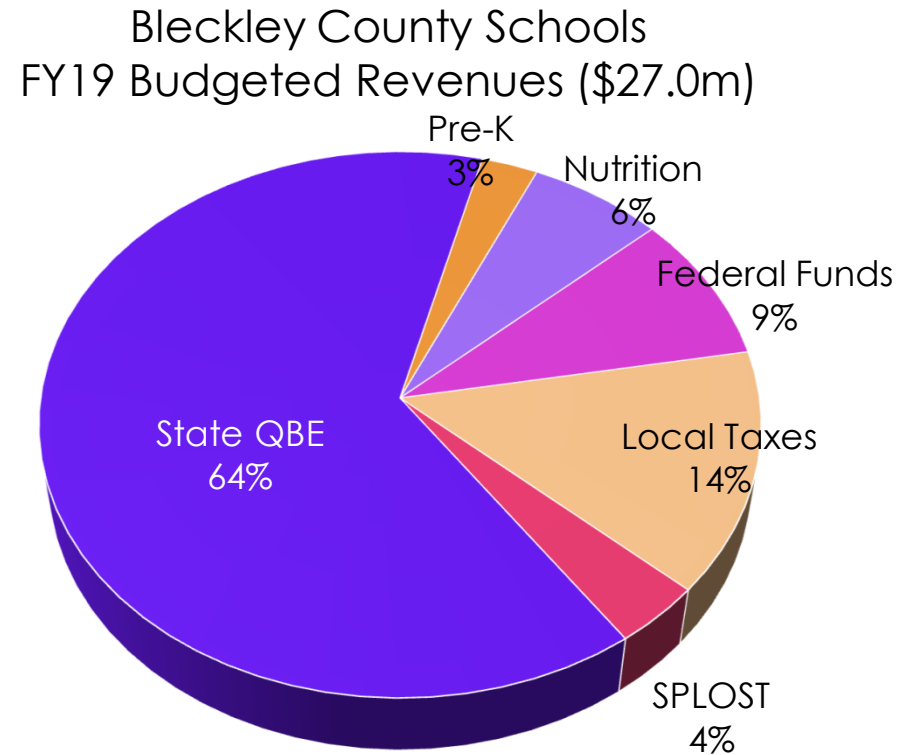
Our Perishable Product:

- ▶ The School Year:
 - ▶ 180 Days to Make a Difference



The View from 30,000 Feet

► Get with your neighbor: What are the major sources of **revenue** for school systems?





The View from 30,000 Feet

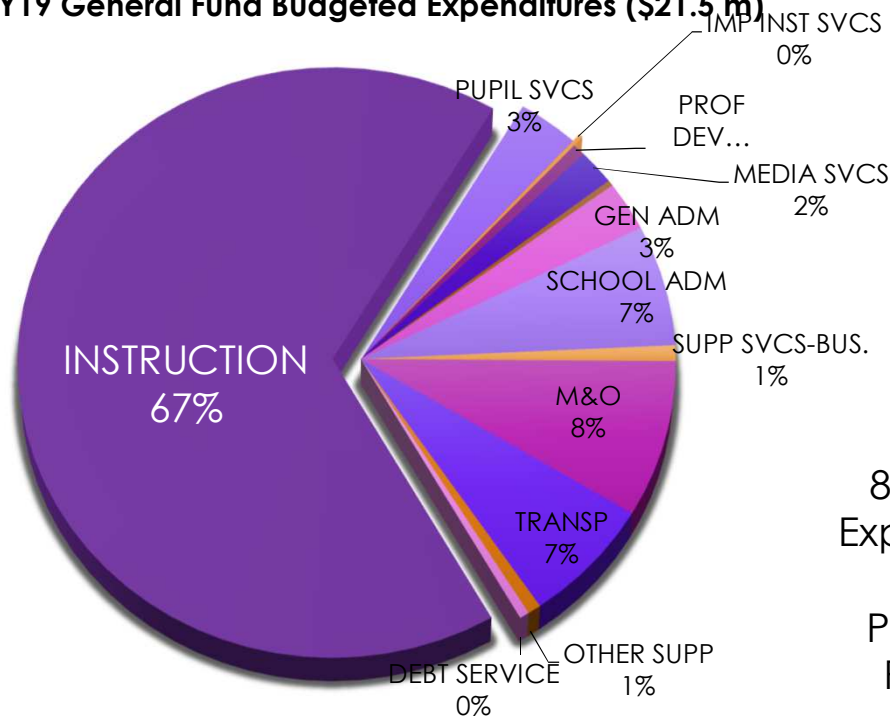
- ▶ Get with your neighbor: What are the major **expenditures** that school systems incur?

FY19 General Fund Budget

Both Charts Depict Same Information with Different Representation

Bleckley County Schools

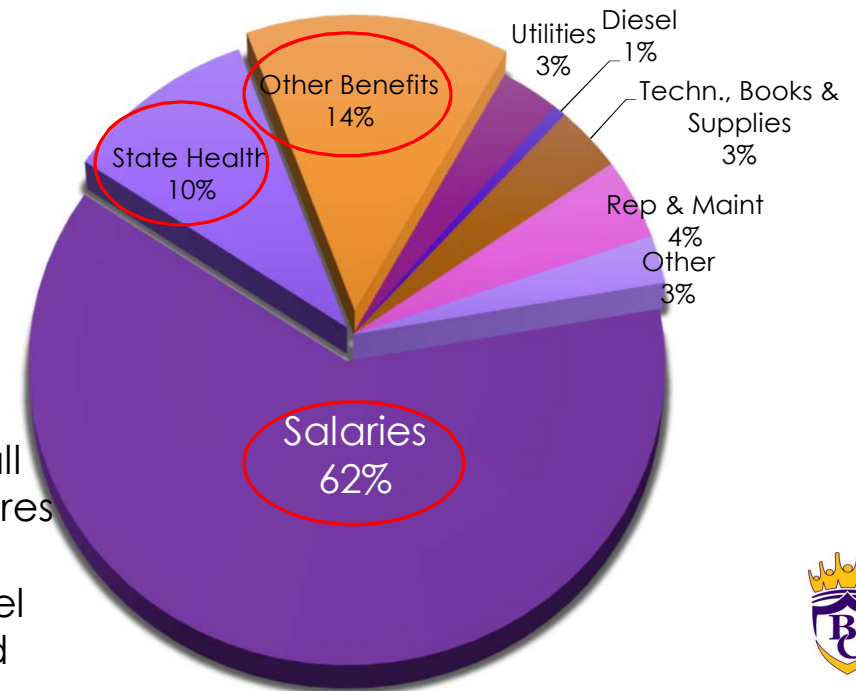
FY19 General Fund Budgeted Expenditures (\$21.5 m)



Bleckley County Schools

FY19 General Fund Budgeted Expenditures (\$21.5 m)

86% of all
Expenditures
Are
Personnel
Related



The View from 30,000 Feet

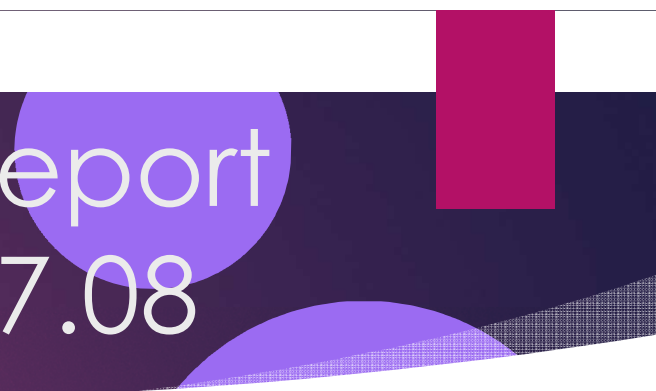
► If we expect to spend \$24.3 million this year, and our enrollment is 2,513, how much will we spend per child?

$$\$24,253,709 / 2,513 = \$9,651.30 \text{ per student}$$

How does this compare to other districts?

The View from 30,000 Feet

- ▶ How does this compare to other districts?
- ▶ Go to gadoe.org
 - ▶ Click on Finance & Operations, then Budget
 - ▶ Click on School System Financial Reports
 - ▶ Select the most recent year: 2017
 - ▶ Click on Expenditure Report
 - ▶ State Average = \$9,581.20 in FY17
 - ▶ Bleckley was \$9,497.96 in FY16



FY17 Expenditure Report

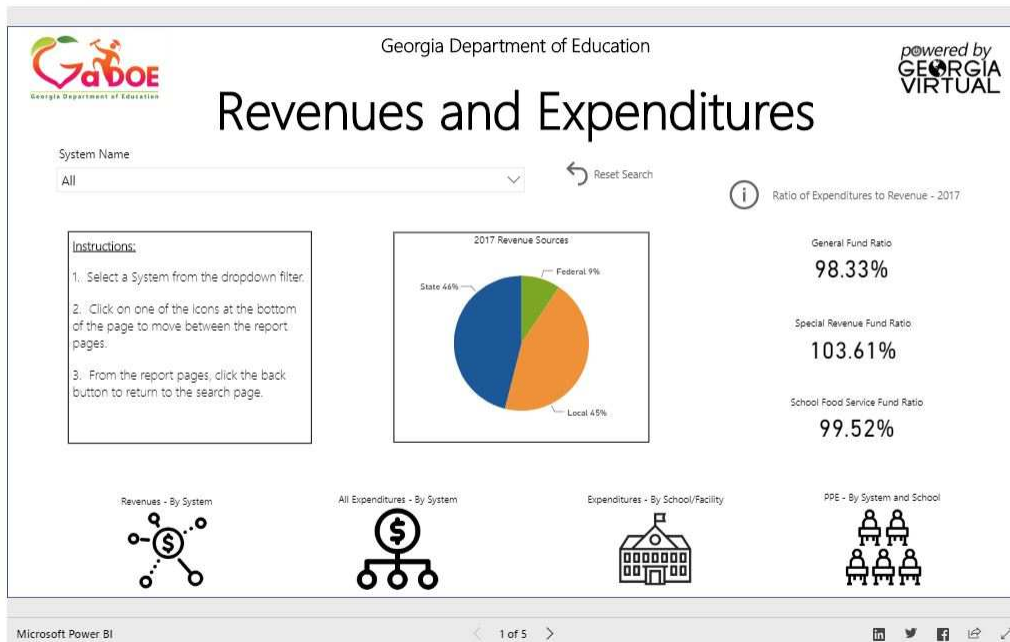
State Avg = \$9,417.08

- ▶ Highest: Taliaferro \$26,718.64
- ▶ Lowest: Jefferson City
\$7,263.42
- ▶ Median: \$9,477.95 (Griffin-Spalding)

New School System Financial Information DOE Site

<http://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/School-System-Financial-Information.aspx>

School System Financial Information



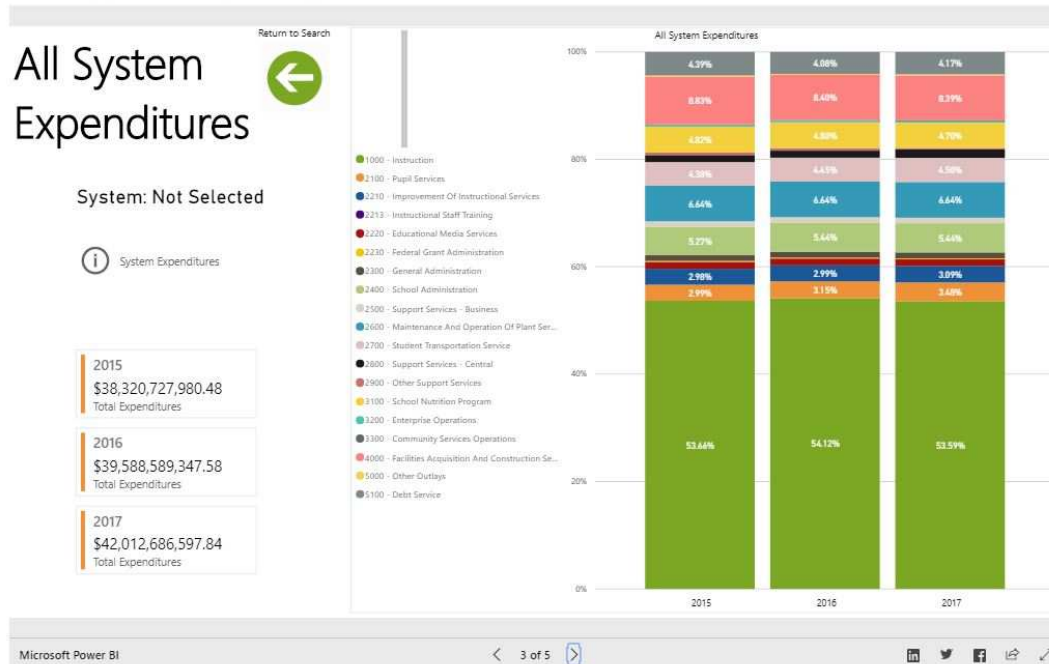
School System Financial Information



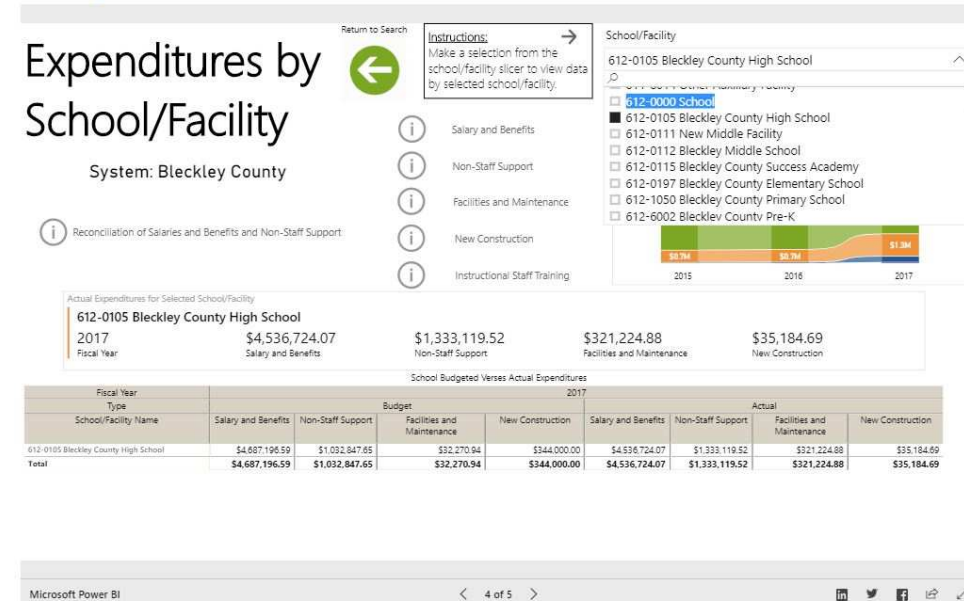
New School System Financial Information DOE Site

<http://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/School-System-Financial-Information.aspx>

School System Financial Information



School System Financial Information





Why Does This Matter?

- ▶ Financial Efficiency Star Rating
 - ▶ PPE 3-Year Avg Ranked %-ile
 - ▶ CCRPI 3-Year Avg on Matrix

Financial Efficiency Star Rating

► Was located on Financial Review Site

► <http://www.gadoe.org/Finance-and-Business-Operations/Financial-Review/Pages/default.aspx>

► Now located in CCRPI Reports

► <http://www.gadoe.org/CCRPI/Pages/default.aspx>





College and Career Ready
Performance Index (CCRPI)



Richard Woods
Georgia's School Superintendent

2017 College and Career Ready Performance Index (CCRPI)

District:

Bleckley County - 612

School:

All Schools - ALL

Choose a Report Type:

☐ System

☐ Elementary School

☐ Middle School

☒ High School

CCRPI Score

Achievement

Progress

Achievement Gap

ED/EL/SWD Performance

Exceeding the Bar

Performance Flags

Financial Efficiency

School Climate

CCRPI Score

85.1

Sum of Achievement, Progress, Achievement Gap, and Challenge Points

Achievement Points	Progress Points	Achievement Gap Points	Challenge Points		Financial Efficiency Rating	School Climate Rating
			ED/EL/SWD Performance Points	Exceeding the Bar Points		
39.2	36.3	6.7	2.9	0	★★★★	NA

Legend:

Achievement: Utilizes All Indicators

Progress: Utilizes Student Growth Percentiles (SGPs)

Achievement Gap: Utilizes Lowest Quartile Scale Scores

Challenge Points: ED/EL/SWD Performance Points + Exceeding the Bar Points (not to exceed 10 points)

N: No

Y: Yes

0: 0% of students met the indicator criteria

NA: Indicator is not applicable OR data are not available

Too Few: Information is not reported on student groups with fewer than 15



2018 College and Career Ready Performance Index (CCRPI)

Bleckley County

Search by district, school, or zip code

[Additional Resources](#)

SELECT A REPORT TYPE

ALL ELEMENTARY MIDDLE HIGH

OVERALL DISTRICT SCORE

84.5

[OVERVIEW](#) [FINANCIAL EFFICIENCY](#)

Financial Efficiency



WHAT IS FINANCIAL EFFICIENCY?

The Financial Efficiency Star Rating provides a comparison of per-student spending and overall student performance. A five-star rating represents strong student outcomes with lower levels of expenditures (proportionate to district size) in comparison with other districts. Click [here](#) to learn more about Financial Efficiency.

HOW DID THE DISTRICT PERFORM ON FINANCIAL EFFICIENCY?

FINANCIAL STAR RATING
PERCENTILE
AVERAGE PER PUPIL EXPENDITURE



HOW DID DISTRICT SPENDING PER PUPIL COMPARE TO THE STATE?

DISTRICT AVERAGE PER PUPIL EXPENDITURE
STATE AVERAGE PER PUPIL EXPENDITURE

WHAT WAS THE AVERAGE PER PUPIL EXPENDITURE PERCENTILE OVER THE PAST THREE YEARS?

