

# FY2023 Budget Planning: Initial Revenue and Allotment Presentation

## Agenda

1. 2023 Budget Roadmap
2. Organizational Factors Influencing Budget Decisions:
  - Demographic, Economic, and Funding Factors
3. What Makes Paulding Unique
4. General Fund Revenue (Preliminary)
5. Projected Enrollment
6. Preliminary Allotment Changes

Appendix



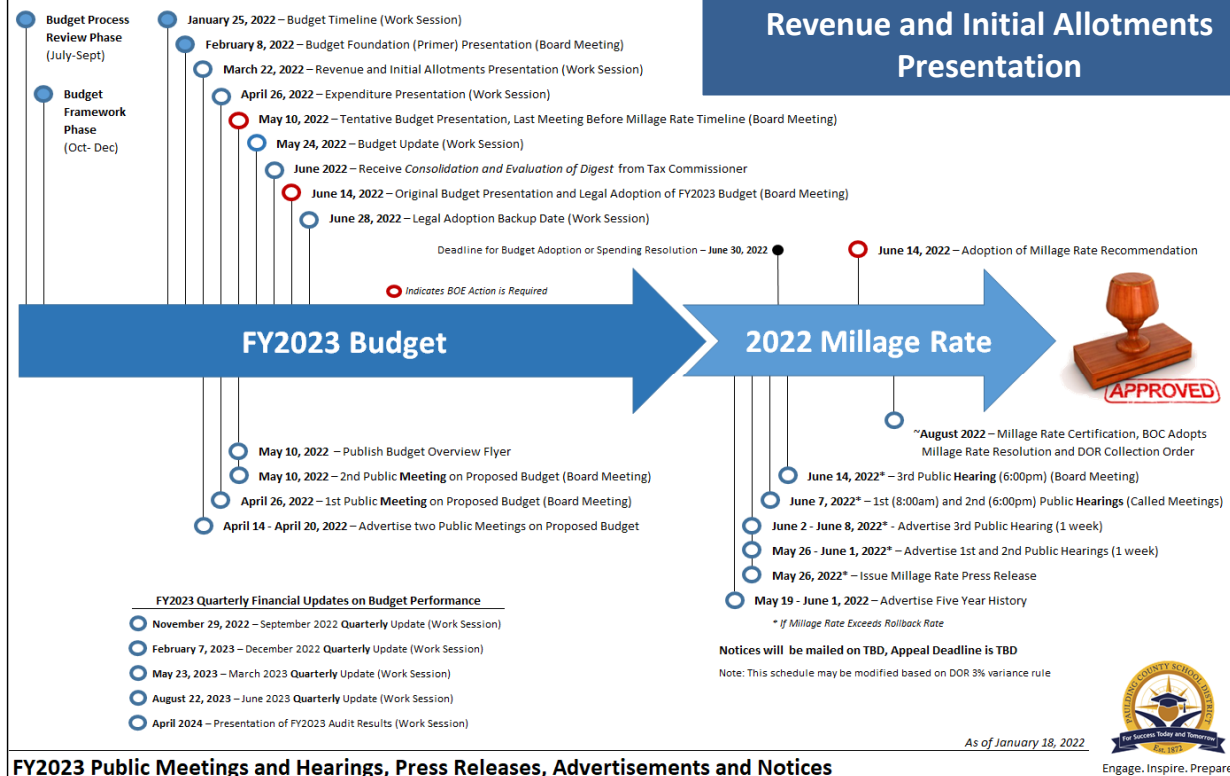
Engage. Inspire. Prepare.



Version 1.0  
Based on the most current data available

March 22, 2022

## FY2023 Budget Development - Major Milestones



# FY2023 Budget Roadmap

## Organizational Factors Influencing Decisions: Funding Factors

---

With a significantly lower non-residential digest percentage and slightly below average millage rate, local revenue per-pupil will remain low, materially lower than other large and comparable districts. Fueled by the Equalization Grant, state revenue will offer some relief. However, the district will remain low in total revenue per-pupil, in relation to its size, and in comparison to similar districts.