2016

2017

2018



(Percentile)

(Percentile)

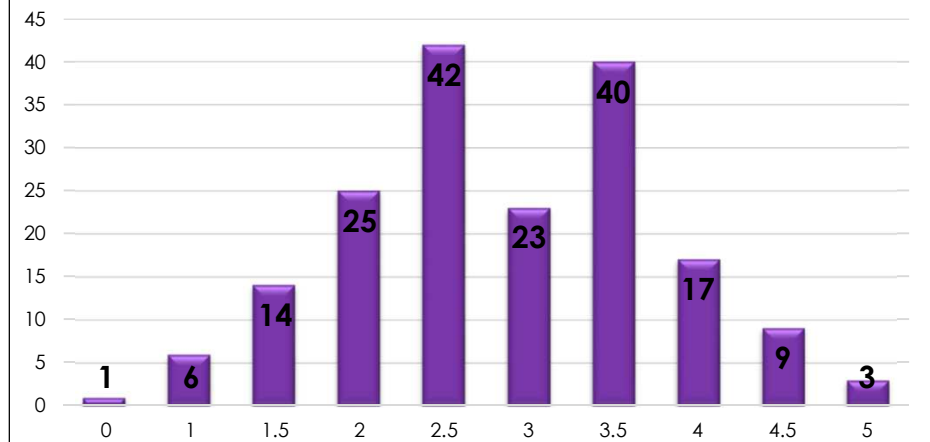
(Percentile)

FESR (Financial Efficiency Star Rating)

FESR Matrix

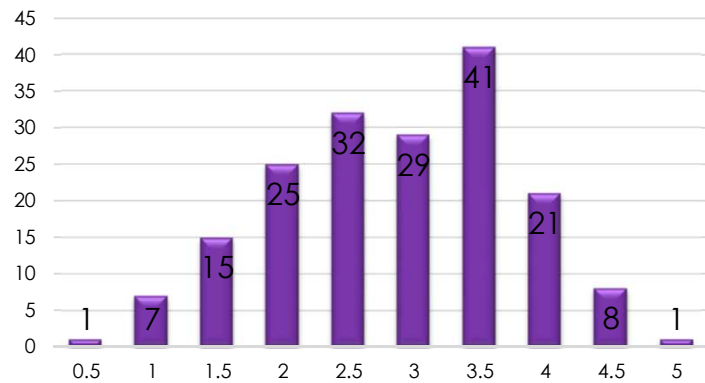
Percentile of Avg PPE	CCRPI 3-Year Average					
	< 50	50-59.9	60-69.9	70-79.9	80-89.9	90+
80-100 (High Spending)	0.5	1	1.5	2	2.5	3
60-79	1	1.5	2	2.5	3	3.5
40-59	1.5	2	2.5	3	3.5	4
20-39	2	2.5	3	3.5	4	4.5
0-19 (Low Spending)	2.5	3	3.5	4	4.5	5

Statewide Distribution of FESR - FY18

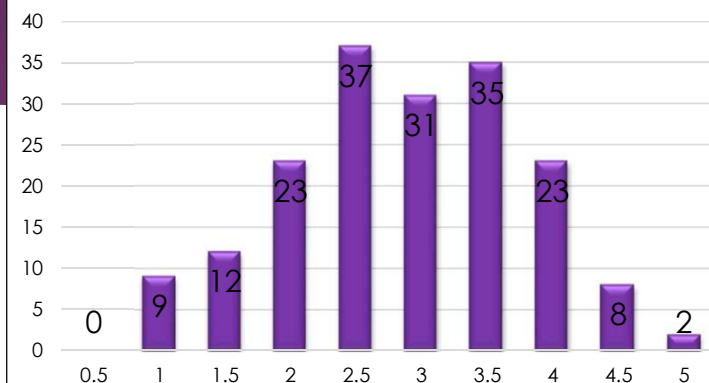


FESR (Financial Efficiency Star Rating)

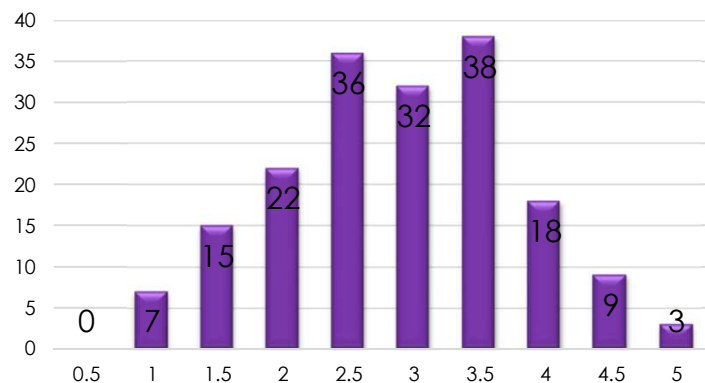
Statewide Distribution of FESR - FY15



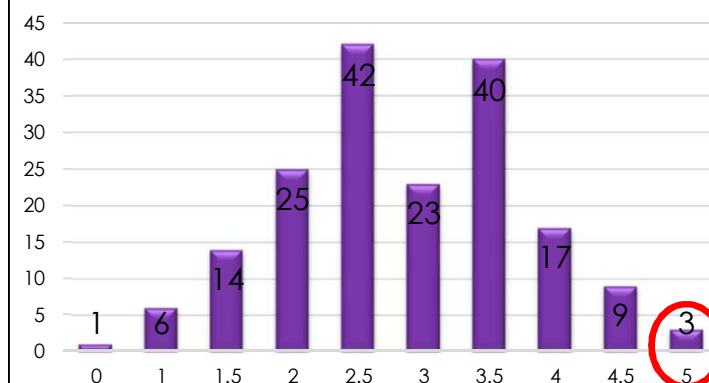
Statewide Distribution of FESR - FY16



Statewide Distribution of FESR - FY17



Statewide Distribution of FESR - FY18












Kudos to:
Forsyth Co.
Oconee Co.
Jefferson City
**Only 3 Districts
with FESR of 5.0**

School Climate Rating

School	2018	2017
BCPS	4-Star 	4-Star 
BCES	4-Star 	4-Star 
BCMS	5-Star 	5-Star 
BCHS	5-Star 	4-Star 
BCSA	3-Star 	1-Star 

Financial Efficiency Star Rating (FESR)

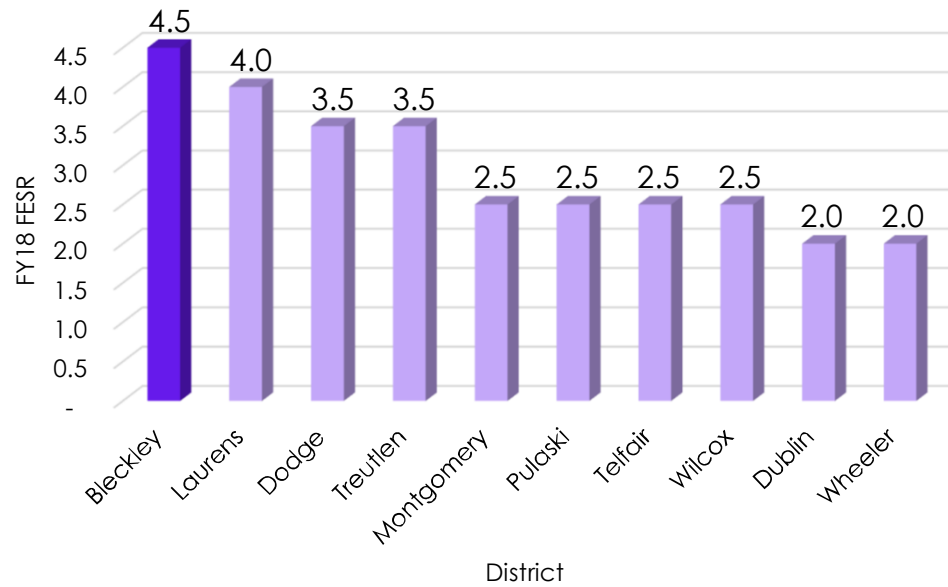
School	2018	2017
District	4.5 	4.0 
BCPS	NA	NA
BCES	4.5 	4.5 
BCMS	3.5 	3.5 
BCHS	4.0 	4.0 
BCSA	1.5 	1.5 

Financial Efficiency Star Rating (FESR)

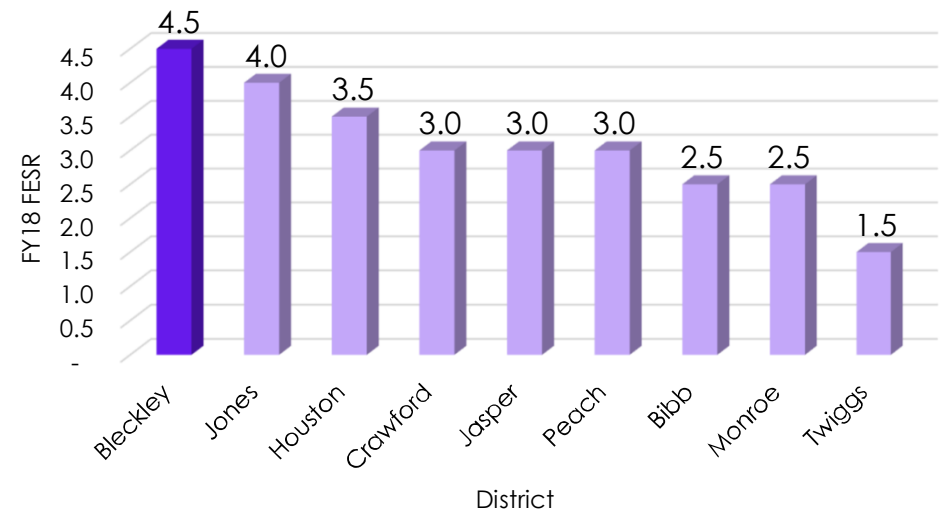
Bleckley County Schools - FESR - FY18						
	Expenditures	FTE	PPE	CCRPI		
FY18	19,530,170	2,365	8,528	84.5		
FY17	20,038,695	2,355	8,509	86.5		
FY16	18,839,501	2,357	7,993	83.7		
		3 Yr Avg PPE %-ile	8,343 18	84.9		
FESR Matrix						
Percentile of Average PPE	<50	50-59.9	60-69.9	70-79.9	80-89.9	90+
80-100 (High Spending)	0.5	1.0	1.5	2.0	2.5	3.0
60-79	1.0	1.5	2.0	2.5	3.0	3.5
40-59	1.5	2.0	2.5	3.0	3.5	4.0
20-39	2.0	2.5	3.0	3.5	4.0	4.5
0-19 (Low Spending)	2.5	3.0	3.5	4.0	4.5	5.0

School	2018	2017
District	4.5 ★★★★★	4.0 ★★★★★
BCPS	NA	NA
BCES	4.5 ★★★★★	4.5 ★★★★★
BCMS	3.5 ★★★★	3.5 ★★★★
BCHS	4.0 ★★★★★	4.0 ★★★★★
BCSA	1.5 ★★	1.5 ★★

FY18 Financial Efficiency Star Rating
HGRESA Districts

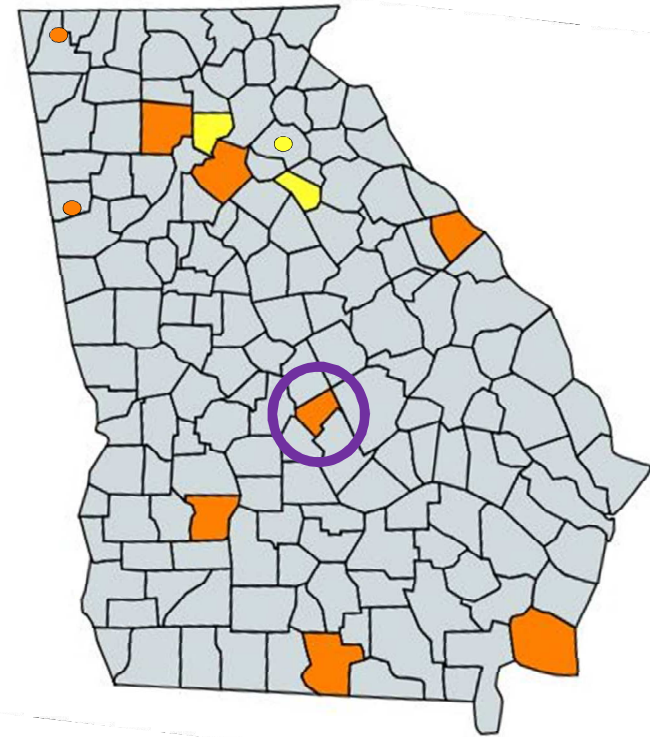


FY18 Financial Efficiency Star Rating
MGRESA Districts + Bleckley



FY18 Financial Efficiency Star Rating (FESR)

District FY18 FESR:	
■ Forsyth County	5.0
■ Jefferson City	5.0
■ Oconee County	5.0
■ Bleckley Co.	4.5
■ Bremen City	4.5
■ Camden Co.	4.5
■ Cherokee Co.	4.5
■ Chickamauga City	4.5
■ Columbia Co.	4.5
■ Gwinnett Co.	4.5
■ Lee Co.	4.5
■ Lowndes Co.	4.5
■ 17 Districts	4.0
■ 40 Districts	3.5
■ 23 Districts	3.0
■ 42 Districts	2.5
■ 25 Districts	2.0
■ 14 Districts	1.5
■ 6 Districts	1.0
■ 1 Non-Compliant	



Created with mapchart.net ©

Bleckley County Schools - FESR - FY17

	Expenditures	FTE	PPE	CCRPI
FY17	20,039,462	2,355	8,509	86.5
FY16	18,839,074	2,357	7,993	83.7
FY15	18,020,089	2,312	7,794	84.6

3 Yr Avg
PPE %-ile

8,099
23

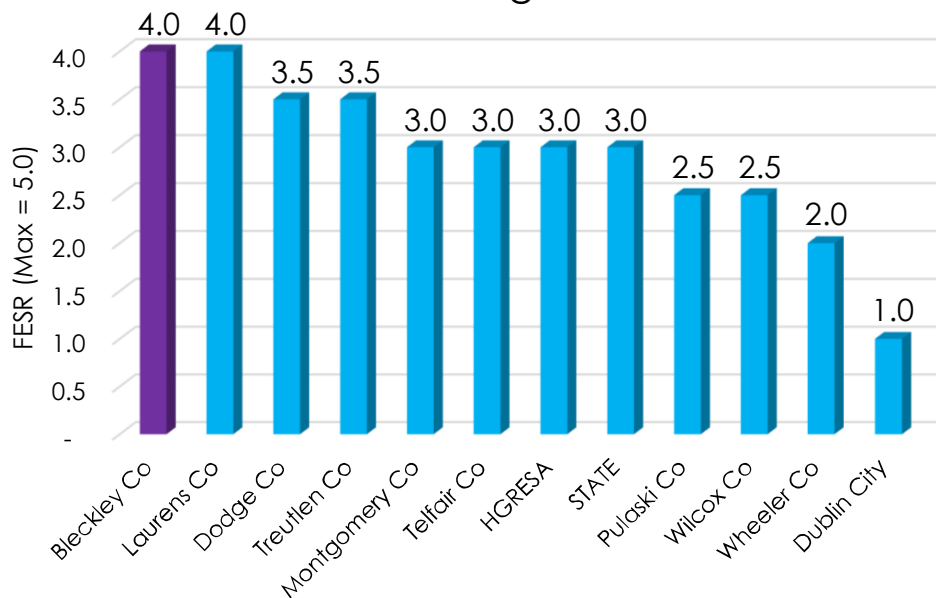
84.9

FESR Matrix

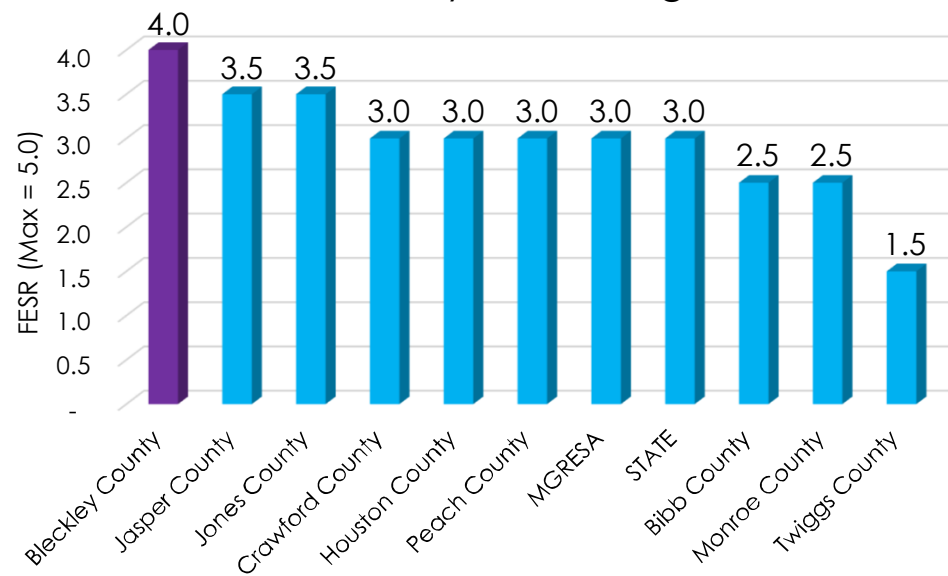
Percentile of Average PPE	<50	50-59.9	60-69.9	70-79.9	80-89.9	90+
80-100 (High Spending)	0.5	1.0	1.5	2.0	2.5	3.0
60-79	1.0	1.5	2.0	2.5	3.0	3.5
40-59	1.5	2.0	2.5	3.0	3.5	4.0
20-39	2.0	2.5	3.0	3.5	4.0	4.5
0-19 (Low Spending)	2.5	3.0	3.5	4.0	4.5	5.0



HGRESA - FY17 Financial Efficiency Star Rating



Bleckley & MGRESA - FY17 Financial Efficiency Star Rating



FESR & ESSA



FEATURE

ESSA reporting requirements will reveal spending disparities within districts

The new requirements will also give districts a powerful tool for improvement

NEWSLETTER SIGNUP

☐ Ed Dive: Higher Ed

Higher Ed policy, technology, online learning, MOOCs, for-profit news and much more.

DAILY

☒ Ed Dive: K12

DAILY

Enter your work email

 SIGN UP

We care about [your privacy](#).

MOST POPULAR

ESSA reporting requirements will reveal spending disparities within districts

Nov. 01

Beginning December 2017 (FY18), all schools receiving Title I dollars will be required to report expenditures per student at the school level.

Douglas County SS - FESR - FY17

	Expenditures	FTE	PPE	CCRPI
FY17	220,429,315	26,049	8,462	73.2
FY16	212,890,257	25,756	8,266	77.6
FY15	199,377,187	25,676	7,765	78.3

3 Yr Avg PPE %ile 8,164 76.4 26

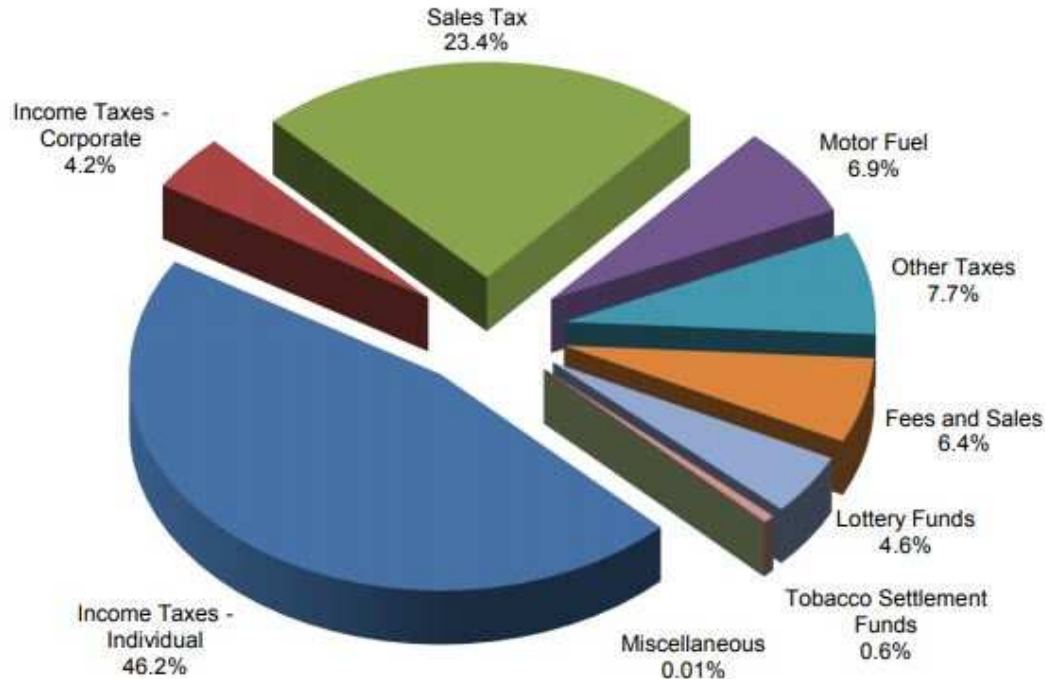
FESR Matrix

Percentile of Average PPE	<50	50-59.9	60-69.9	70-79.9	80-89.9	90+
80-100 (High Spending)	0.5	1.0	1.5	2.0	2.5	3.0
60-79	1.0	1.5	2.0	2.5	3.0	3.5
40-59	1.5	2.0	2.5	3.0	3.5	4.0
20-39	2.0	2.5	3.0	3.5	4.0	4.5
0-19 (Low Spending)	2.5	3.0	3.5	4.0	4.5	5.0

Annette Winn ES	3.0
Arbor Station ES	3.5
Beulah ES	1.5
Bill Arp ES	3.0
Bright Star ES	2.0
Burnett ES	1.5
Chapel Hill ES	4.0
Dorsett Shoals ES	2.5
Eastside ES	3.0
Factory Shoals ES	2.5
Holly Springs ES	4.5
Lithia Springs ES	2.5
Mason Creek ES	3.0
Mirror Lake ES	3.0
Mount Carmel ES	3.0
New Manchester ES	2.5
North Douglas ES	3.0
South Douglas ES	4.0
Sweetwater ES	2.0
Winston ES	4.0
Chapel Hill MS	4.5
Chestnut Log MS	3.0
Factory Shoals MS	3.0
Fairplay MS	3.5
Mason Creek MS	3.0
Stewart MS	2.5
Turner MS	3.0
Yeager MS	2.5
Alexander HS	4.5
Chapel Hill HS	4.5
Douglas County HS	4.5
Lithia Springs Comprehensive HS	4.0
New Manchester HS	4.0
Brighten Academy	4.5

FY19 State Revenues (\$26.2B)

<http://budgetnet.opb.georgia.gov/MainMenu.aspx>



Note: Numbers may not add precisely due to rounding.