- Although improving, 60% state sources, statewide average is 47%
- 4<sup>th</sup> largest recipient of the Equalization Grant
- 33% local sources, statewide average is 42%
- Local revenue per-pupil rank is 28 out of 35 large districts
  - ✓ Non-residential digest percentage is 17%, large district average is 39%
  - ✓ Millage rate is 18.750, slightly above large district average
- State revenue per-pupil rank is 9 out of 35 large districts
- Total revenue per-pupil rank is 29 out of 35 large districts, 11 out of 35 in enrollment
- ESEP participation rank is 5 out of 35 large districts



Engage. Inspire. Prepare.

**Enrollment.** 11 out of 35 large districts in total enrollment.

**ESEP Participation.** 5 out of 35 large districts in ESEP participation.

**Local Revenue.** 28 out of 35 large districts in local revenue per student.

**State Revenue.** 9 out of 35 large districts in state revenue per student.

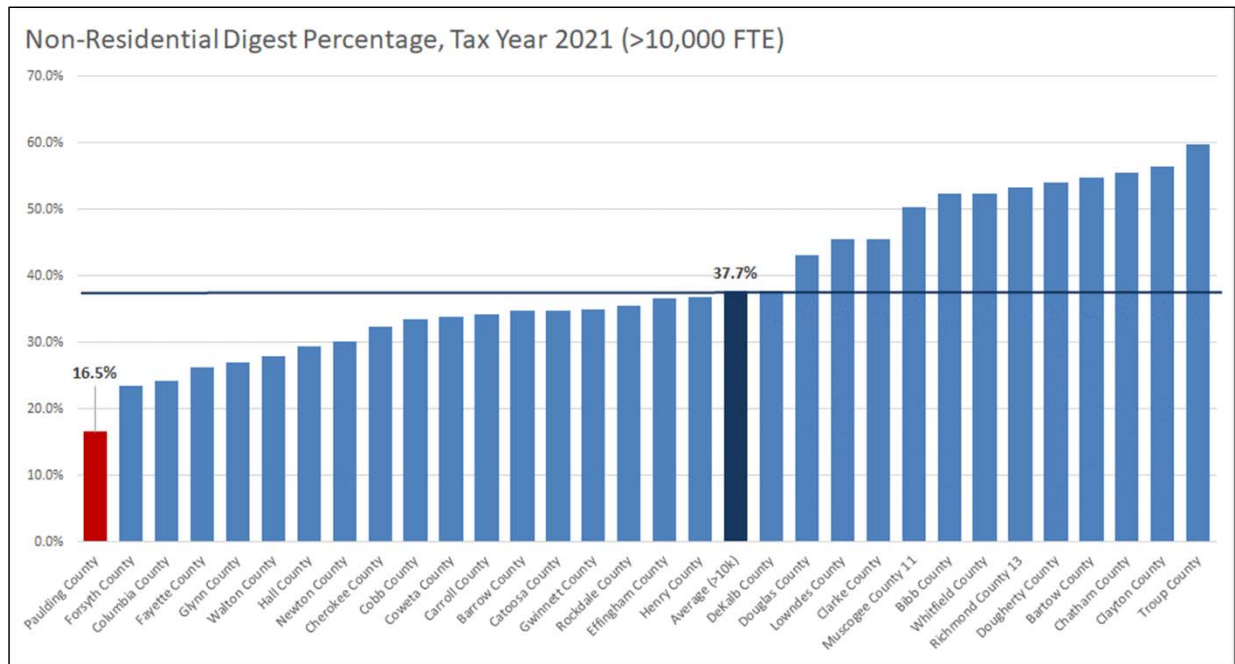
**Equalization.** 4 out of 35 large districts in equalization.

**Federal Revenue.** 30 out of 35 large districts in Title I funding.

**Total Revenue.** 29 out of 35 large districts in total revenue per student, but 11 out of 35 large districts in total enrollment.

## Revenue Ratios: What Makes Paulding Unique

3 | Unique



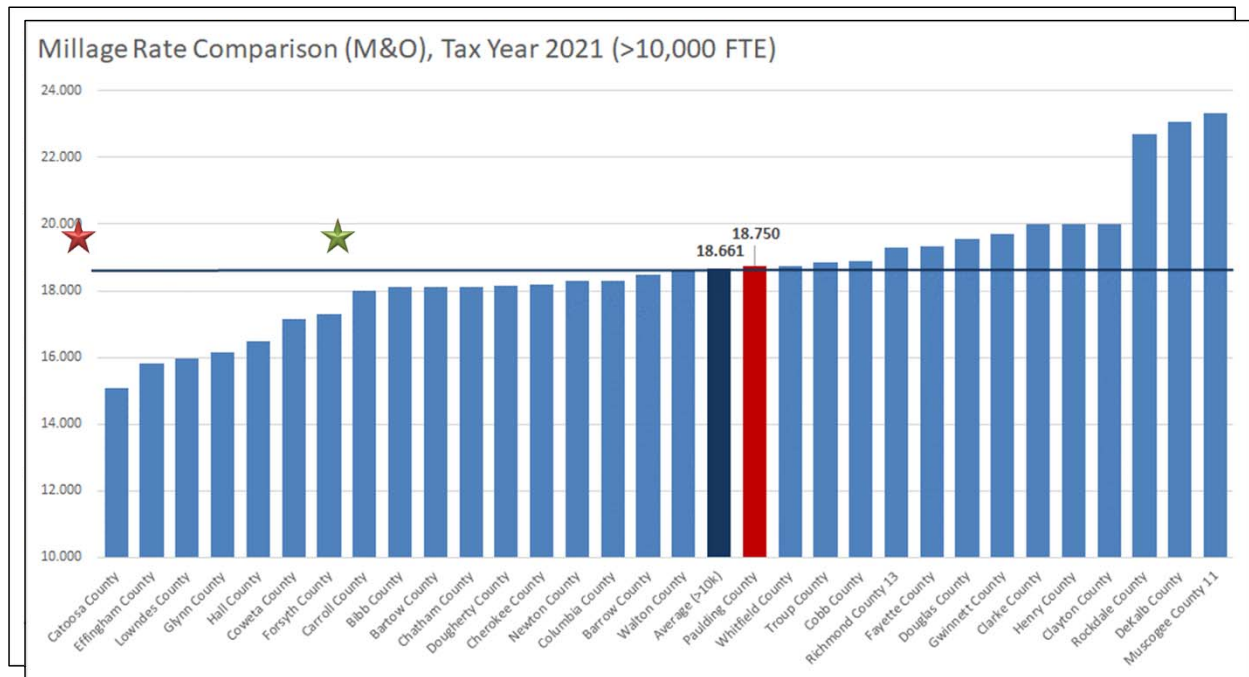
**Non-Residential Digest Percentage.** As of 2021, Paulding County had the lowest percentage of the digest considered non-residential at 16.5%, compared to a large district average of 37.7%.

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

2021

## Local Revenue: Property Tax

2 | Budget Factors



**Millage Rate.** As of 2021, Paulding County had a slightly higher-than-average millage rate of 18.750 or 0.089.

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

2021

## Local Revenue: Property Tax

2 | Budget Factors



Engage. Inspire. Prepare.

# Preliminary FY2023 General Fund Revenue

	FY2022	FY2023	Change	%
(1) QBE Funding, net	\$ 166.9	\$ 182.2	\$ 15.3	9.2%
(2) Equalization Grant	31.2	27.3	(3.9)	-12.4%
(3) Local Taxes	114.3	136.1	21.8	19.1%
Other Local Revenue	1.3	1.7	0.5	36.6%
<b>Total GF Revenue</b>	<b>\$ 313.7</b>	<b>\$ 347.4</b>	<b>\$ 33.7</b>	<b>10.8%</b>

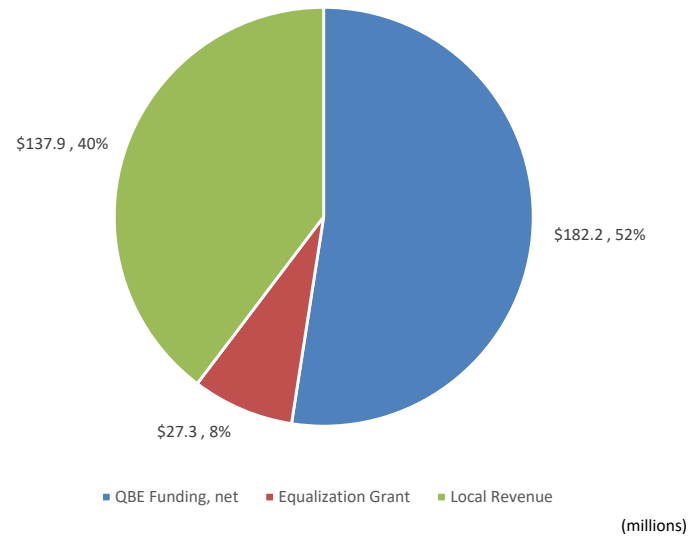
*\*Excludes Grants and Transfers to Other Funds*