- ▶ Although Corporate Income Tax appears to be a small number, 4.2% of a \$26.2B budget still amounts to \$1,102,979,000.

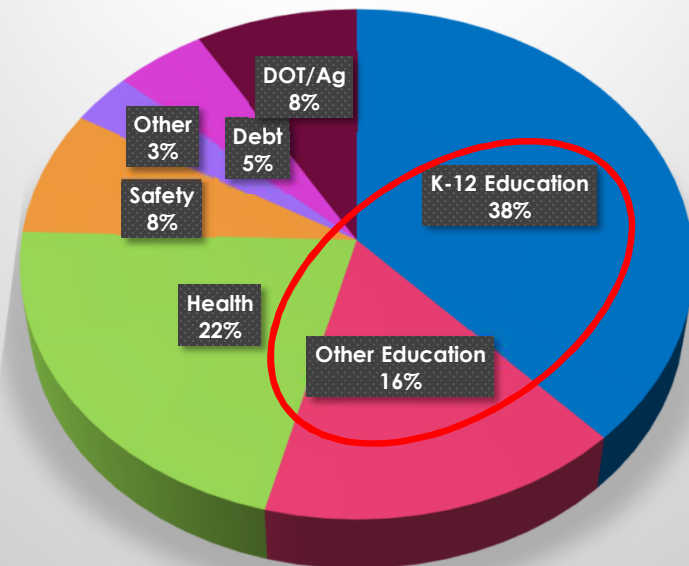
Georgia's Budget

<http://budgetnet.opb.georgia.gov/MainMenu.aspx>

Georgia General Fund Budget - FY19 - \$26.2B

54% of the General Fund Budget Relates to Education

	FY17	FY18	FY19
K-12 Education	8,911,091,964	9,426,810,090	9,946,846,029
Other Ed.	3,716,445,497	3,975,324,639	4,202,140,876
Health	5,160,821,363	5,285,167,904	5,636,462,198
Safety	1,922,891,290	2,050,765,137	2,076,685,505
Other	815,935,441	844,996,400	861,533,807
Debt	1,202,844,214	1,213,323,164	1,246,512,444
DOT/Ag	2,009,240,469	2,200,963,901	2,228,744,174
Total	\$23,739,270,238	\$24,997,351,235	\$26,198,925,033

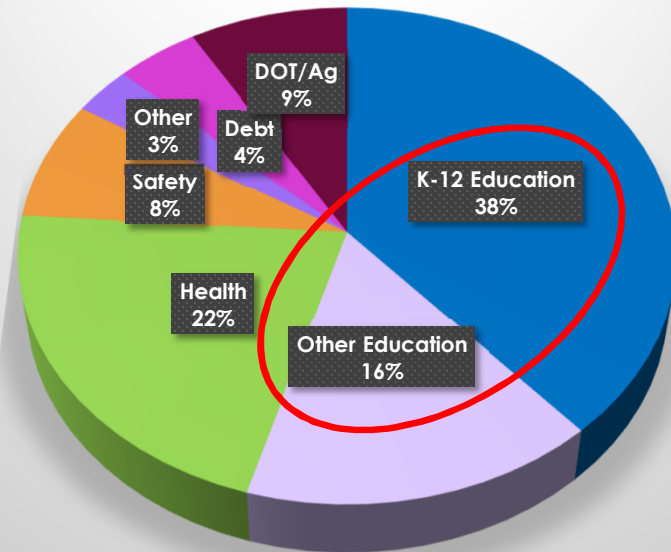


Georgia's Budget

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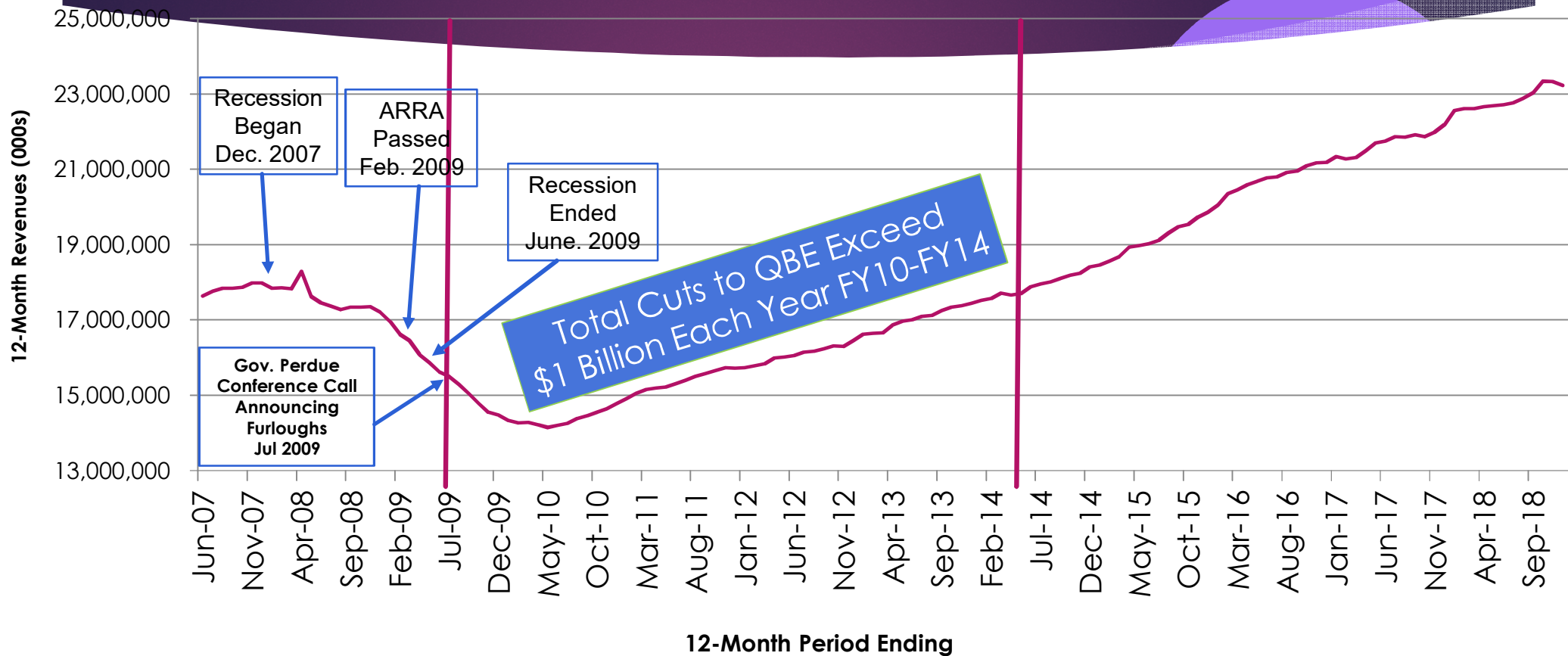
Georgia General Fund Budget - FY20 - \$27.5B

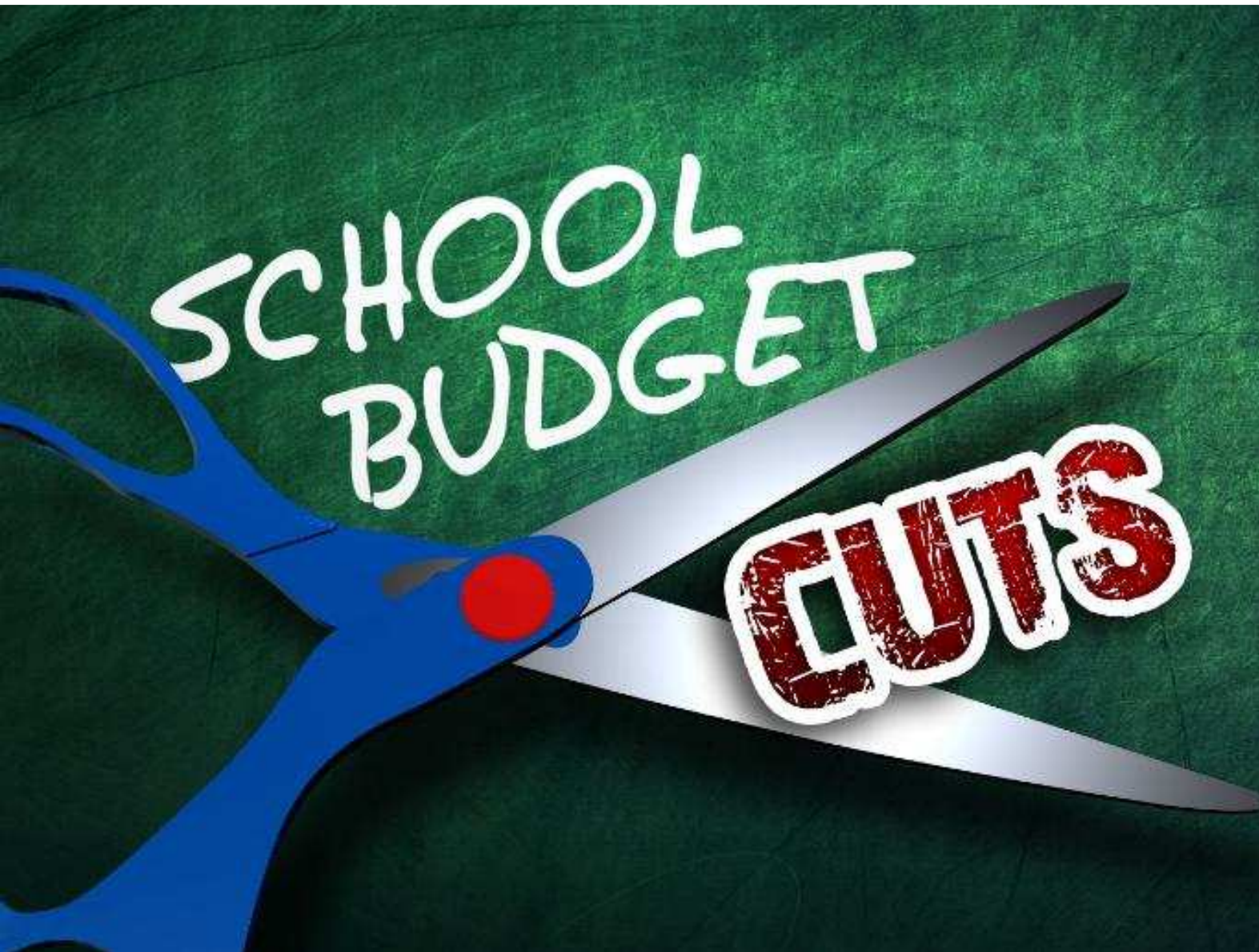
54% of the General Fund Budget Relates to Education



	FY18	FY19	FY20
K-12 Education	9,426,810,090	9,946,846,029	10,595,998,888
Other Ed.	3,975,324,639	4,202,140,876	4,410,968,691
Health	5,285,167,904	5,636,462,198	5,952,285,386
Safety	2,050,765,137	2,076,685,505	2,132,609,972
Other	844,996,400	861,533,807	877,389,738
Debt	1,213,323,164	1,246,512,444	1,228,896,291
DOT/Ag	2,200,963,901	2,228,744,174	2,346,420,361
Total	\$24,997,351,235	\$26,198,925,033	\$27,544,569,129

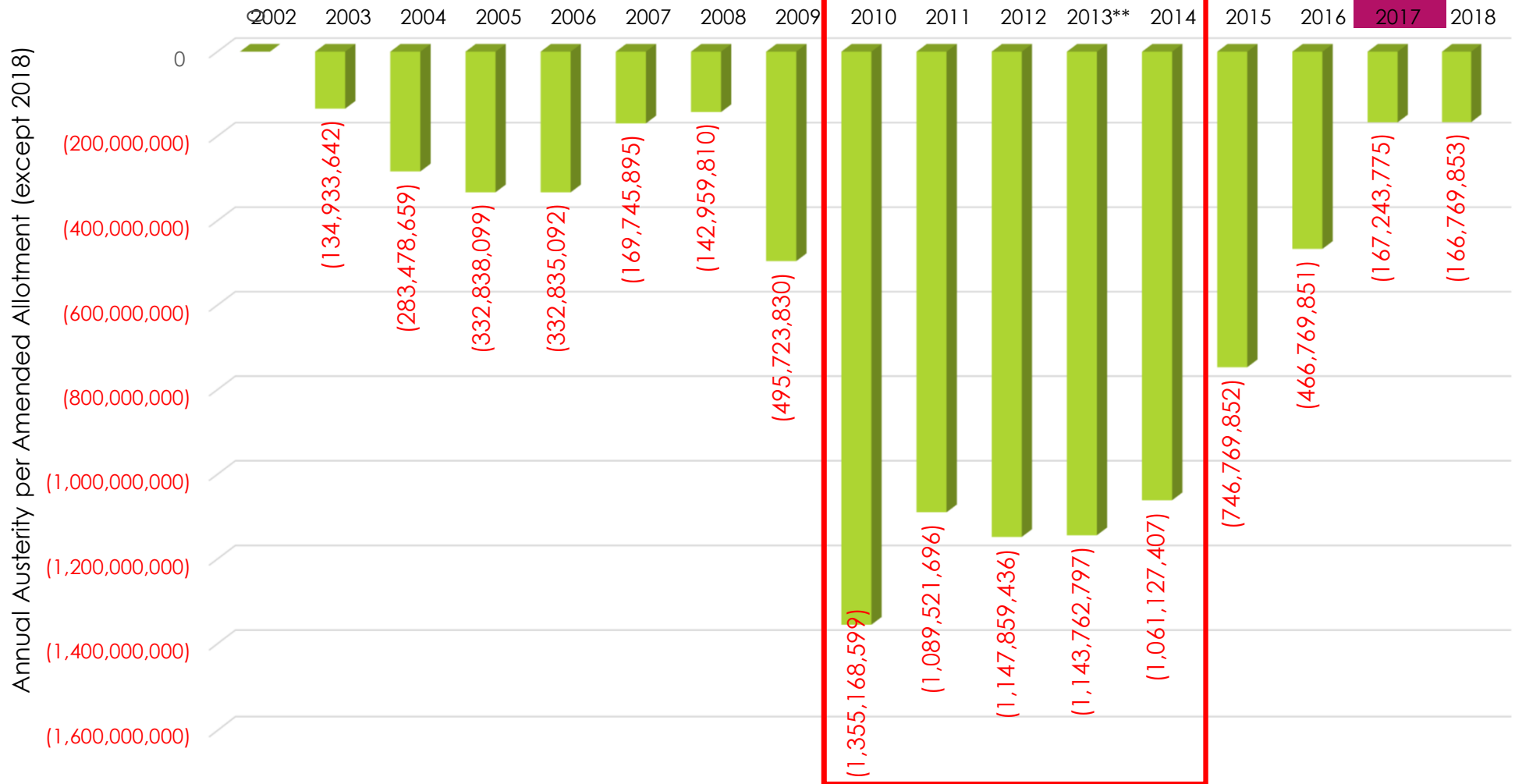
Georgia Actual Receipts 12-Month Moving General Fund Revenues





During good times and bad, school funding has been cut.

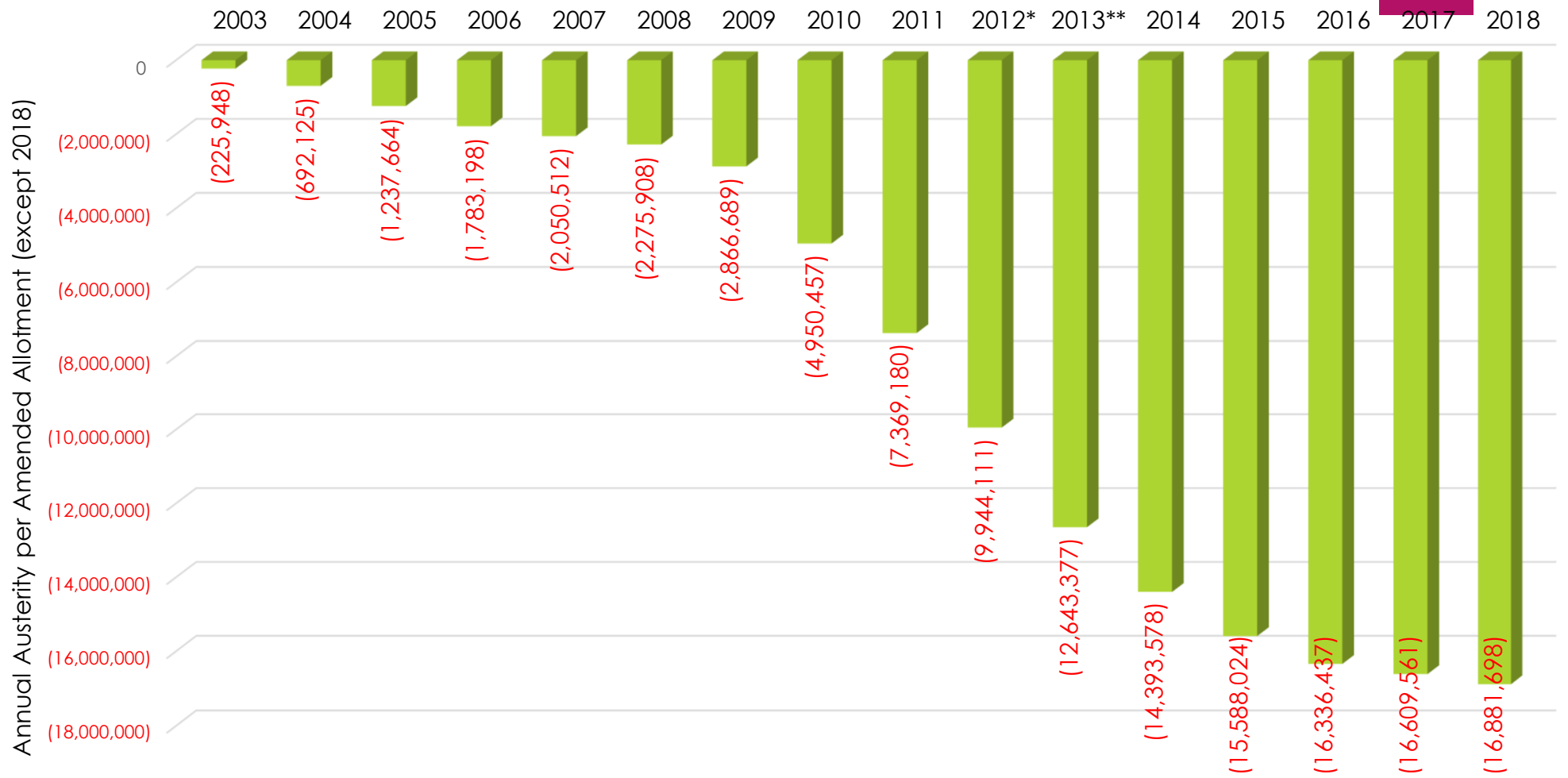
State of Georgia Historical Austerity Amounts



Bleckley County Schools Historical Austerity Amounts



Bleckley County Schools Cumulative Austerity Amounts



Why Is Austerity A 4-Letter Word?