#### Highlights

- \$347.4m Budget
- \$33.7 Increase
- \$1,062 Per-Pupil Increase
- \$27.3m Equalization Grant
- \$21.8m Increase in Local Taxes, including
- \$11.2m Ad Valorem

Note: Revenue projection includes a modified millage rate of 17.750

Note: Pending GaDOE Earnings/Allotment Report



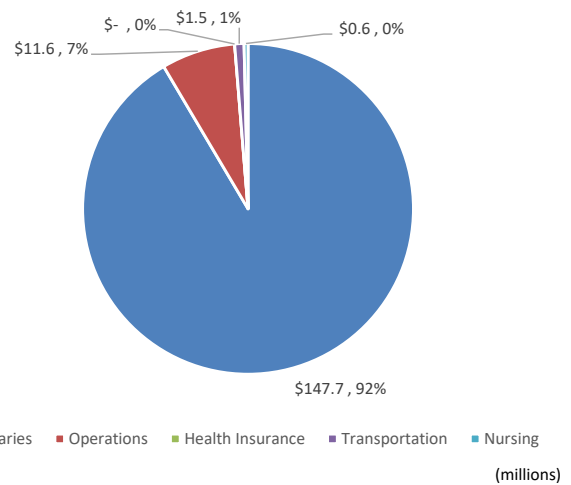
## Preliminary General Fund Revenue

4 | GF Revenue

	FY2022	FY2023	Change	%
Salaries (FTE/T&E)	\$ 162.59	\$ 172.8	\$ 10.3	6.3%
Operations	\$ 13.1	\$ 13.6	\$ 0.5	4.1%
LFS	\$ (23.8)	\$ (27.1)	\$ (3.3)	14.1%
Transportation	\$ 1.5	\$ 1.5	\$ -	0.0%
Nursing	\$ 0.6	\$ 0.6	\$ -	0.0%
Health Insurance	\$ 20.1	\$ 20.8	\$ 0.7	3.6%
Austerity Reduction	\$ (7.2)	\$ -	\$ 7.2	-100.0%
<b>Total</b>	<b>\$ 166.9</b>	<b>\$ 182.2</b>	<b>\$ 15.3</b>	<b>9.2%</b>

#### Highlights

- \$182.2m QBE and Categorical Grants, net
- -\$3.3m Increase in LFS
- \$15.3m Total Increase, net

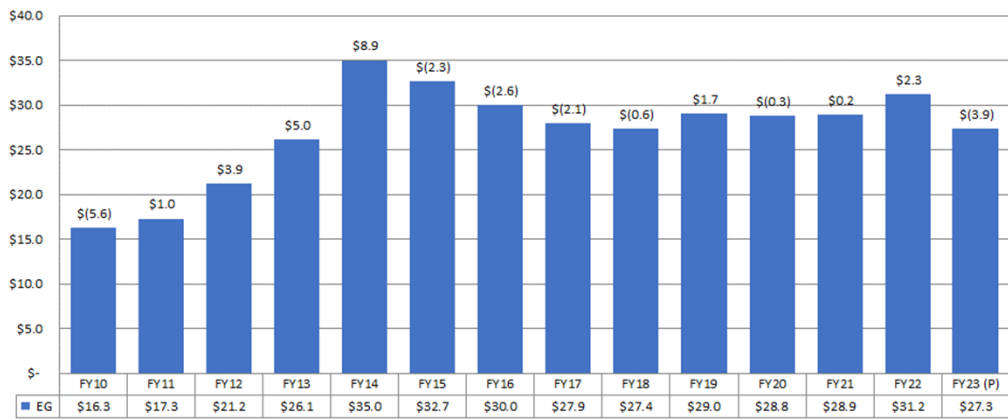


Note: Pending GaDOE Earnings/Allotment Report

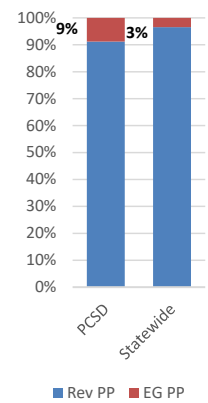
## Preliminary GF Revenue: (1) QBE Funding

4 | GF Revenue

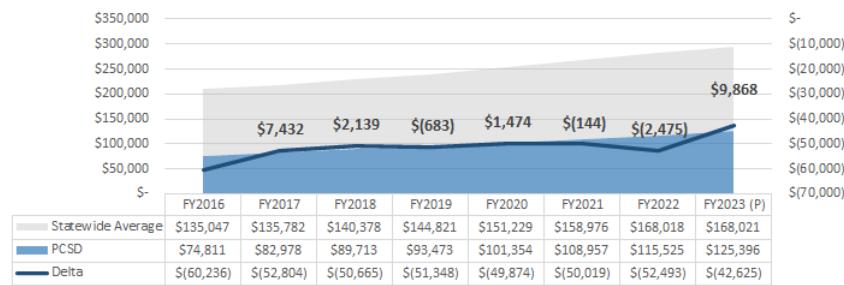
Equalization Grant, FY2010 - FY2023 (P)



FY2021 Per-Pupil EG Percentage



Historical Wealth per Weighted FTE, FY2016 - FY2023 (P)



(millions)

A decreasing (unfavorable) variance between PCSD and Statewide Wealth-per-Weighted FTE will result in a grant decrease (assuming no changes in state funding)

FY2010 – FY2023 (P)

## (2) Equalization Grant

4 | GF Revenue

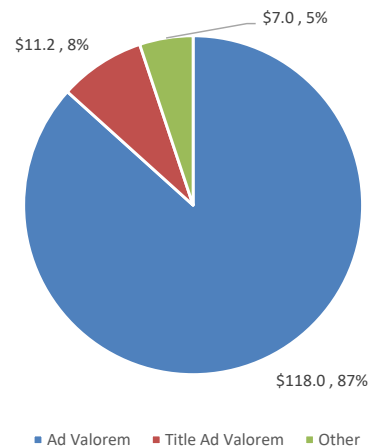
	FY2022	FY2023	Change	%
Ad Valorem	\$ 99.2	\$ 118.0	\$ 18.8	19.0%
Title Ad Valorem	\$ 9.8	\$ 11.2	\$ 1.3	13.7%
Other Sales Taxes	\$ 5.3	\$ 7.0	\$ 1.6	30.6%
Other Taxes	\$ -	\$ -	\$ -	0.0%
<b>Total</b>	<b>\$ 114.3</b>	<b>\$ 136.1</b>	<b>\$ 21.8</b>	<b>19.1%</b>

#### Highlights

- \$136.1m Budget
- \$18.8m Ad Valorem Increase
- \$1.3m TAVT Increase
- \$1.6m Other Sales Tax or Recording/Intangible Tax Increase

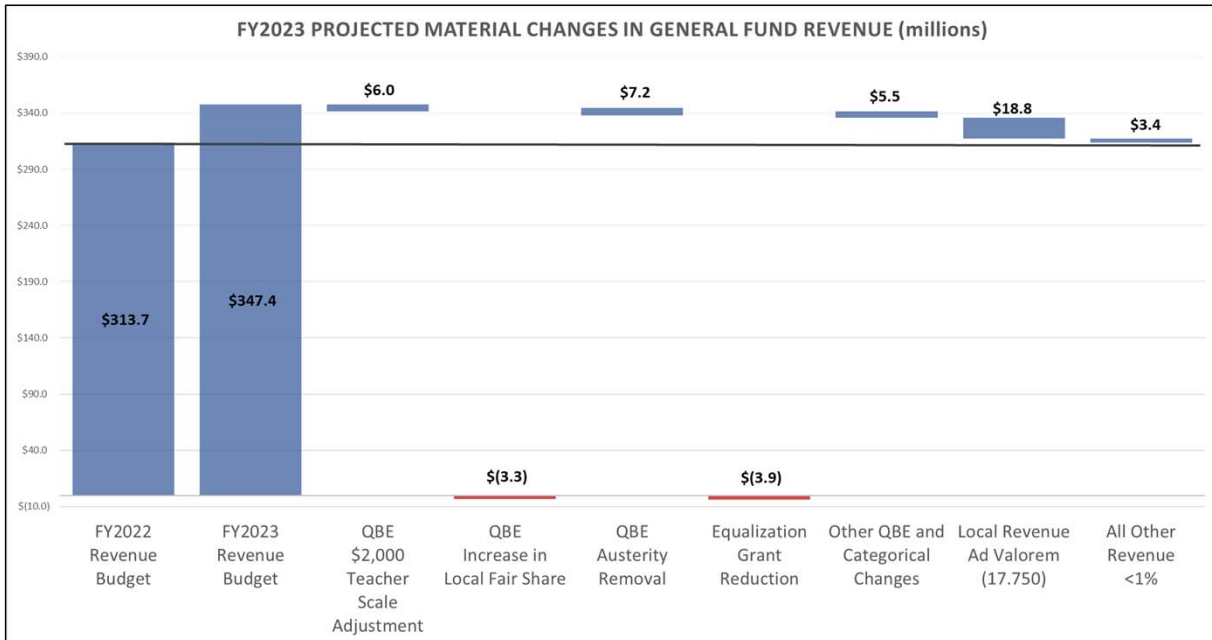
Note: Revenue projection includes a modified millage rate of 17.750