- ▶ Wealthier Districts Are Hurt Less by Austerity than Poorer Districts.
- ▶ How Do You Define Wealth?
- ▶ The State Defines Wealth as Total Digest / Weighted FTE
- ▶ Maybe a better definition should include taxing capacity?

2012 Austerity Expressed in Mills:
Bleckley: $\$2,397,793 / \$263,658 =$

9.1 Mills

Decatur: $\$1,912,924 / \$1,188,905 =$

1.6 Mills

2018 Austerity Expressed in Mills:
Bleckley: $\$272,137 / \$242,323 =$

1.1 Mills

Decatur: $\$502,018 / \$1,675,575 =$

0.3 Mills

PT32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES - 2017				
COUNTY	Bleckley	TAXING JURISDICTION	School	
INFORMATION FOR THE SHADED PORTIONS OF THIS SECTION MUST BE ENTERED				
This information will be the actual values and millage rates certified to the Department of Revenue for the applicable tax years.				
DESCRIPTION	2016 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2017 DIGEST
REAL	256,770,221	290,342	1,522,525	258,583,088
PERSONAL	13,883,709		-1,021,713	12,861,996
MOTOR VEHICLES	17,037,320		-3,987,280	13,050,040
MOBILE HOMES	4,193,174		249,386	4,442,560
TIMBER -100%	2,384,965		-678,653	1,706,312
HEAVY DUTY EQUIP	55,981		-55,981	0
GROSS DIGEST	294,325,370	290,342	-3,971,716	290,643,996
EXEMPTIONS	50,044,923	36,762	-651,794	49,429,891
NET DIGEST	244,280,447	253,580	-3,319,922	241,214,105
FLPA Reimbursement Value	1,119,954		-11,239	1,108,715
Adjusted NET DIGEST	245,400,401	253,580	-3,331,161	242,322,820
	(PYD)	(RVA)	(NAG)	(CYD)
2016 MILLAGE RATE >>>	14.349	2017 PROPOSED MILLAGE RATE >>>		14.334
THIS SECTION WILL CALCULATE AUTOMATICALLY UPON ENTRY OF INFORMATION ABOVE				
DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA	
2016 Net Digest	PYD	245,400,401		
Net Value Added-Reassessment of Existing Real Property	RVA	253,580		
Other Net Changes to Taxable Digest	NAG	-3,331,161		
2017 Net Digest	CYD	242,322,820	(PYD+RVA+NAG)	
2016 Millage Rate	PYM	14.349		
Millage Equivalent of Reassessed Value Added	ME	0.015	(RVA/CYD) * PYM	
Rollback Millage Rate for 2017	RR	14.334	PYM - ME	
COMPUTATION OF PERCENTAGE INCREASE IN PROPERTY TAXES				
If the 2017 Proposed Millage Rate for this Taxing Jurisdiction exceeds Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. Section 48-5-32.1(c) (2)	Rollback Millage Rate	14.334		
	2017 Millage Rate	14.349		
	Percentage Increase	0.10%		

Because of the reduction in the tax digest, keeping the millage rate the same would result in LOWER taxes by \$47,795. Despite having lower tax revenue, had we kept the millage rate the same, we would have been forced to hold three hearings declaring a tax INCREASE!



Tax Digest & 5-Year History

NOTICE

The Bleckley County Board of Education does hereby announce that the millage rate will be set at a meeting to be held at the BOE Office at 242 E. Dykes Street on August 21, 2018 at 7:00 p.m. and pursuant to the requirements of O.C.G.A. Section 48-5-32 does 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.

CURRENT 2018 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

COUNTY SCHOOL	2013	2014	2015	2016	2017	2018
Real & Personal	266,596,503	265,658,997	270,752,415	270,653,930	271,445,084	273,686,995
Motor Vehicles	35,149,370	28,744,910	21,397,700	17,037,320	13,050,040	10,583,030
Mobile Homes	4,079,483	4,096,993	4,160,765	4,193,174	4,442,560	4,292,322
Timber - 100%	2,332,194	1,701,336	2,680,587	2,384,965	1,706,312	4,026,967
Heavy Duty Equipment				55,981	0	38,489
Gross Digest	308,157,550	300,202,236	298,991,467	294,325,370	290,643,996	292,627,803
Less M & O Exemptions	49,037,150	49,488,985	49,592,122	50,044,923	49,429,891	48,699,496
Net M & O Digest	259,120,400	250,713,251	249,399,345	244,280,447	241,214,105	243,928,307
State Forest Land Assistance Grant Value	988,157	1,058,888	1,046,033	1,119,954	1,108,715	1,175,868
Adjusted Net M&O Digest	260,108,557	251,772,139	250,445,378	245,400,401	242,322,820	245,104,175
State QBETax	5.000	5.000	5.000	5.000	5.000	5.000
Gross M&O Millage	7.258	9.250	9.349	9.349	9.349	9.334
Less Rollbacks (Add Increases)	(1.992)	(0.099)	0.000	0.000	0.015	0.048
Net M&O Millage	14.250	14.349	14.349	14.349	14.334	14.286
Total School Taxes Levied	\$3,706,547	\$3,612,678	\$3,593,641	\$3,521,250	\$3,473,455	\$3,501,558
Net Taxes \$ Increase		-\$93,869	-\$19,038	-\$72,390	-\$47,795	\$28,103
Net Taxes % Increase		-2.53%	-0.53%	-2.01%	-1.36%	0.81%

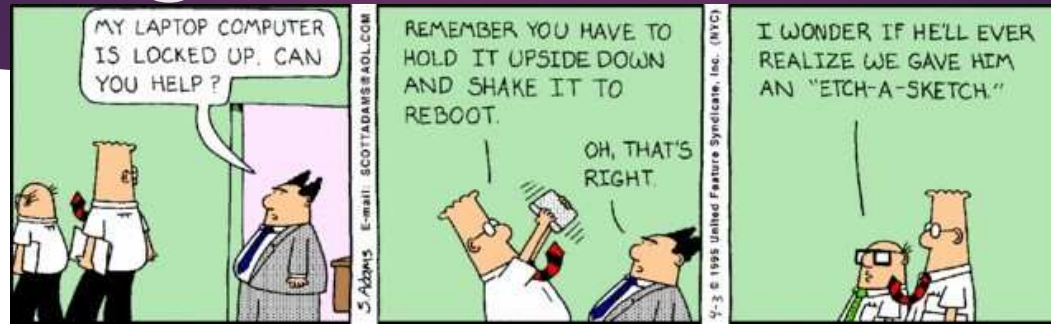
Note that the FY19 budgeted local revenues exceeds the property tax amount below, as follows:

Property Taxes	\$3,501,558
Less: Admin (2.5%)	87,539
Net Property Taxes	\$3,326,480
TAVT*	532,843
FY19 Budgeted	\$3,859,323

Note: On 3/31/13 TAVT (Title Ad Valorem Tax) replaced the "birthday tax" and SPLOST on auto sales. Purchasers now pay a one-time 7% TAVT.



Educating Your Decision Makers

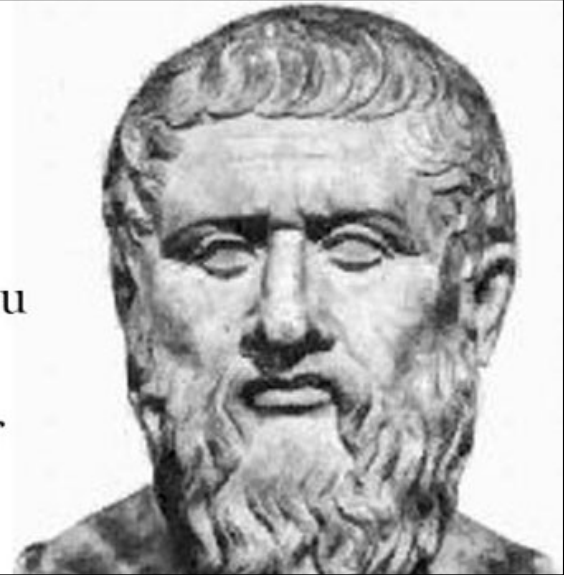


- ▶ Local Funding (Property taxes, other local sources, SPLOST, E-LOST)
- ▶ State Funding (QBE, categorical grants, equalization grants, sparsity grants)
- ▶ Federal Funding (Title I, II, III, VI-B, other)

What Impacts Funding?

- ▶ Enrollment / FTE
- ▶ Millage Rates
- ▶ The Local Economy
 - ▶ SPLOST/E-LOST Collections
- ▶ The State Economy
 - ▶ State Revenues
- ▶ The National Economy
 - ▶ Federal Revenues – ARRA (American Recovery and Reinvestment Act of 2009)
- ▶ Politics, Politics, Politics

One of the penalties for refusing to participate in politics, is that you end up being governed by your inferiors. *Plato*





Educating Your Decision Makers

- ▶ Whom Are You Serving?
 - ▶ We Better be Serving Our Students, Parents, and Stakeholders
 - ▶ If We Don't Do a Good Enough Job, They WILL Choose to Go Elsewhere

Who Provides the Best Customer Service?

The header features a dark purple background with a large, light purple circle on the right side. A smaller, bright pink rectangle is positioned above the circle. The text 'Who Provides the Best Customer Service?' is written in a white, sans-serif font across the top.



The Burning Question

- ▶ How Do We Provide Excellent Customer Service and World Class Educational Experiences While Being Good Stewards of Taxpayers' Money, Managing Scarce Resources Effectively?



Educating Your Decision Makers

- ▶ Local Funding (Property taxes, other local sources, TAVT, SPLOST, E-LOST)
- ▶ State Funding (QBE, categorical grants, equalization grants, sparsity grants)
- ▶ Federal Funding (Title I, II, III, VI-B, other)

Local Funding

- ▶ Ad valorem property taxes
- ▶ Real estate transfer taxes
- ▶ Recording intangible taxes
- ▶ TAVT
- ▶ SPLOST/E-LOST
- ▶ Interest and Miscellaneous



Ad Valorem Property Taxes

- ▶ Real estate is typically taxed at 40% of assessed value in Georgia
- ▶ One mill of tax is the number of thousands of taxable value (\$1.00 per \$1,000)
- ▶ Example: \$100,000 home has a \$40,000 taxable value. If millage rate is 14.5, then number of thousands (40) is multiplied by 14.5 to get an annual tax amount of \$580.00

Ad Valorem Property Taxes

Real Estate

- ▶ Example #2: \$225,000 home with millage rate of 19.25
 - ▶ $\$225,000 \times .4 = 90,000 / 1,000 = 90 \times 19.25 = \$1,732.50$
property taxes
- ▶ **Cold Hard Fact:** Most people who get upset over a tax increase have no idea how much more they will pay, and it's usually less than \$100 more per year.

Ad Valorem Property Taxes

Real Estate

- ▶ Example #3: \$150,000 home with millage rate of 15.25 in 2017 will see school millage increase to 18.0 in 2018. How does this impact the homeowner?
 - ▶ $\$150,000 \times .4 = 60,000 / 1,000 = 60 \times 15.25 = \915.00 (2017)
 - ▶ $\$150,000 \times .4 = 60,000 / 1,000 = 60 \times 18.0 = \$1,080.00$ (2018)
 - ▶ **A difference of \$165.00 (\$1080 - \$915)**
 - ▶ **That 18% increase doesn't seem so bad. Are our children worth another \$13.75 per month?**

Quiz #1

- ▶ \$85,000 home with millage rate of 12.5 in 2017 will see school millage increase to 15.0 in 2018. How does this impact the homeowner?

Quiz #1 - Solution

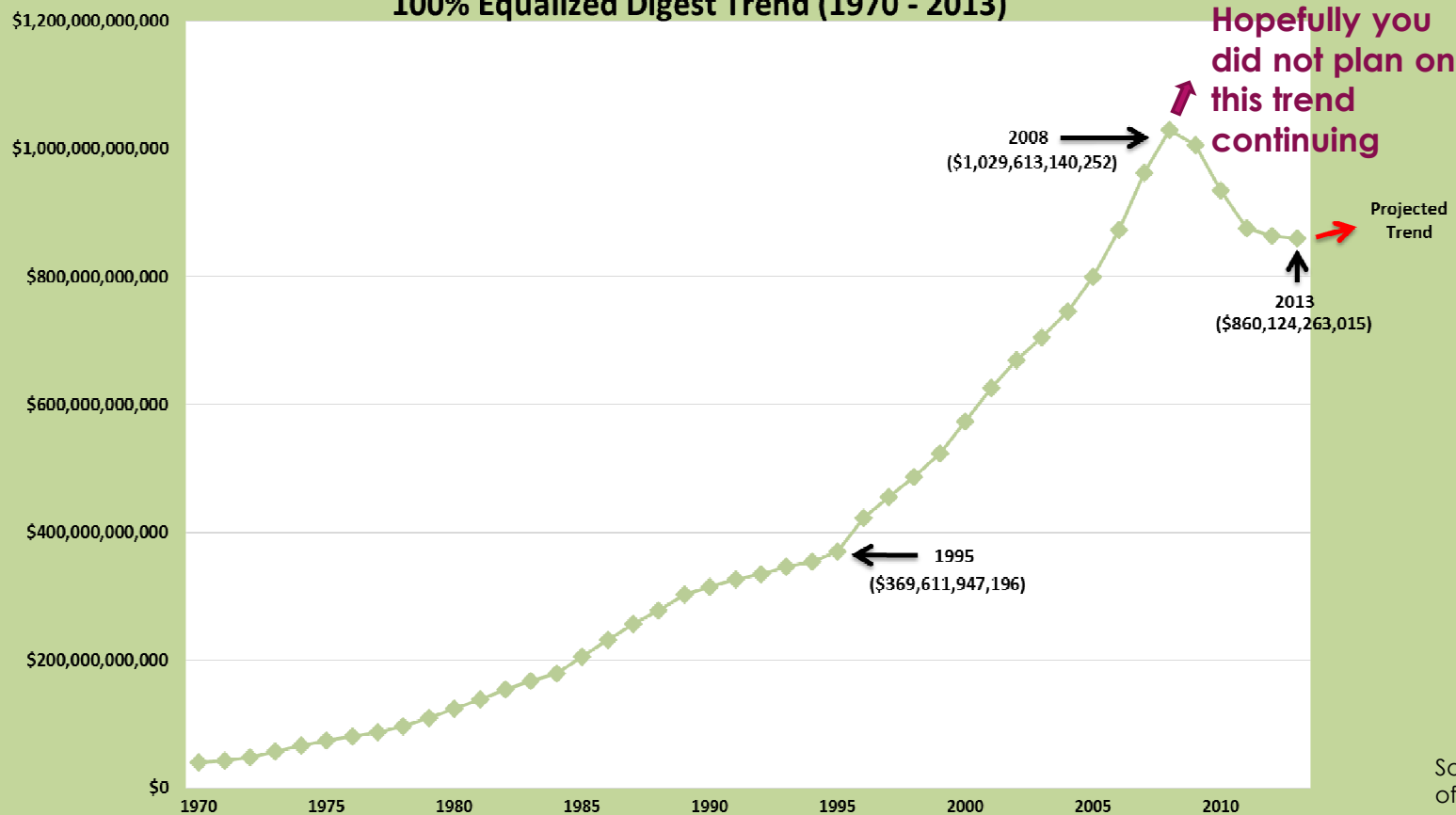
- ▶ \$85,000 home with millage rate of 12.5 in 2017 will see school millage increase to 15.0 in 2018. How does this impact the homeowner?
 - ▶ $\$85,000 \times .4 = 34,000 / 1,000 = 34 \times 12.5 = \425.00 (2017)
 - ▶ $\$85,000 \times .4 = 34,000 / 1,000 = 34 \times 15.0 = \510.00 (2018)
 - ▶ **A difference of \$85.00 (\$510 - \$425), \$7.08 per month**
 - ▶ **That 20% increase really doesn't seem that bad, but try convincing your property owners and BOE members of that.**

CURRENT 2009 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

COUNTY SCHOOL	2004	2005	2006	2007	2008	2009
Real & Personal	128,157,482	130,458,573	134,351,727	137,805,852	140,128,591	142,589,980
Motor Vehicles	14,897,830	15,230,040	14,217,350	15,120,240	15,814,120	16,716,910
Mobile Homes	2,307,740	2,377,710	2,128,980	2,083,050	1,728,720	1,678,114
Timber - 100%	4,045,204	4,054,687	7,065,186	7,663,670	7,124,618	3,321,744
Heavy Duty Equipment	0	0	0	0	0	0
Gross Digest	149,408,256	152,121,010	157,763,243	162,672,812	164,796,049	164,306,748
Less M & O Exemptions	20,907,453	21,366,515	21,309,938	21,108,634	20,518,561	21,095,979
State Forest Land Grant						385,324
Net M & O Digest	128,500,803	130,754,495	136,453,305	141,564,178	144,277,488	143,596,093
Gross M&O Millage	12.610	12.610	12.610	12.610	12.610	15.110
Less Rollbacks						
Net M&O Millage	12.610	12.610	12.610	12.610	12.610	15.110
Total School Taxes Levied	\$1,620,395	\$1,648,814	\$1,720,676	\$1,785,124	\$1,819,339	\$2,169,737
Net Taxes \$ Increase		\$28,419	\$71,862	\$64,448	\$34,215	\$350,398
Net Taxes % Increase		1.75%	4.36%	3.75%	1.92%	19.26%

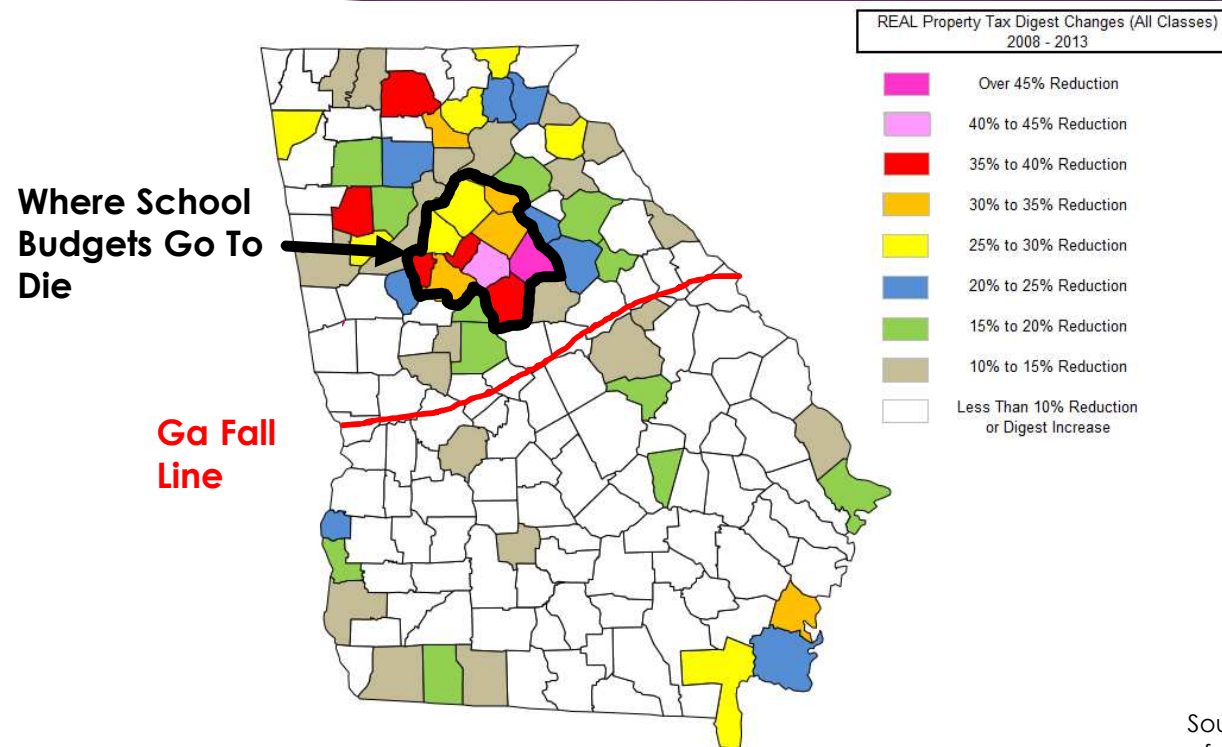
Equalized Adjusted Property Tax Digest

100% Equalized Digest Trend (1970 - 2013)



Source: Georgia Department of Audits and Accounts

How Tax Assessors Reacted To The Recession



Source: Georgia Department
of Audits and Accounts

Estimating Ad Valorem Taxes

- ▶ Discussions with the local Tax Assessors, the Tax Commissioner, and watching trends in SPLOST, Recording, and Real Estate Transfer Tax collections should help inform the estimate.
- ▶ The most recent 5-year history of levy is most often used to project next year's amount.