(millions)



## Preliminary GF Revenue: (3) Local Taxes

4 | GF Revenue



### Highlights

- \$33.7 million or 10.8% General Fund Revenue Increase
- Projected as of March 21<sup>st</sup>, pending QBE and Final Digest

Note: Excludes Grants and Transfers to Other Funds (Includes Anticipated FY22 Mid-Term Adjustments)

## Projected Changes in Revenue

4 | GF Revenue

## Organizational Factors Influencing Decisions: Enrollment Factors

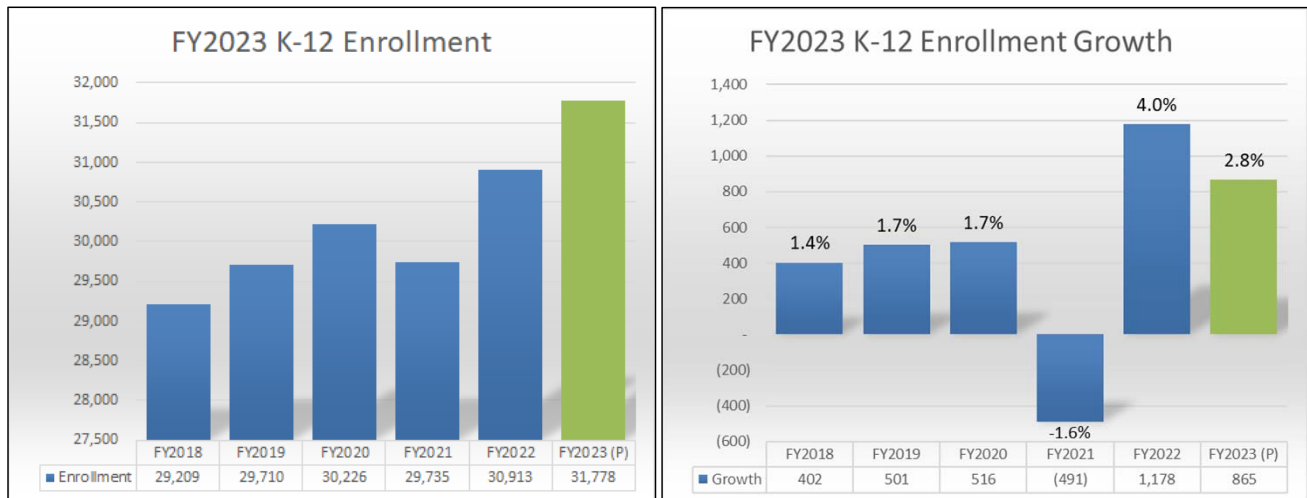
---

The district has become the 11<sup>th</sup> largest district in the state of Georgia and is poised to continue its growth trajectory. Over the prior three years, PCSD was the 3<sup>rd</sup> fastest growing large district in Georgia. The most current demographic study indicates this growth will continue over the next 5 to 10 years and will continue to exceed comparable districts.