Why Would Millage Rate Increase?

- ▶ Get with your table and come up with reasons why a District would need to raise the millage rate?
- ▶ Despite those reasons, why do many boards of education still refuse to raise the millage rate?

Why Would Millage Rate Increase?

- ▶ O.C.G.A. §20-2-165 (9)(c) Requires a Minimum Millage Rate to Qualify for Equalization: (9) "Qualified local school system" is defined as any local school system: (A) Having an assessed valuation per weighted full-time equivalent count for the year of the digest which is below the guaranteed valuation; (B) Having an effective millage rate greater than the millage rate applied to calculate the local five mill share pursuant to subsection (a) of Code Section 20-2-164; and (C) Beginning July 1, 2015, having a millage rate or an equivalent millage of at least **12 mills**; beginning July 1, 2016, having a millage rate or an equivalent millage of at least **12 1/2 mills**; beginning July 1, 2017, having a millage rate or an equivalent millage of at least **13 mills**; beginning July 1, 2018, having a millage rate or an equivalent millage of at least **13 1/2 mills**; beginning July 1, 2019, and thereafter, having a millage rate or an equivalent millage of at least **14 mills**.

Do Rural Systems Not Value Education?

2018 Millage Rate	# of Systems
<12	8
12-14.99	37
15-17.99	84
18-20+	51
Total	180

25%

Most metro districts have millage rates approaching 20 mills, so many metro legislators feel any district below 18 mills doesn't value education.

State Average Millage Rate: 16.431
State Median Millage Rate: 16.395

Why Does Metro Matter?

District	FY19 FTE	% of State
Gwinnett	184,429	10.7%
Cobb	113,929	6.6%
DeKalb	100,837	5.9%
Fulton	95,333	5.5%
Clayton	54,974	3.2%
Atlanta City	51,666	3.0%
Forsyth	47,778	2.8%
Cherokee	42,774	2.5%
Henry	42,200	2.5%
Chatham	36,323	2.1%
Top 10	770,212	42.7%

Local Funding

- ▶ Ad valorem property taxes
- ▶ Real estate transfer taxes
- ▶ Recording intangible taxes
- ▶ TAVT
- ▶ SPLOST/E-LOST
- ▶ Interest and Miscellaneous



Motor Vehicle Ad Valorem to TAVT

- ▶ In 2012, HB386 replaced the “birthday tax,” which required everyone to purchase new tag decals annually, paying ad valorem tax on their vehicles
- ▶ All vehicles purchased on or after 3/1/13 were no longer required to pay sales tax on the purchase or the annual ad valorem tax, but were required to pay a one-time 7% Title Ad Valorem Tax (TAVT)
 - ▶ Impacted SPLOST and ad valorem taxes
- ▶ Vehicles already in service still pay annual tax

NOTICE

The Bleckey County Board of Education does hereby announce that the millage rate will be set at a meeting to be held at the BOE Office at 242 E. Dykes Street on August 21, 2018 at 7:00 p.m. and pursuant to the requirements of O.C.G.A. Section 48-5-32 does 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.

CURRENT 2018 TAX DIGEST AND 5 YEAR HISTORY OF LEVY

COUNTY SCHOOL	2013	2014	2015	2016	2017	2018
Real & Personal	266,596,503	265,658,997	270,752,415	270,653,930	271,445,084	273,686,995
Motor Vehicles	35,149,370	28,744,910	21,397,700	17,037,320	13,050,040	10,583,038
Mobile Homes	4,079,483	4,096,993	4,160,765	4,193,174	4,442,560	4,292,322
Timber - 100%	2,332,194	1,701,336	2,680,587	2,384,965	1,706,312	4,026,967
Heavy Duty Equipment				55,981	0	38,489
Gross Digest	308,157,550	300,202,236	298,991,467	294,325,370	290,643,996	292,627,803
Less M & O Exemptions	49,037,150	49,488,985	49,592,122	50,044,923	49,429,891	48,699,496
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State QBE Tax	5.000	5.000	5.000	5.000	5.000	5.000
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Net Taxes \$ Increase		-\$93,869	-\$19,038	-\$72,390	-\$47,795	\$28,103
Net Taxes % Increase		-2.53%	-0.53%	-2.01%	-1.36%	0.81%

69.9% decline in motor vehicle values on digest since change.

Q. Where is TAVT calculated on the Tax Digest?

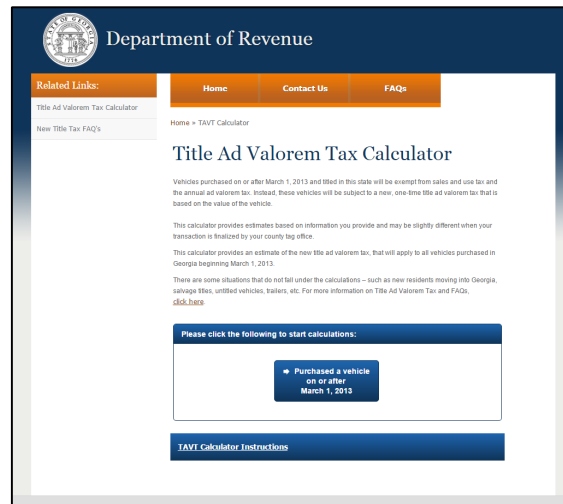
A. It is NOT calculated on the Digest, but is an "other" tax like recording fees and intangible taxes.

TAVT

- ▶ The impact of TAVT is significant, and the amount should not be ignored for budgeting purposes.
- ▶ For Bleckley County, TAVT averages about \$22,000 per month, or about 7.5% of local revenues.

Sidebar: TAVT

- Want to know how much TAVT you will pay on a vehicle? Go here:
<http://onlinemvd.dor.ga.gov/Tap/welcome.aspx>



The screenshot shows the Georgia Department of Revenue's Title Ad Valorem Tax Calculator page. The page has a dark blue header with the Department of Revenue logo and name. Below the header, there are navigation links: Home, Contact Us, and FAQs. The main content area is titled "Title Ad Valorem Tax Calculator" and includes a brief explanation of the tax and a calculator interface. The calculator interface has a section titled "Please click the following to start calculations:" with a button labeled "Purchased a vehicle on or after March 1, 2013". Below this, there is a link for "TAVT Calculator Instructions".

Department of Revenue

Related Links:
Title Ad Valorem Tax Calculator
New Title Tax FAQs

Home » TAVT Calculator

Title Ad Valorem Tax Calculator

Vehicles purchased on or after March 1, 2013 and titled in this state will be exempt from sales and use tax and the annual ad valorem tax. Instead, these vehicles will be subject to a new, one-time title ad valorem tax that is based on the value of the vehicle.

This calculator provides estimates based on information you provide and may be slightly different when your transaction is finalized by your county tag office.

This calculator provides an estimate of the new title ad valorem tax, that will apply to all vehicles purchased in Georgia beginning March 1, 2013.

There are some situations that do not fall under the calculations – such as new residents moving into Georgia, salvage titles, untitled vehicles, trailers, etc. For more information on Title Ad Valorem Tax and FAQs, [click here](#).

Please click the following to start calculations:

• Purchased a vehicle on or after March 1, 2013

[TAVT Calculator Instructions](#)

Bleckley County Schools

Historical Local Tax Receipts

MONTH	Real and Personal	Intangible	Timber	RETT	FLPA or Railroad	Tag	TAVT			Total	Σ Tag & TAVT
							TAVT	"True-Up"	Total TAVT		
Oct-14	19,198	2,449	-	620	-	23,571	8,642	7,948	16,591	62,429	40,162
Nov-14	230,298	4,024	-	2,249	-	23,687	4,267	13,391	17,658	277,916	41,345
Dec-14	1,050,021	1,928	-	663	-	18,938	2,100	10,317	12,417	1,083,967	31,355
Jan-15	1,305,402	1,347	-	671	-	22,031	7,435	9,069	16,504	1,345,955	38,535
Feb-15	215,647	1,321	-	313	-	17,558	9,585	12,162	21,747	256,586	39,305
Mar-15	141,393	2,228	-	216	-	18,528	6,543	17,079	23,622	185,986	42,150
Apr-15	100,573	2,595	-	1,084	14,081	21,444	13,417	10,507	23,924	163,701	45,368
May-15	41,504	2,720	-	807	-	19,827	8,134	17,203	25,337	90,196	45,164
Jun-15	27,726	2,270	-	1,385	-	16,245	2,159	12,806	14,965	62,592	31,211
Jul-15	15,565	2,332	-	1,520	-	17,060	12,912	11,784	24,696	61,173	41,755
Aug-15	8,216	2,261	626	431	-	20,188	11,240	12,659	23,898	55,621	44,086
Sep-15	28,894	2,544	9,117	399	-	14,793	2,811	23,530	26,341	82,089	41,134
Oct-15	4,606	3,252	352	817	-	19,491	9,898	12,133	22,031	50,550	41,523
Nov-15	229,812	1,574	-	580	-	17,774	584	19,456	20,041	269,780	37,814
Dec-15	1,143,450	1,495	2,891	391	-	16,114	7,382	13,213	20,596	1,201,051	36,710
Jan-16	1,238,855	3,132	2,963	964	-	16,748	5,733	14,488	20,220	1,298,996	36,968
Feb-16	181,916	853	585	1,720	-	12,867	4,739	16,874	21,613	235,669	34,480
Mar-16	138,598	3,048	7,185	1,162	-	15,597	4,427	20,086	24,512	190,101	40,109
Apr-16	124,311	1,273	1,549	329	-	16,491	4,598	15,588	20,185	164,138	36,676
May-16	30,151	1,871	2,415	2,267	15,194	16,059	859	21,068	21,927	89,885	37,986
Jun-16	16,409	2,324	998	582	9,779	12,796	4,446	16,544	20,990	63,879	33,787
Jul-16	13,828	5,468	723	292	-	14,061	10,467	14,859	25,326	59,698	39,387
Aug-16	13,575	1,962		179		13,868	694	19,141	19,835	49,419	33,703
Sep-16	16,331	2,531	1,263	457	-	12,151	29	26,240	26,270	59,003	38,420
Oct-16	24,984	3,073	127	724	-	16,101	9,396	15,610	25,006	70,015	41,107

Local Funding

- ▶ Ad valorem property taxes
- ▶ Real estate transfer taxes
- ▶ Recording intangible taxes
- ▶ TAVT
- ▶ ESPLOST/E-LOST
- ▶ Interest and Miscellaneous

ESPLOST / E-LOST



- ▶ An Education Special Purpose Local Option Sales Tax (ESPLOST) is passed by local referendum to impose a 1¢ sales tax on all retail sales made within the district.
- ▶ An ESPLOST referendum identifies the allowable and intended use the sales tax proceeds.
- ▶ Typically, ESPLOST funds may only be used for buildings, bond, buses, books, and bits/bytes (technology).
- ▶ Some use ESPLOST and SPLOST interchangeably.

E-LOST

- ▶ An Education Local Option Sales Tax (E-PLOST) is passed by local referendum to impose a 1¢ sales tax on all retail sales made within the district.
- ▶ An E-LOST referendum identifies the allowable and intended use the sales tax proceeds.
- ▶ Typically, E-LOST funds may be used for any needs of the district without limitation.

E-LOST

(Many state DOE reports list these districts in *italics*)

- ▶ Eight counties covering ten districts were granted the ability to pass E-LOST referenda in the 1980's via Constitutional Amendments. Those districts along with their 2018 millage rates are listed. The State Average=16.431 and rank, lowest to highest, is in ().

- ▶ *Bulloch (3) – 9.527*
- ▶ *Colquitt (6) – 10.242*
- ▶ *Houston (12) – 13.297*
- ▶ *Pelham City (5) – 10.200*
- ▶ *Towns (2) – 7.671*

- Chattooga (9) – 12.683*
- Habersham (15) – 13.52*
- Mitchell (87) – 16.297*
- Rabun (4) – 9.484*
- Trion City (1) – 5.700*

HR319 – 2018 Effort to Allow E-LOST

- See HGRESA Legislative Summary
- 1st Reading in House Education Committee: 2017
- Hearing for 2018 Session: Jan. 4, 2018
- Chance of Passage: Unknown
- If Passes Legislature:
 - Statewide Referendum (Nov. 2018?)
 - If Passes Statewide, Local Referendum (March, 2019?)

ESPLOST / E-LOST BUDGETS

- Historical reviews of ESPLOST/ELOST collections provide a great beginning point in estimating future collections:

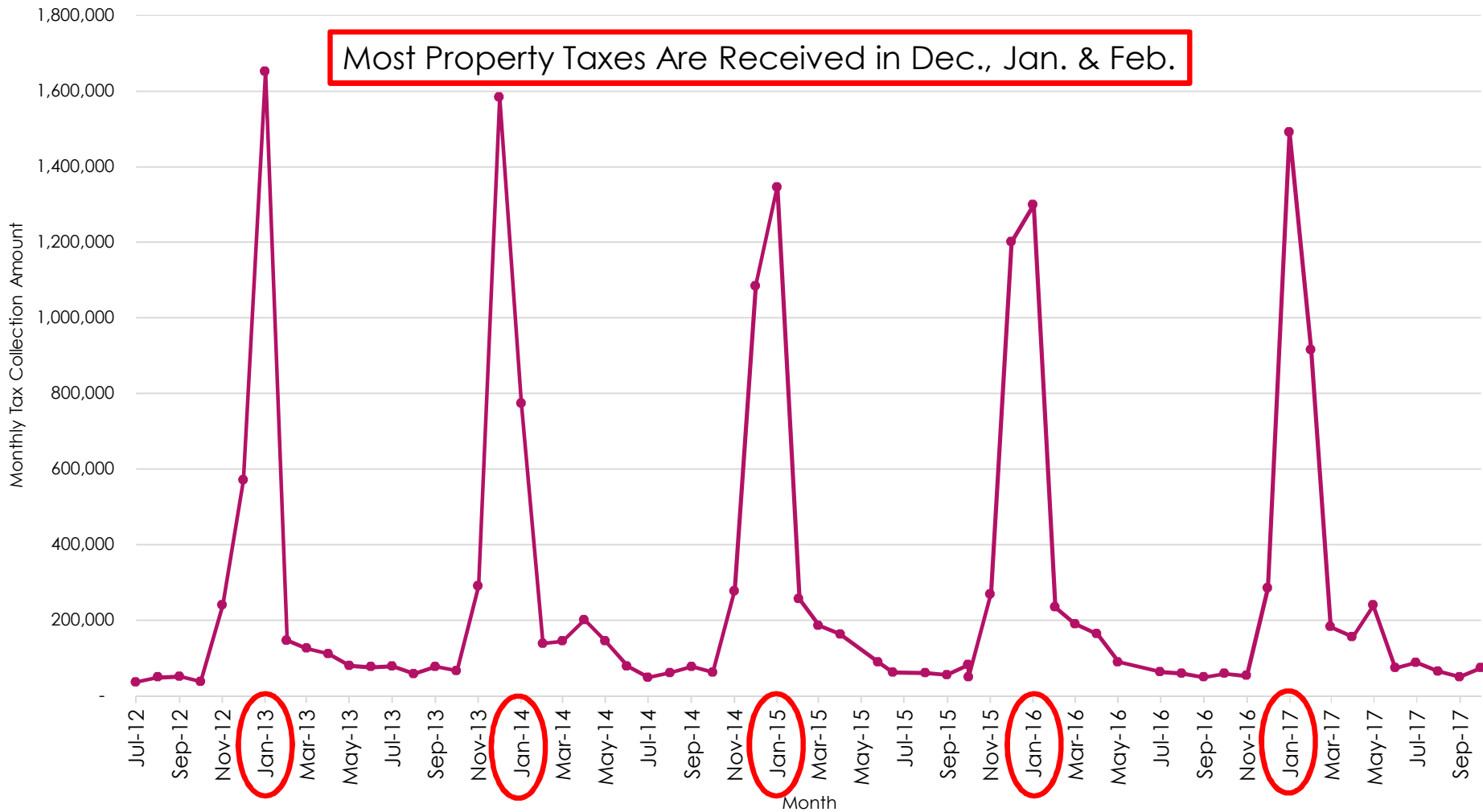
Bleckley County Schools										
ESPLOST Monthly Historical Analysis										
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19
July	87,043	89,397	100,166	80,908	73,126	81,173	91,110	83,258	78,382	83,397
August	90,591	94,939	91,880	84,647	73,894	81,873	86,525	77,457	84,165	81,968
September	107,173	98,595	101,734	114,890	77,606	105,382	92,667	95,231	91,619	87,170
October	95,548	86,276	89,070	85,504	66,850	94,668	90,896	81,164	86,763	77,956
November	82,629	87,479	81,448	86,256	73,545	91,690	82,741	78,711	90,762	86,336
December	74,409	88,097	82,019	74,107	69,713	86,676	83,317	82,249	85,387	78,245
January	82,520	87,220	99,306	88,289	75,901	96,390	92,249	86,448	89,584	
February	109,942	76,843	98,178	79,256	69,564	83,830	76,795	71,245	83,520	
March	84,305	81,681	107,504	78,107	74,557	81,719	80,161	75,814	71,632	
April	98,838	90,374	84,966	79,242	78,074	91,959	85,266	78,912	82,163	
May	87,838	80,971	85,995	61,794	76,312	75,939	79,236	83,843	85,282	
June	93,516	89,248	86,032	73,978	80,581	84,819	77,488	82,269	75,367	
	1,094,352	1,051,120	1,108,298	986,978	889,723	1,056,118	1,018,450	976,600	1,004,627	495,072
Average	91,196	87,593	92,358	82,248	74,144	88,010	84,871	81,383	83,719	82,512

Bleckley County Schools Historical Local Tax Receipts

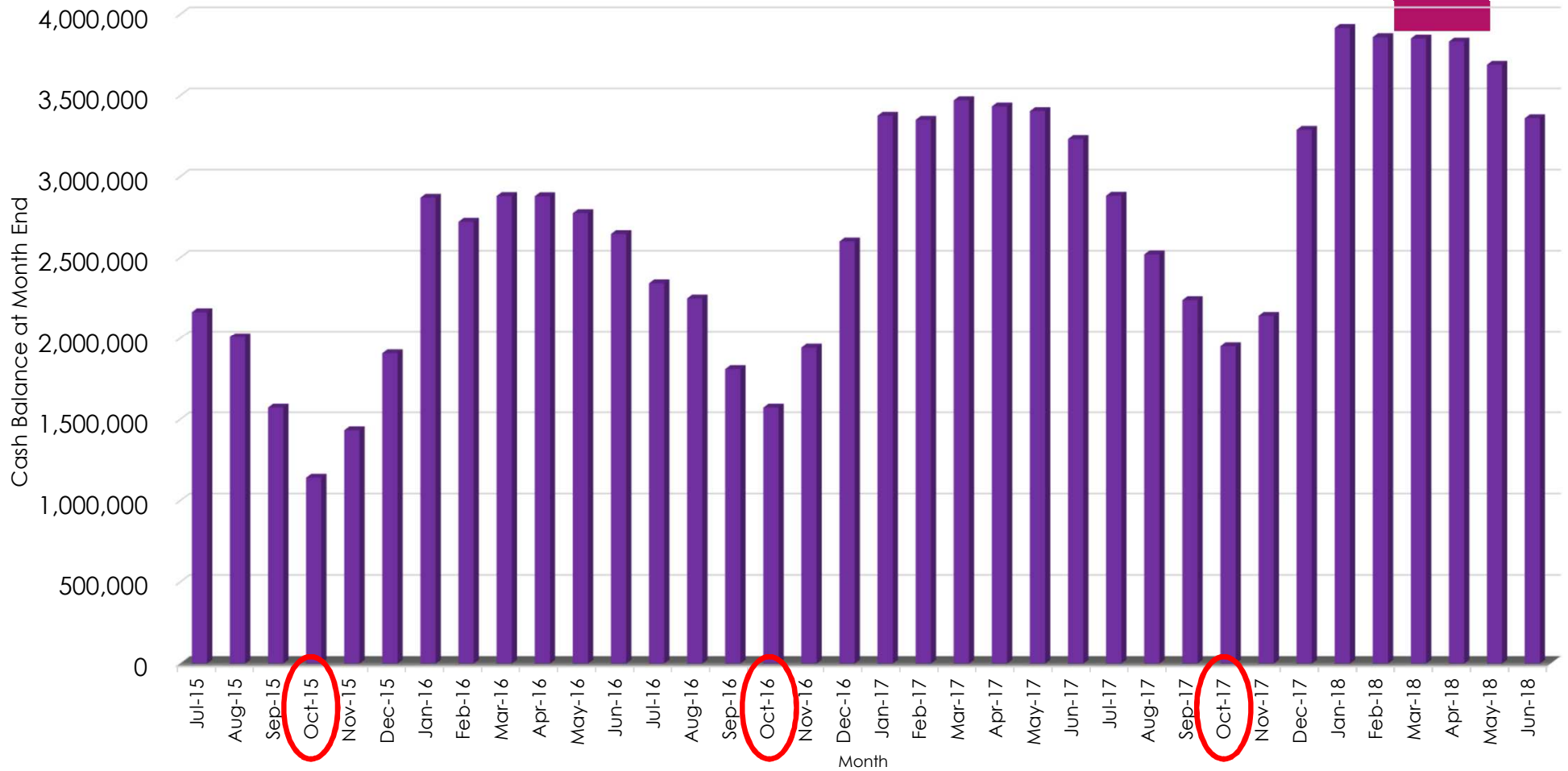
MONTH	Real and Personal	Intangible	Timber	RETT	FLPA or Railroad	Tag	TAVT			Total	Σ Tag & TAVT
							TAVT	"True-Up"	Total TAVT		
Aug-15	8,216	2,261	626	431	-	20,188	11,240	12,659	23,898	55,621	44,086
Sep-15	28,894	2,544	9,117	399	-	14,793	2,811	23,530	26,341	82,089	41,134
Oct-15	4,606	3,252	352	817	-	19,491	9,898	12,133	22,031	50,550	41,523
Nov-15	229,812	1,574	-	580	-	17,774	584	19,456	20,041	269,780	37,814
Dec-15	1,143,450	1,495	2,891	391	-	16,114	7,382	13,213	20,596	1,201,051	36,710
Jan-16	1,238,855	3,132	2,963	964	-	16,748	5,733	14,488	20,220	1,298,996	36,968
Feb-16	181,916	853	585	1,720	-	12,867	4,739	16,874	21,613	235,669	34,480
Mar-16	138,598	3,048	7,185	1,162	-	15,597	4,427	20,086	24,512	190,101	40,109
Apr-16	124,311	1,273	1,549	329	-	16,491	4,598	15,588	20,185	164,138	36,676
May-16	30,151	1,871	2,415	2,267	15,194	16,059	859	21,068	21,927	89,885	37,986
Jun-16	16,409	2,324	998	582	9,779	12,796	4,446	16,544	20,990	63,879	33,787
Jul-16	13,828	5,468	723	292	-	14,061	10,467	14,859	25,326	59,698	39,387
Aug-16	13,575	1,962		179		13,868	694	19,141	19,835	49,419	33,703
Sep-16	16,331	2,531	1,263	457	-	12,151	29	26,240	26,270	59,003	38,420
Oct-16	8,755	3,073	127	724	-	16,101	9,396	15,610	25,006	53,787	41,107
Nov-16	248,371	2,235	974	808	-	12,928	-	20,533	20,533	285,851	33,461
Dec-16	1,449,592	2,790	-	2,781	-	12,370	2,546	20,946	23,492	1,491,026	35,862
Jan-17	886,061	1,044	1,731	450	-	10,925	-	15,391	15,391	915,602	26,315
Feb-17	135,678	3,933	411	2,955	-	11,877	4,786	23,339	28,125	182,979	40,001
Mar-17	120,193	1,694	1,902	-	-	12,129	-	20,874	20,874	156,793	33,004
Apr-17	182,300	1,571	784	742	15,010	15,315	5,088	19,560	24,648	240,370	39,964
May-17	38,518	1,605	-	657	-	10,549	-	22,830	22,830	74,160	33,379
Jun-17	25,143	2,783	9,039	1,944	10,081	10,802	6,296	22,276	28,572	88,363	39,374
Jul-17	13,083	3,666	2,408	4,384	-	11,411	12,863	17,577	30,439	65,391	41,851
Aug-17	11,231	1,629	1,700	499	-	10,397	1,669	22,701	24,370	49,826	34,767
Sep-17	16,967	2,838	2,668	661	-	11,096	1,032	27,323	28,355	73,995	39,451

Bleckley County Schools - Historical Local Tax Receipts

Most Property Taxes Are Received in Dec., Jan. & Feb.



Bleckley County Schools Cash Balance Analysis



Why Do Healthy Districts Need TANs?

Even districts with healthy reserves occasionally need a TAN, because the STATE QBE funds are received on the last day of each month, except in December.

Therefore, districts that pay early in November (the Friday before Thanksgiving) sometimes do not have the cash on hand to pay the salaries and benefits needed for a full payroll.

Also, districts that receive federal funds cannot get the federal funds from the state until the Title I, II-A, III, etc. budgets have been approved. If there were open items from a previous federal monitoring (audit), the budget will not be approved until the CAP (Corrective Action Plan) is approved.

It's All About that



Why Get A TAN (Tax Anticipation Note)?

Cash Balance at 10/31/16:	\$ 1,570,855
Grants Received in Nov. '16	\$ 620,524

Paid in November:

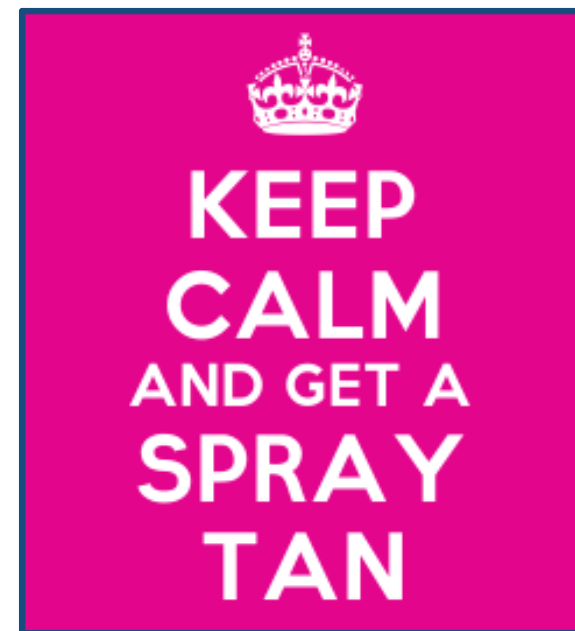
Special Payroll on Nov. 11, 2016 (\$700 & \$1,200 per employee)	\$ 322,120
Regular Payroll on Nov. 18, 2016	\$ 1,515,119
Accounts Payable 11/10/16	<u>\$ 567,483</u>

Cash Balance without a TAN:	\$ (213,343)
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TAN Amount on Nov. 17, 2016	<u>\$ 500,000</u>
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Actual Cash Balance: Nov. 18, 2016:	<u><u>\$ 286,657</u></u>
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Interest on TAN: 11/17-12/5/16:	\$ 562
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Local Funding

- ▶ Ad valorem property taxes
- ▶ Real estate transfer taxes
- ▶ Recording intangible taxes
- ▶ TAVT
- ▶ SPLOST/E-LOST
- ▶ Interest and Miscellaneous



Educating Your Decision Makers

- ▶ Local Funding (Property taxes, other local sources, TAVT, SPLOST, E-LOST)
- ▶ State Funding (QBE, categorical grants, equalization grants, sparsity grants)
- ▶ Federal Funding (Title I, II, III, VI-B, other)

State Revenues

- ▶ QBE Funding
- ▶ Miscellaneous Grants
- ▶ Mid-Term Adjustment



QBE Funding

- ▶ T&E (Training & Experience)
- ▶ Program Funding
- ▶ Local Fair Share

QBE Funding

https://app3.doe.k12.ga.us/ows-bin/owa/qbe_reports.public_menu?p_fy=2000

- ▶ Base Salary Drives Everything
- ▶ Q. What is the base salary for a beginning teacher who is fully certified?
- ▶ A. \$34,092.00

QBE Funding – Teacher Salaries

- ▶ If you are SWSS or Charter System, did you adopt the State Salary Schedule as your salary schedule?
 - ▶ If not, what are you using?
 - ▶ Has your board approved whatever you are using?
 - ▶ Compensation typically requires board approval.

Compensation

- ▶ All certified staff members are paid utilizing the State Salary Schedule, which was adopted as the local salary schedule for FY19. See next slide.
- ▶ Leadership positions also have responsibility supplements added.
- ▶ Most certified positions operate under a 10-month contract, but some operate under 10 ½, 11, or 12 month.
- ▶ Classified positions are paid under a Classified Salary Schedule.





Compensation Supplements: Teachers

Certification Level	Degree Level	Supplement Amount
T-4 (or equivalent 4 Year Cert)	Bachelors	\$ 800
T-5 (or equivalent 5 Year Cert)	Masters	\$ 900
T-6 (or equivalent 6 Year Cert)	Specialist	\$1,000
T-7 (or equivalent 7 Year Cert)	Doctorate	\$1,100

State Base Pay for Beg. Teacher

Year	Salary	Increase
2002	28,338	
2003	29,259	3.25%
2004	29,259	0.00%
2005	29,259	0.00%
2006	30,441	4.04%
2007	31,659	4.00%
2008	32,609	3.00%
2009	33,424	2.50%
2010	33,424	0.00%
2011	33,424	0.00%
2012	33,424	0.00%
2013	33,424	0.00%
2014	33,424	0.00%
2015	33,424	0.00%
2016	33,424	0.00%
2017	33,424	0.00%
2018	34,092	2.00%
2019	34,092	0.00%

Note: During FY17 a "Special Supplement" was paid to all **certified staff** in the amount of \$1,200 for those who had been employed with BCS at least three years as of November 1, 2016. All those employed less than three years received half, or \$600. **Classified employees** received a "Special Supplement" in the amount of \$700 for those with at least three years' experience with BCS as of 11/1/16. Those with less than three years received half, or \$350.

The State Salary Schedule was increased by 2% from FY17 to FY18, and classified salaries were increased similarly.

No increases have been paid through FY19, except for classified employees, most of whom received a 3% increase.



Training = Education Level
T-4=Bachelors; T-5=Masters; T-6=Specialist; T-7=Doctorate

FY 2018		STATE SALARY SCHEDULE										Folder Name: FY18 INITIAL	
OFFICIAL		GEORGIA ANNUAL/MONTHLY SALARY SCHEDULE FOR 10 MONTHS EMPLOYMENT										BASE EQUALS \$34,092.00 SCHOOL YEAR 2017 - 2018	
Years of Creditable Service	Salary Step	LEVEL OF CERTIFICATION											
		T-1	T-2	PROV BT-4	PROF T-4	PROV BT-5	PROF T-5	PROV BT-6	PROF T-6	PROV BT-7	PROF T-7		
		\$32,217.00 94.50% OF T - 4	\$33,154.00 97.25% OF T - 4	\$32,217.00 94.50% OF T - 4	\$34,092.00 100.00% N/A	\$36,308.00 106.50% OF T - 4	\$39,206.00 115.00% OF T - 4	\$41,754.00 106.50% OF T - 5	\$44,303.00 113.00% OF T - 5	\$47,183.00 106.50% OF T - 6	\$49,176.00 111.00% OF T - 6		
0,1,2	E	\$32,217.00 \$2,684.75	\$33,154.00 \$2,762.83	\$32,217.00 \$2,684.75	\$34,092.00 \$2,841.00	\$36,308.00 \$3,025.67	\$39,206.00 \$3,267.17	\$41,754.00 \$3,479.50	\$44,303.00 \$3,691.92	\$47,183.00 \$3,931.92	\$49,176.00 \$4,098.00		
3	1	\$33,184.00 \$2,765.33	\$34,149.00 \$2,845.75	\$32,217.00 \$2,684.75	\$35,115.00 \$2,926.25	\$37,397.00 \$3,116.42	\$40,382.00 \$3,365.17	\$43,007.00 \$3,583.92	\$45,632.00 \$3,802.67	\$48,598.00 \$4,049.83	\$50,651.00 \$4,220.92		
4	2	\$34,180.00 \$2,848.33	\$35,173.00 \$2,931.08	\$32,217.00 \$2,684.75	\$36,168.00 \$3,014.00	\$38,519.00 \$3,209.92	\$41,593.00 \$3,466.08	\$44,297.00 \$3,691.42	\$47,001.00 \$3,916.75	\$50,056.00 \$4,171.33	\$52,171.00 \$4,347.58		
5	3	\$35,205.00 \$2,933.75	\$36,228.00 \$3,019.00	\$32,217.00 \$2,684.75	\$37,253.00 \$3,104.42	\$39,675.00 \$3,306.25	\$42,841.00 \$3,570.08	\$45,626.00 \$3,802.17	\$48,411.00 \$4,034.25	\$51,558.00 \$4,296.50	\$53,736.00 \$4,478.00		
6	4	\$36,261.00 \$3,021.75	\$37,315.00 \$3,109.58	\$32,217.00 \$2,684.75	\$38,743.00 \$3,228.58	\$41,262.00 \$3,438.50	\$44,555.00 \$3,712.92	\$47,451.00 \$3,954.25	\$50,347.00 \$4,195.58	\$53,620.00 \$4,468.33	\$55,885.00 \$4,657.08		
7	5	\$37,349.00 \$3,112.42	\$38,434.00 \$3,202.83	\$32,217.00 \$2,684.75	\$39,905.00 \$3,325.42	\$42,500.00 \$3,541.67	\$45,892.00 \$3,824.33	\$48,875.00 \$4,072.92	\$51,857.00 \$4,321.42	\$55,229.00 \$4,602.42	\$57,562.00 \$4,796.83		
8	6	\$38,469.00 \$3,205.75	\$39,587.00 \$3,298.92	\$32,217.00 \$2,684.75	\$41,701.00 \$3,475.08	\$44,413.00 \$3,701.08	\$47,957.00 \$3,996.42	\$51,074.00 \$4,256.17	\$54,191.00 \$4,515.92	\$57,714.00 \$4,809.50	\$60,152.00 \$5,012.67		
9,10	7	\$39,623.00 \$3,301.92	\$40,775.00 \$3,397.92	\$32,217.00 \$2,684.75	\$42,952.00 \$3,579.33	\$45,745.00 \$3,812.08	\$49,396.00 \$4,116.33	\$52,606.00 \$4,383.83	\$55,817.00 \$4,651.42	\$59,445.00 \$4,953.75	\$61,957.00 \$5,163.08		
11,12	L1	\$40,812.00 \$3,401.00	\$41,998.00 \$3,499.83	\$32,217.00 \$2,684.75	\$44,241.00 \$3,686.75	\$47,117.00 \$3,926.42	\$50,878.00 \$4,239.83	\$54,184.00 \$4,515.33	\$57,492.00 \$4,791.00	\$61,228.00 \$5,102.33	\$63,816.00 \$5,318.00		
13,14	L2	\$42,036.00 \$3,503.00	\$43,258.00 \$3,604.83	\$32,217.00 \$2,684.75	\$45,568.00 \$3,797.33	\$48,531.00 \$4,044.25	\$52,404.00 \$4,367.00	\$55,810.00 \$4,650.83	\$59,217.00 \$4,934.75	\$63,065.00 \$5,255.42	\$65,730.00 \$5,477.50		
15,16	L3	\$43,297.00 \$3,608.08	\$44,556.00 \$3,713.00	\$32,217.00 \$2,684.75	\$46,935.00 \$3,911.25	\$49,987.00 \$4,165.58	\$53,976.00 \$4,498.00	\$57,484.00 \$4,790.33	\$60,994.00 \$5,082.83	\$64,957.00 \$5,413.08	\$67,702.00 \$5,641.83		
17,18	L4	\$44,596.00 \$3,716.33	\$45,893.00 \$3,824.42	\$32,217.00 \$2,684.75	\$48,343.00 \$4,028.58	\$51,487.00 \$4,290.58	\$55,595.00 \$4,632.92	\$59,209.00 \$4,934.08	\$62,824.00 \$5,235.33	\$66,906.00 \$5,575.50	\$69,733.00 \$5,811.08		
19,20	L5	\$45,934.00 \$3,827.83	\$47,270.00 \$3,939.17	\$32,217.00 \$2,684.75	\$49,793.00 \$4,149.42	\$53,032.00 \$4,419.33	\$57,263.00 \$4,771.92	\$60,985.00 \$5,082.08	\$64,709.00 \$5,392.42	\$68,913.00 \$5,742.75	\$71,825.00 \$5,985.42		
21+	L6	\$47,312.00 \$3,942.67	\$48,688.00 \$4,057.33	\$32,217.00 \$2,684.75	\$51,287.00 \$4,273.92	\$54,623.00 \$4,551.92	\$58,981.00 \$4,915.08	\$62,815.00 \$5,234.58	\$66,650.00 \$5,554.17	\$70,980.00 \$5,915.00	\$73,980.00 \$6,165.00		

BASE INSTRUCTION SALARY			
(BASE SALARY)		\$33,981.07	\$33,424.00 \$557.07
Retirement	16.81%	\$5,712.22	
Health Insurance	0%	\$0.00	
Medicare	1.45%	\$492.73	
Sick Leave for 8 Days		\$150.00	
Total Instructional Sal(10MO.)		\$40,336.02	
Teacher Aides Kindergarten		\$13,445.34	
		Minus Sick Leave	
ADMIN SALARY (10MO.) excl Sick Leave		\$40,186.02	
ADMIN SALARY (12MO.) excl Sick Leave		\$48,223	

CENTRAL ADMINISTRATION		
SYSTEM SIZE = 3300		
	Amount	FTEs
1 Superintendent	\$48,223	Incl TRS
1 Secretary @ \$14,166 (12MO.) +TRS	\$16,547	
1 Accountant @ \$21,144 (10MO.) +TRS	\$24,698	
2 Asst. Superintendent	\$96,446	0 - 5,000
4 Asst. Superintendent	\$192,893	5,001- 99,999
6 Asst. Superintendent	\$289,339	10,000 +
Operations		Per FTE
Supplies	\$0	
Travel	\$0	
Equipment (Replacement)	\$0	
Miscellaneous	\$0	
Unemployment Ins & Workers Comp.	\$0	
TOTAL OPERATIONS	\$0	\$0.00

KG, KG-EI, GR 1-3, GR 1-3-EI, GR 4-5, GR 4-5-EI		
BASE SCHOOL SIZE = 450		
	Amount	Per FTE
1/2 Assistant Principal (10MO.)	\$20,093	\$44.65
Secretary @ \$14,166 (12MO.)	\$16,547	\$36.77
TOTAL SALARIES	\$36,640	\$81.42
Operations		
Supplies	\$1,319	
Travel	\$750	
Equipment (Replacement)	\$880	
Miscellaneous	\$580	
TOTAL OPERATIONS	\$3,529	\$7.84

MIDDLE GRADE & MIDDLE SCHOOL GR(6-8), SPEC-ED, GIFTED, REMEDIAL, ESOL		
BASE SCHOOL SIZE = 624		
	Amount	Per FTE
1 Asst. Principal	\$40,186	\$64.40
Secretary @ \$14,166 (12MO.)	\$16,547	\$26.52
Operations		
Supplies	\$1,319	
Travel	\$1,000	
Equipment (Replacement)	\$880	
Miscellaneous	\$580	
TOTAL OPERATIONS	\$3,779	\$6.06

GRADES (9-12) & CTAE(9-12)		
BASE SCHOOL SIZE = 970		
	Amount	Per FTE
2 Asst. Principal (10 MO.)	\$80,372	\$41.43
Secretary @ \$14,166 (12MO.)	\$16,547	\$17.06
Secretary @ \$11,805 (10MO.)	\$13,789	\$14.22
Operations		
Supplies	\$2,198	
Travel	\$1,500	
Equipment (Replacement)	\$1,759	
Miscellaneous	\$1,162	
TOTAL OPERATIONS	\$6,619	\$6.82

ALTERNATIVE EDUCATION		
BASE SCHOOL SIZE = 624		
	Amount	Per FTE
1 Asst. Principal (10MO. X 1:100)	\$40,186	\$401.86
Secretary @ \$14,166 (12MO.)	\$16,547	\$26.52
Operations		
Supplies	\$1,319	
Travel	\$1,000	
Equipment (Replacement)	\$880	
Miscellaneous	\$580	
TOTAL OPERATIONS	\$3,779	\$6.06

QBE Funding – T&E

https://app3.doe.k12.ga.us/ows-bin/owa/qbe_reports.public_menu?p_fy=2000

- ▶ The state reimburses school systems for the state salary and benefits for each certified position funded through QBE.
- ▶ All systems hire more employees than funded, so the state pays an average add-on for Training & Experience (T&E).