- PCSD is the 11th largest school district in Georgia, with 30,913 students (FY2022)
- FY2023 enrollment growth 865 or 2.8% to 31,778
- FY2022 778 projection variance, 1,643 or 5.5% Combined
- 798 or 3% have registered for the Paulding Virtual Academy
- 15.1% are enrolled in an ESEP program, large district average of 12.9% (FY2022)
- Over the prior 6-years the district has grown 2,447 or 8.6%
- 3-year annual growth rate of 1.3%, 3rd highest of the 35 large districts in Georgia
- Demographics study reflects a 5-year increase of 3,215 or 2.0% annually to 34,128
- Study also indicates a 10-year increase of 4,547 or 1.4% annually to 35,460



Engage. Inspire. Prepare.



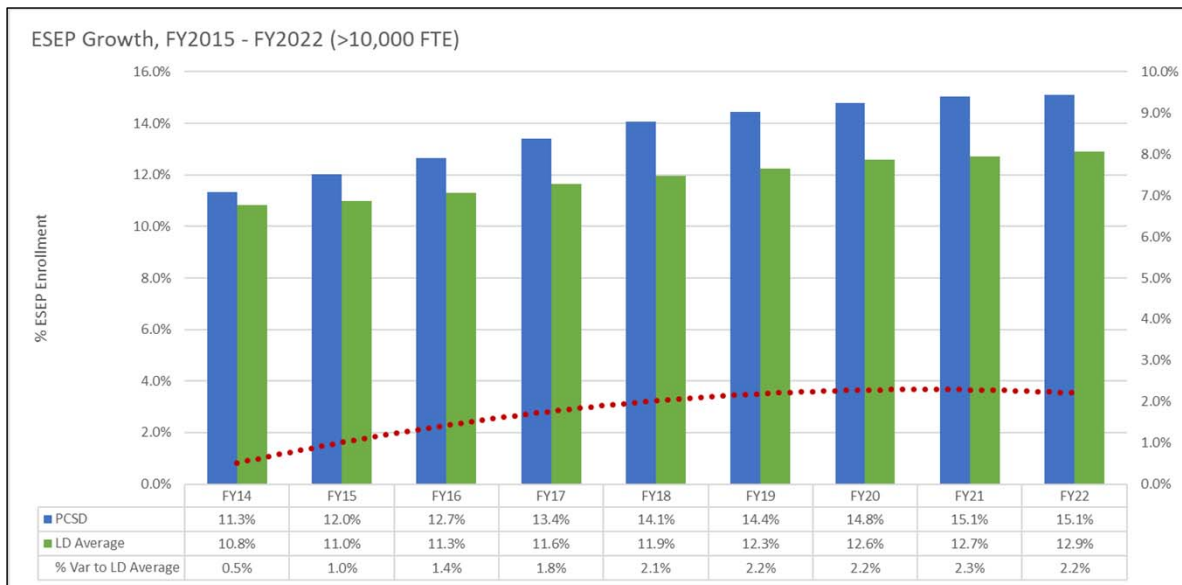
### Highlights

- Enrollment Growth 865 or 2.8% to 31,778
- 778 FY2022 Projection Variance (1,643 or 5.5% Combined)
- 798 or 3% Paulding Virtual Academy

FY2018 – FY2023 (P)

## Projected Enrollment

5 | Enrollment



### Highlights

- 4,675 ESEP Students, 15.1% of Total Enrollment
- Stabilized Variance to Large District Average