T&E Effects

- ▶ Q. If you had some teachers you could pay with federal funds, should you pay more expensive or less expensive teachers with federal funds? WHY?
- ▶ A. We should always try to pay the lowest paid teachers with federal funds in order to maximize T&E from the state.

T&E Effects

- ▶ Q. Should we hire lower paid or higher paid teachers?
- ▶ A. We should always hire the best teacher for the job, regardless of T&E effects.



QBE Funding

- ▶ T&E (Training & Experience)
- ▶ Program Funding
- ▶ Local Fair Share

Program Funding

► QBE Funding Uses FTE and Program Funding Factors

► The Programs Include:

K, EIP K

1-3, EIP 1-3

4-5, EIP 4-5

MS

9-12 Regular

Vocational

SpEd I, II, III, IV, V

Gifted

Remedial

ESOL

Alternative Ed

Georgia Schools			
Program Earnings			
FY19			
Program	Weight	Teacher Student Ratio	Base Funding
Gr K	1.6627	15	\$ 4,357
EIP K	2.0527	11	\$ 5,380
Gr 1-3	1.2903	17	\$ 3,381
EIP 1-3	1.8065	11	\$ 4,734
Gr 4-5	1.0375	23	\$ 2,719
EIP 4-5	1.8006	11	\$ 4,719
MG*	1.0298	23	\$ 2,699
MS*	1.1347	20	\$ 2,974
Gr 9-12*	1.0000	23	\$ 2,621
Vocational*	1.1868	20	\$ 3,110
SpEd I	2.3968	8	\$ 6,281
SpEd II	2.8161	7	\$ 7,380
SpEd III	3.5865	5	\$ 9,399
SpEd IV	5.8151	3	\$ 15,240
SpEd V	2.4630	8	\$ 6,455
Gifted	1.6699	12	\$ 4,376
Remedial	1.3511	15	\$ 3,541
Alternative Ed	1.4802	15	\$ 3,879
ESOL	2.5662	7	\$ 6,726
*Includes 2.5% allowable for alternative education.			



Bleckley County FTE Earnings

Program Earnings
Basic Levels vs. Actual for FY19

T&E Modifier = 53.4811

Program	Weight	Teacher Student Ratio	Base Funding	Actual Funding	Difference	% Diff.
Gr K	1.6627	15	\$ 4,358	\$ 6,035		
EIP K	2.0527	11	\$ 5,380	\$ 7,603	\$ 1,568	26.0%
Gr 1-3	1.2903	17	\$ 3,382	\$ 4,946		
EIP 1-3	1.8065	11	\$ 4,734	\$ 7,022	\$ 2,075	42.0%
Gr 4-5	1.0375	23	\$ 2,719	\$ 3,938		
EIP 4-5	1.8006	11	\$ 4,719	\$ 7,006	\$ 3,068	77.9%
MG*	1.0298	23	\$ 2,699	\$ -		
MS*	1.1347	20	\$ 2,974	\$ 4,338		
Gr 9-12*	1.0000	23	\$ 2,621	\$ 3,770		
Vocational*	1.1868	20	\$ 3,110	\$ 4,406		
SpEd I	2.3968	8	\$ 6,281	\$ 9,316		
SpEd II	2.8161	7	\$ 7,380	\$ 11,064		
SpEd III	3.5865	5	\$ 9,399	\$ 14,122	\$ 4,806	43.4%
SpEd IV	5.8151	3	\$ 15,240	\$ 22,963		
SpEd V	2.4630	8	\$ 6,455	\$ 9,489		
Gifted	1.6699	12	\$ 4,376	\$ 6,473		
Remedial	1.3511	15	\$ 3,541	\$ 5,072		
Alternative Ed	1.4802	15	\$ 3,879	\$ 5,727		
ESOL	2.5662	7	\$ 6,725	\$ 10,322		

*Includes 2.5% allowable for alternative education.

OFFICIAL

Georgia State Department Of Education

11/16/2018

Earnings Sheet for FY 2019

School System: State		FY19 Initial Amendment#2					THE BASIC UNIT COST IS DEFINED TO BE THE AMOUNT OF \$2,620.77				
Earnings (\$)							Earned Positions Grades K-12				
DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS	Teacher	Subj. Spec	Couns.	Tech. Spec	
Kindergarten Pgm	100,054	571,392,805	7,819,437	579,212,242	105,916,059	473,296,183	6,670.40		222.34	90.96	
Kindergarten Early Intr Pgm	20,818	154,890,666	1,626,935	156,517,601	27,733,360	128,784,241	1,892.55		46.26	18.93	
Primary Grade(1-3) Pgm	303,063	1,389,712,417	26,033,160	1,415,745,577	258,038,983	1,157,706,594	17,827.26	878.46	673.46	275.52	
Primary Grd Early Intrv(1-3) Pgm	52,680	362,214,613	4,524,860	366,739,473	66,826,586	299,912,887	4,788.82	152.69	117.06	47.89	
Upper Elementary Grd(4-5) Pgm	197,156	690,193,816	13,883,749	704,077,565	126,826,401	577,251,164	8,572.01	571.48	438.11	179.23	
UppElem Grd Early Intrv(4-5)	34,724	238,646,241	2,445,146	241,091,387	44,006,289	197,085,098	3,156.46	100.64	77.16	31.56	
Middle Grade(6-8) Pgm	534	1,676,553	37,569	1,714,122	386,145	1,327,977	23.22	1.55	1.19	0.49	
Middle School(6-8) Pgm	313,886	1,243,425,307	22,104,140	1,265,529,447	224,396,691	1,041,132,756	15,694.16	909.82	697.50	285.35	
High School Gen Educ(9-12)	347,931	1,144,123,668	39,524,673	1,183,648,341	211,764,651	971,883,690	15,127.37		773.16	316.30	
CTAE(9-12) PGM	77,242	291,404,705	25,349,431	316,754,136	53,297,577	263,456,559	3,861.85		171.63	70.22	
Students with Disab Cat I	24,071	212,069,776	5,993,639	218,063,415	40,893,260	177,170,155	3,009.38			21.89	
Students with Disab Cat II	10,159	111,559,126	1,334,352	112,893,478	19,150,069	93,743,409	1,562.92			9.24	
Students with Disab Cat III	60,286	855,734,226	12,310,163	868,044,389	152,077,176	715,967,213	12,057.00			54.81	
Students with Disab Cat IV	11,643	276,677,435	4,915,796	281,593,231	48,063,720	233,529,511	3,879.00			10.58	
Students with Disab Cat V	15,132	135,761,905	6,389,767	142,151,672	23,876,714	118,274,958	1,890.88			13.75	
Gifted Student Category VI	108,039	641,771,869	10,901,244	652,673,113	119,819,661	532,853,452	9,003.16			98.22	
Remedial Education Pgm	26,730	131,863,599	1,535,040	133,398,639	26,514,183	106,884,456	1,781.67		59.39	24.30	
Alternate Education Pgm	20,278	99,309,867	1,427,969	100,737,836	17,983,382	82,754,454	1,351.87		45.06	18.43	
Eng Spkrs of Other Lang (ESOL)	22,579	230,909,711	1,296,998	232,206,709	41,874,348	190,332,361	3,225.57		50.17	20.53	
Spec Ed. Itinerant				731,125	133,211	597,914					
Spec Ed. Supplemental Speech				6,544,354	1,092,316	5,452,038					
TOTAL DIRECT INSTRUC.	1,747,005	8,783,338,305	189,454,068	8,980,067,852	1,610,670,782	7,369,397,070	115,375.	2,614.64	3,372.49	1,588.20	
INDIRECT COST							Earned Positions				
Central Admin		251,572,651	164,810	251,737,461	43,692,803	208,044,658					
School Admin		449,072,203	12,171,396	461,243,599	82,849,270	378,394,329					
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Sub Total (INDIRECT COST)		700,644,854	532,935,561	1,233,580,415	219,875,138	1,013,705,277					
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PRINCIPAL STAFF & PROF. DEV				696,276	125,212	571,064					
MIDTERM HOLD HARMLESS											
Amended Formula Adjustment						0					
Charter System Adjustment				28,813,307		28,813,307					
QBE FORMULA EARNINGS	9,764,928,709		746,768,132	10,588,740.	1,892,837,046	8,695,903,940	115,375.	2,614.64	3,372.49	1,588.20	
CATEGORICAL GRANTS							NOTES				
Pupil Transportation Pgm (Includes 8827 Drivers and bus replacement funds of 0)				130,743,969		130,743,969	1. Expenditure controls as set forth in O.C.G.A. Section 20-2-167 are reinstated, subject to each district's approved flexibility contract.				
Sparsity - Regular				5,770,740		5,770,740	2. Health Insurance for Certificated Personnel is funded on a per member per month amount(PM/PM) of \$945.00, for an annual funding amount of \$11,340 in QBE under appropriation in FY 2019 (HB 684).				
Nursing Services				37,488,146		37,488,146	3. Teacher Retirement is funded at 20.90% in QBE in FY 2019 (HB 684).				
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				10,762,743.		8,869,906,795					
Education Equalization Funding Grant				615,316,420		615,316,420					
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				11,378,060.		9,485,223,215					
Charter Commission Admin - State						-4,595,259					
Military Counselors						445,148					
DCH Direct Payment						0					
State Commission Charter Supplement				138,583,460		138,583,460					
TOTAL FUNDING ON THIS ALLOTMENT SHEET				11,516,643.		9,619,656,564					
							Total T&E 3,918,691,076 includes T&E 2,732,028,116 and HI 1,186,662,960				

17.2%
14.8%
15.0%

Most errors in funding come from under-reporting EIP



QBE Funding

- ▶ T&E (Training & Experience)
- ▶ Program Funding
- ▶ Local Fair Share

Local Fair Share

- ▶ The QBE Act of 1985 specifically required local systems to contribute funding in an amount equal to five mills of local property taxes.
- ▶ This amount was known as the “Local Fair Share” or the “Required Local Effort”

Local Fair Share

- ▶ Once a total amount of QBE earnings is calculated, the Local Fair Share is deducted to arrive at the total state funding.
- ▶ Q. What happens to Local Fair Share when a district's tax digest increases?
- ▶ A. It increases.

Local Fair Share

State's Responsibility

Local School
System's
Responsibility

Optional
Enhanced Local
Funding

← QBE Minimum Funding →

5 mills

Optional
additional local
funding up to 15
mills (20 mills total
maximum
allowed)



Local Fair Share

- ▶ Counties assess property differently, and some counties are much more sophisticated than others.
- ▶ The state attempts to make all county digests accurately reflect the 40% assessments by comparing actual sales with the assessed value of those properties.



State Revenues

- ▶ QBE Funding
- ▶ Miscellaneous Grants
- ▶ Mid-Term Adjustment

Miscellaneous Grants & Other

- ▶ Equalization
- ▶ Sparsity
- ▶ Charter System
- ▶ Nurses
- ▶ Transportation



Equalization

- ▶ There are wide variations in districts' ability to raise money through millage increases.
 - ▶ 1 mill of tax in Bleckley Co (FY16) = \$250,445
 - ▶ 5 mills of tax / FTE = \$109.76
 - ▶ 1 mill of tax in Forsyth Co (FY16) = \$9,136,428
 - ▶ 5 mills of tax / FTE = \$1,115.16
- ▶ Q. How many local mills would it take Bleckley to equal Forsyth County? 50.8 mills

Equalization

- ▶ When comparing local effort per student, the differences are even greater:
- ▶ Local taxes per FTE (FY16):
 - ▶ Bleckley Co.: $\$3,396,384 / 2,330 = \$1,457.68$
 - ▶ Forsyth Co.: $\$154,108,694 / 42,693 = \$3,609.69$
- ▶ Q. Which district values education more?

Equalization

- ▶ The Equalization Grant was created to help districts with lower digests (and therefore lower capacity to tax) make tax effects more “equal.” The original goal was to “equalize” all mills above 5 so every district’s local taxes above 5 mills would be the same when the grant was added.

Equalization

- ▶ In 2012, HB824 was passed to change how the Equalization Grant is calculated.
- ▶ Without getting into the politics of the change, the new law had a tremendous impact on many school systems in the state.

Equalization

- ▶ The old formula reflected total Equalization Grants for FY12 of \$640,582,592
- ▶ Actual Funded in FY12: \$435,821,007
- ▶ The Governor/Legislature wanted a formula that would generate grants totaling the FY12 funded amount (in FY10, FY11, & FY12, funding was 2/3).
- ▶ HB824 Did just that.

Equalization

Old Formula (FY12 & prior)

- ▶ Total Adjusted Digest / Weighted Avg FTE
- ▶ All Districts Ranked “Richest” to “Poorest”
- ▶ Top 25% Richest (45 Districts) Get \$0 Equalization Grant
- ▶ All Others (135 Districts) Receive Grant based upon State Avg Wealth per FTE vs District Weighted Avg Wealth per FTE
- ▶ Grant Calculated on Difference in Wealth/FTE x Mills above 5 x Weighted FTE

New Formula (FY13 – present)

- ▶ Total Adjusted Digest / Weighted Avg FTE
- ▶ All Districts Ranked “Richest” to “Poorest”
- ▶ Top 5% (9 Districts) and Bottom 5% (Districts) Removed to Calculate State Average Wealth per FTE
- ▶ Only Districts with Weighted Avg Wealth/FTE Below State Avg Wealth/FTE Would Qualify
- ▶ Grant Calculated on Difference in Wealth/FTE x Eff. Mills above 5 x Weighted FTE
- ▶ Grant Allocated to 116 Districts in FY16. Total Amount = \$498,227,995

Equalization

- Grant Allocated to 125 Districts in FY19. Total Amount = \$615,316,420 (Avg = \$4,922,531)
- Ten Highest Districts: Gwinnett, Clayton, Paulding, Houston, Newton, Douglas, Henry, Dougherty, Rockdale, Colquitt: Sum = \$279,461,007
- Average Excluding Top 10: \$2,920,482
- Highest: Gwinnett \$ 81,976,604
- Lowest: Webster \$ 22,880
- Median: Walton \$ 2,684,504

Equalization Example

Equalization Summary - Bleckley - FY19

District Adjusted NET Digest - 2017	\$228,602,511	A
District Weighted FTE - FY17	3242	B
District Average Wealth/WFTE	\$70.51	$C = A/B/1000$
State Average Wealth/WFTE	\$144.82	D
Difference	\$74.31	$E = D - C$
Total Local Taxes Collected	\$3,658,638	F
Effective Mills	16.00436	$G = F/A * 1000$
Effective Mills - 5 mills	11.00436	H
Equalization Amount per WFTE	\$817.71	$I = H * E$
WFTE (Budget Year)	3284	J (rounded # shown)
Total Equalization - FY19	\$2,685,124	$K = I * J$

Miscellaneous Grants & Other

- ▶ Equalization
- ▶ Sparsity
- ▶ Charter System
- ▶ Nurses
- ▶ Transportation



Sparsity Grants

- ▶ This grant is awarded to 43 systems in FY16 in amounts ranging from \$12,796 to \$363,307.
- ▶ The largest system to receive a Sparsity Grant in FY16 has FTE of 1,599 (Telfair County).
 - ▶ Note: Montgomery County shows FTE of 2,700, but approximately 1,800 of those students are in its virtual school.

Miscellaneous Grants & Other

- ▶ Equalization
- ▶ Sparsity
- ▶ Charter System
- ▶ Nurses
- ▶ Transportation



Charter System Grants

- ▶ This grant was originally calculated to be \$100 per FTE for all charter systems. For FY17, the amount is \$87.75 per FTE.

Miscellaneous Grants & Other

- ▶ Equalization
- ▶ Sparsity
- ▶ Charter System
- ▶ Nurses
- ▶ Transportation



Nurses—Minimum of \$45,000

- ▶ §20-2-186 (5) Each local system shall earn funding for one nurse for every 750 full-time equivalent students at the elementary school level and one nurse for every 1,500 full-time equivalent students at the middle and high school levels. Such funding shall have a ratio of one registered professional nurse to five licensed practical nurses. Such funding shall be based on a contract length of 180 days and shall be sufficient to pay 50 percent of the average salary and benefits, as determined by the Department of Education, for a registered professional nurse or for a licensed practical nurse; provided, however, that such amount shall be phased in so that, in Fiscal Year 2013, such amount shall be 40 percent and, in Fiscal Year 2014, such amount shall be 45 percent. Local school systems shall not be required to provide any local matching funds for school nurses to receive funds pursuant to this paragraph. Local school systems that do not meet the minimum full-time equivalent student counts set out in this paragraph shall receive a base amount of funding. Each local school system shall expend 100 percent of the funds earned pursuant to this paragraph for salaries and benefits for school nurses.

Miscellaneous Grants & Other

- ▶ Equalization
- ▶ Sparsity
- ▶ Charter System
- ▶ Nurses
- ▶ Transportation



Transportation Funding

- ▶ Funding for Pupil Transportation is based upon miles driven and students transported, resulting in funding for a specified number of drivers.
- ▶ The funding amount varies, with approximately \$13,500 - \$14,100 per driver as a good budget figure.
- ▶ For a system with flat growth, budgeting the same as the current year is probably a good estimate.

Austerity (Amended Formula Adjustment)

- ▶ Despite QBE as a law without language that allows for adjustments “depending upon state allocation,” the state has reduced funding since 2003 in the form of “Amended Formula Adjustments,” also known as “Austerity Reductions.”

State of Georgia

Historical Education Funding Analysis

	Total Funds (including Austerity, Equalization & ARRA)	Austerity	Equalization	Equalization Cut	ARRA	Total Cut (Austerity + Equalization Cut + ARRA)	FTE	Total Funds Per FTE	Total Funds/FT E w/o Austerity, Eq. Cut & ARRA	Amt Each Child Was Cut by State,
2002	5,605,071,148	0	255,947,743			0	1,447,332	3,873	3,873	0
2003	5,613,243,277	(134,933,642)	268,203,932			(134,933,642)	1,472,992	3,811	3,902	92
2004	5,542,119,091	(283,478,659)	288,182,775			(283,478,659)	1,498,777	3,698	3,887	189
2005	5,684,323,568	(332,838,099)	345,166,675			(332,838,099)	1,528,133	3,720	3,938	218
2006	6,078,429,085	(332,835,092)	384,564,129			(332,835,092)	1,566,284	3,881	4,093	212
2007	6,786,046,457	(169,745,895)	432,240,056			(169,745,895)	1,607,894	4,220	4,326	106
2008	7,274,169,405	(142,959,810)	485,779,211			(142,959,810)	1,627,660	4,469	4,557	88
2009	7,012,461,088	(495,723,830)	556,507,936		157,931,185	(337,792,645)	1,630,671	4,300	4,508	207
2010	6,905,342,348	(1,355,168,599)	660,846,267	(224,308,111)	629,602,362	(949,874,348)	1,641,396	4,207	4,786	579
2011	6,891,237,454	(1,089,521,696)	662,323,826	(225,190,101)	126,169,757	(1,188,542,040)	1,650,981	4,174	4,894	720
2012	5,715,297,547	(1,147,859,436)	661,300,877	(225,142,298)		(1,373,001,734)	1,656,992	3,449	4,278	829
2013**	6,880,693,765	(1,143,762,797)	832,098,123	(395,939,536)		(1,539,702,333)	1,656,992	4,153	5,082	929
2014	6,544,328,491	(1,061,127,407)	475,324,163			(1,061,127,407)	1,700,688	3,848	4,472	624
2015	7,774,472,979	(746,769,852)	479,385,099			(746,769,852)	1,723,663	4,510	4,944	433
2016	8,309,364,719	(466,769,851)	507,107,607			(466,769,851)	1,736,628	4,785	5,054	269
2017	8,689,776,426	(167,243,775)	498,726,526			(167,243,775)	1,744,714	4,953	5,049	96
2018	9,089,714,877	(166,769,853)	584,560,457			(166,769,853)	1,744,714	5,210	5,305	96
	116,396,091,725	(9,237,508,293)	8,378,265,402	(1,070,580,046)	913,703,304	(9,394,385,035)				

**Equalization amounts are prior to HB824.

OFFICIAL

Georgia State Department Of Education

11/16/2018

Earnings Sheet for FY 2019

School System: State		FY19 Initial Amendment#2						THE BASIC UNIT COST IS DEFINED TO BE THE AMOUNT OF \$2,620.77				
Earnings (\$)							Earned Positions Grades K-12					
DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS	Teacher	Subj. Spec	Couns.	Tech. Spec		
Kindergarten Pgm	100,054	571,392,805	7,819,437	579,212,242	105,916,059	473,296,183	6,670.40		222.34	90.96		
Kindergarten Early Intr Pgm	20,818	154,890,666	1,626,935	156,517,601	27,733,360	128,784,241	1,892.55		46.26	18.93		
Primary Grade(1-3) Pgm	303,063	1,389,712,417	26,033,160	1,415,745,577	258,038,983	1,157,706,594	17,827.26	878.46	673.46	275.52		
Primary Grd Early Intrv(1-3) Pgm	52,680	362,214,613	4,524,860	366,739,473	66,826,586	299,912,887	4,788.82	152.69	117.06	47.89		
Upper Elementary Grd(4-5) Pgm	197,156	690,193,816	13,883,749	704,077,565	126,826,401	577,251,164	8,572.01	571.48	438.11	179.23		
UppElem Grd Early Intrv(4-5)	34,724	238,646,241	2,445,146	241,091,387	44,006,289	197,085,098	3,156.46	100.64	77.16	31.56		
Middle Grade(6-8) Pgm	534	1,676,553	37,569	1,714,122	386,145	1,327,977	23.22	1.55	1.19	0.49		
Middle School(6-8) Pgm	313,886	1,243,425,307	22,104,140	1,265,529,447	224,396,691	1,041,132,756	15,694.16	909.82	697.50	285.35		
High School Gen Educ(9-12)	347,931	1,144,123,668	39,524,673	1,183,648,341	211,764,651	971,883,690	15,127.37		773.16	316.30		
CTAE(9-12) PGM	77,242	291,404,705	25,349,431	316,754,136	53,297,577	263,456,559	3,861.85		171.63	70.22		
Students with Disab Cat I	24,071	212,069,776	5,993,639	218,063,415	40,893,260	177,170,155	3,009.38			21.89		
Students with Disab Cat II	10,159	111,559,126	1,334,352	112,893,478	19,150,069	93,743,409	1,562.92			9.24		
Students with Disab Cat III	60,286	855,734,226	12,310,163	868,044,389	152,077,176	715,967,213	12,057.00			54.81		
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MIDTERM HOLD HARMLESS												
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CATEGORICAL GRANTS							NOTES					
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TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				10,762,743.		8,869,906,795						
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TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				11,378,060.		9,485,223,215						
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Military Counselors						445,148						
DCH Direct Payment						0						
State Commission Charter Supplement				138,583,460		138,583,460						
TOTAL FUNDING ON THIS ALLOTMENT SHEET				11,516,643.		9,619,656,564						
							Total T&E	3,918,691,076	includes T&E	2,732,028,116	and HI	1,186,662,960

Funded Positions

State Revenues

- ▶ QBE Funding
- ▶ Miscellaneous Grants
- ▶ Mid-Term Adjustment

Mid-Term Adjustment

- ▶ An INITIAL allotment sheet is released in April or May, and it reflects the funding for the next fiscal year.
- ▶ After the October FTE count, the state recalculates QBE earnings for the fiscal year.
 - ▶ If the system earns more QBE funding, the state gives the system a “mid-term adjustment.” Additional funding is provided to the system once the state legislature approves its mid-year supplemental, or Amended Budget.
 - ▶ If the system earns less QBE funding, the system is “held harmless,” meaning funding will remain as on the initial allotment sheet.

Simple Mid-Term Adjustment

- ▶ Original QBE Earnings: \$7,756,296
- ▶ Original FTE Estimate: 1,423
- ▶ Per-Student Earnings: \$ 5,451
- ▶ Projected FTE: 1,445
- ▶ Student Growth: 22 students
- ▶ Mid-Term Adjustment: \$119,922 (22 x \$5,451)

- ▶ Good Estimate: \$100,000 just to be conservative



Compensation Benefits – Employer Cost

46.5%
Increase
over 2 Years

Georgia K-12 Public Schools												17.8% Increase	24.1% Increase	
Employee Benefits-Historical Analysis														
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20		FY10-FY20	
Teacher Retirement System (TRS):*														
Employee Portion	5.25%	5.53%	5.53%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%		14.3%	
Employer Portion	9.74%	10.28%	10.28%	11.41%	12.28%	13.15%	14.27%	14.27%	16.81%	20.90%	21.14%		117.0%	
Public School Employee Retirement System (PSERS):*														
Employee Portion	\$4/mo.	\$4/mo.	\$4/mo.	\$4/mo. or \$10/mo (new employees 7/1/12)										
Employer Portion	\$11.79/mo.	\$15.60/mo.											32.3%	
Health Insurance: Certified*														
Employee Portion	Varies	Varies	10% inc	10-30%	10%-30%	Varies	Varies	HRA Same	HRA Same	HRA Same	##			
Employer Portion	18.53%**	18.53%	18.53%	\$912/mo.	\$945/mo.									
Health Insurance: Classified														
Employee Portion	Varies	Varies	10% incr.	10%-30% incr each year		Varies	Varies	~ 2% incr.	~ 2% incr.	~ 2% incr.	##			
Employer Portion	\$163/mo	\$246/mo.	\$296/mo.	\$446/mo.	\$596/mo.	\$596/mo.	\$746/mo. ¹	\$846/mo. ¹	\$945/mo.				480.4%	
Medicare														
Employee Portion	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%			
Employer Portion	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%	1.45%			
FICA														
Employee Portion	6.20%	4.20%	4.20%	4.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%			
Employer Portion	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%	6.20%			
*Employer Portion paid on behalf by state for earned employees at state salary schedule. ##Unknown at print date. **Varied throughout year.														

*Employer Portion paid on behalf by state for earned employees at state salary schedule. ##Unknown at print date. **Varied throughout year.





Compensation Benefits

The benefit package for employees compares very favorably to the private sector and includes:

1. Pension for certified and classified office staff through Teachers Retirement System (TRS).
2. Pension for all other classified staff through Public Service Employees Retirement System (PSERS).
3. All employees are eligible to participate in 457(b) and/or 453(b) plans, which work much like 401(k) plans in the private sector. Bleckley County Schools will match the first 3% contribution to the 457(b) plan. Employees must contribute at least 3% in order to receive the match.
4. All employees receive employer-paid long-term disability insurance at a 40% benefit up to the first \$30,000 of pay. This costs the district approximately \$18 per employee per year.
5. All employees receive employer-paid life insurance with a face amount of \$10,000 (teachers and staff) or \$20,000 (administrators, office staff, & Board members).
6. All employees are eligible to participate in the State Health Benefit Plan (SHBP), which is a self-insured plan administered by Blue Cross Blue Shield of Georgia, United HealthCare, or Kaiser Permanente.



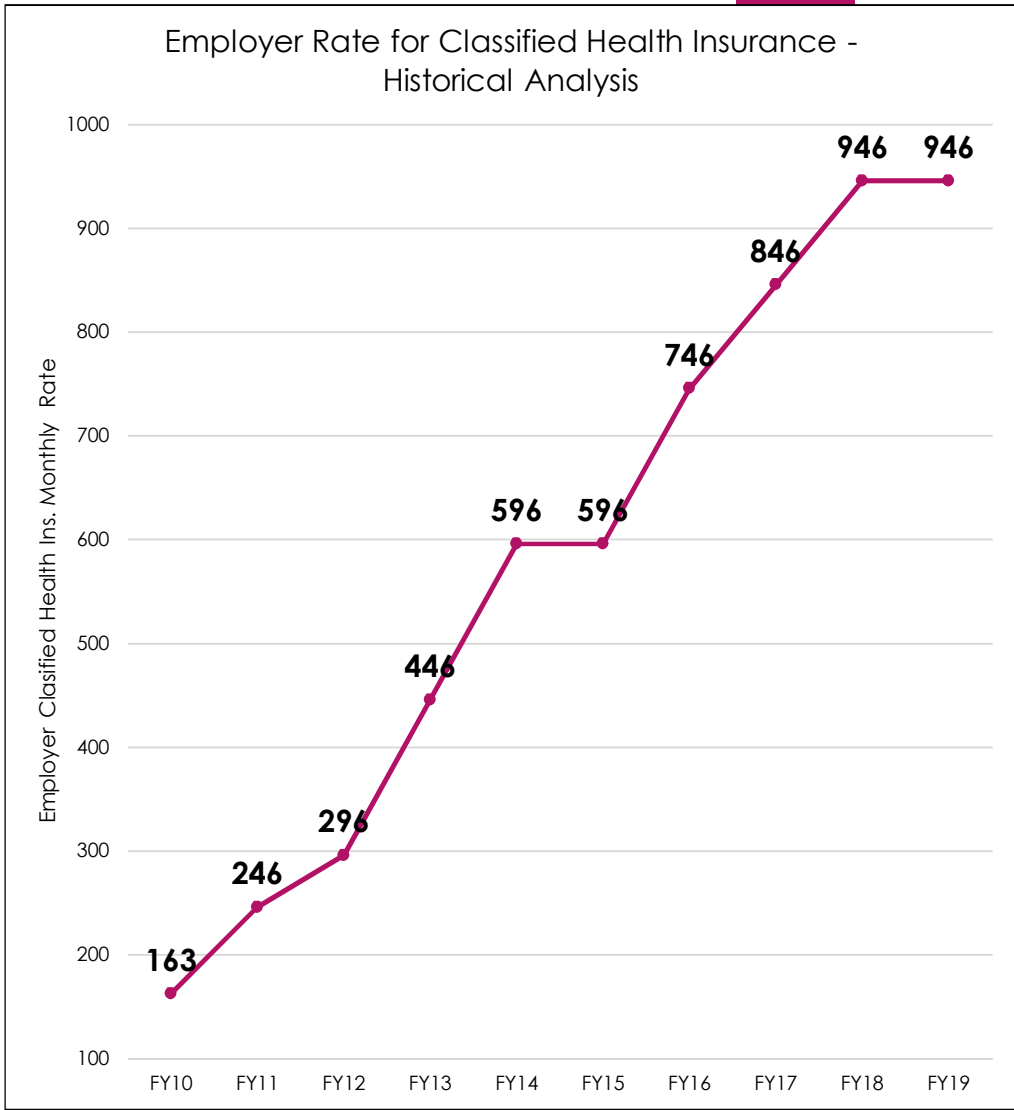
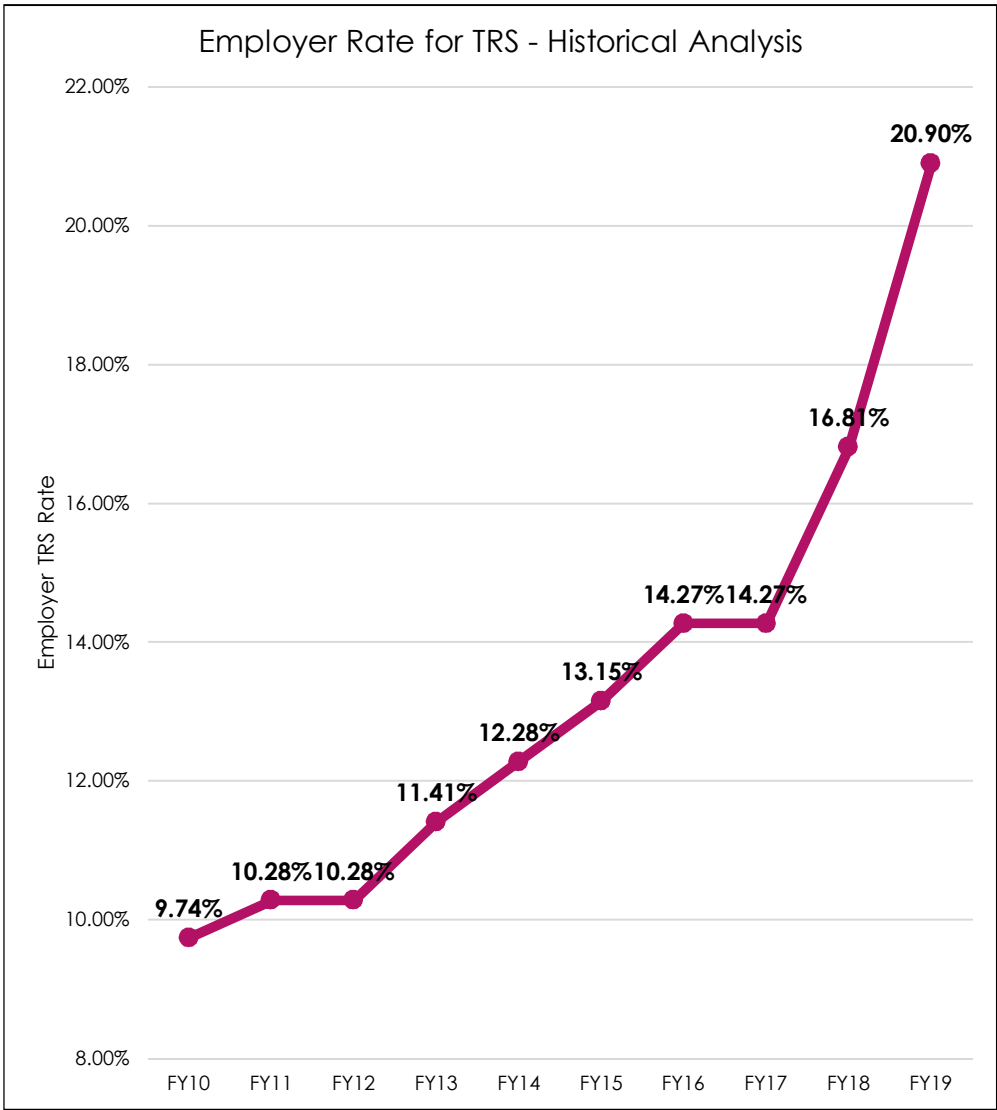


Compensation Benefits

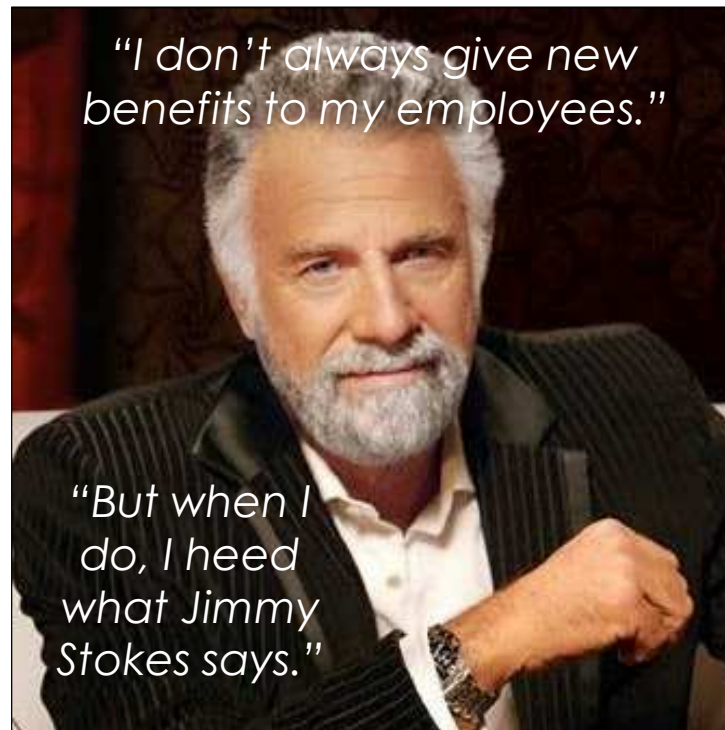
The calculations below provide insight as to the cost to the school system to provide benefits to employees. Each example assumes that employees participate in SHBP.

Bleckley County Schools					
Value of Benefits as of 1/1/19					
1. Classified Employee (PSERS)		2. Classified Employee (TRS)		3. Certified Teacher/Administrator (TRS) T4	
Salary	30,000	Salary	35,000	Salary	45,000
Employer Pays:		Employer Pays:		Employer Pays:	
PSERS (\$15.60/mo.)	187	TRS (20.9% of salary)	7,315	Local Supplement	800
Health Insurance (\$945/mo)	11,340	Health Insurance (\$945/mo)	11,340	TRS (20.9% of salary & suppl)	9,572
Medicare (1.45% of salary)	435	Medicare (1.45% of salary)	508	Health Insurance (\$945/mo)	11,340
FICA (6.2% of salary)	1,860	Life Insurance	18	Life Insurance	18
3% Match on 457(b)	900	3% Match on 457(b)	1,050	Medicare (1.45% of salary)	664.10
LTD (40% Benefit up to \$30k Salary)	45	LTD (40% Benefit up to \$30k Salary)	45	LTD (40% Benefit up to \$30k Salary)	45
Life Insurance	18	Workers Compensation Ins.	1,957	3% Match on 457(b)	1,374
Workers Compensation Ins.	1,677			Workers Compensation Ins.	428
Total	16,462	Total	22,232	Total	24,241
Employer Costs as % of Salary	54.9%	Employer Costs as % of Salary	63.5%	Employer Costs as % of Salary	53.9%





The Big Picture - Benefits



The Big Picture - Benefits

*“A privilege extended
twice becomes a
right.”*

Jimmy Stokes, GAEL President



Privilege vs. Right

1. Pay early in November? In December?
2. Payroll deduct PAGE/GAE dues?
3. Employer-provided life and/or LTD insurance?
4. Dismiss early on the last day of each semester?
5. Pay for extended day (other than Ag)?
6. Leave as soon as buses load on Fridays?
7. Allow teachers to work in rooms on Professional Development days?
8. Pay one week early in January?
9. Others?



Zero-Based Budgeting

► The worst reason to do anything:

“Because that’s the way we’ve always done it.”

Wrap-Up / Conclusion

▶ Any questions?

▶ My contact info:

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