FY2014 – FY2022

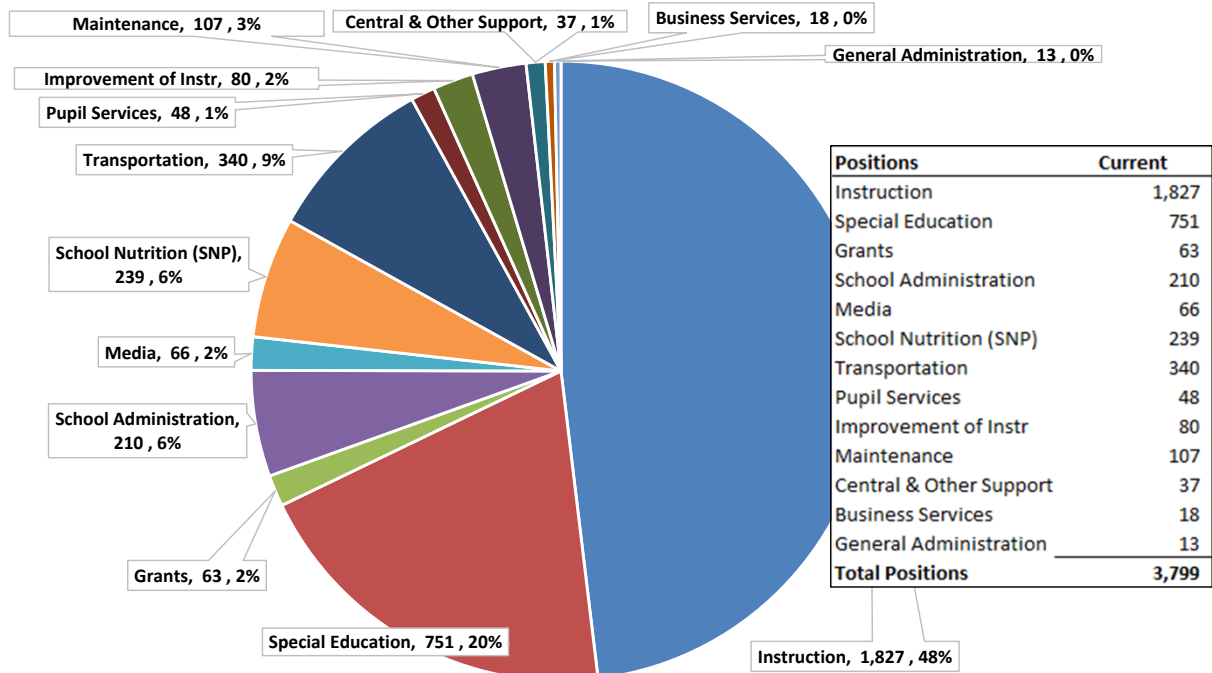
# Projected Enrollment

5 | Enrollment



Engage. Inspire. Prepare.

# Preliminary FY2023 Allotment Changes



### Highlights

- 3,799 Total Positions
- 65% Instructional Positions

## Current Allotments

6 | Allotments

	FY2023 Changes (Preliminary)														
	General Fund					Grants					SNP		Total		
	Original GenEd	+/-	Original ESEP	+/-	Total	Original ESEP	+/-	Original Other	+/-	Total	Original SNP	+/-	Original	+/-	Grand Total
<b>School Based Allotments:</b>															
Elementary Schools	1,062	57	239	11	1,369	46	3	26	(1)	73	110	-	1,483	70	1,552
Middle Schools	478	12	154	5	649	7	1	12	1	21	60	-	711	19	730
High Schools	553	13	150	5	721	7	-	8	-	15	57	-	775	18	793
<b>Total School Based Allotments</b>	<b>2,093</b>	<b>82</b>	<b>543</b>	<b>21</b>	<b>2,739</b>	<b>60</b>	<b>4</b>	<b>46</b>	<b>(0)</b>	<b>109</b>	<b>227</b>	<b>-</b>	<b>2,969</b>	<b>107</b>	<b>3,075</b>
<b>Other Direct Instruction &amp; Support</b>															
Curriculum & School Improvement *	28	-	-	-	28	-	-	-	-	-	-	-	28	-	28
Student Services	-	-	78	1	79	3	(1)	-	-	2	-	-	81	-	81
New Hope Education Center	41	-	8	(7)	42	-	-	50	-	50	-	-	98	(7)	91
<b>Total (84%)</b>	<b>2,162</b>	<b>82</b>	<b>629</b>	<b>15</b>	<b>2,888</b>	<b>63</b>	<b>3</b>	<b>95</b>	<b>(0)</b>	<b>161</b>	<b>227</b>	<b>-</b>	<b>3,176</b>	<b>100</b>	<b>3,276</b>
<b>School Leadership Division</b>	14	3	-	-	17	-	-	3	-	-	-	-	17	3	20
Safety & Security	3	6	-	-	9	-	-	-	-	-	-	-	3	6	9
Nursing	3	-	-	-	3	-	-	2	-	-	-	-	5	-	5
Central Registration	7	-	-	-	7	-	-	-	-	-	-	-	7	-	7
Transportation	340	1	-	-	341	21	-	-	-	-	-	-	361	1	362
Maintenance	38	3	-	-	41	-	-	-	-	1	1	-	39	3	42
Custodial Services	12	-	-	-	12	-	-	-	-	-	-	-	12	-	12
SNP	-	-	-	-	-	-	-	-	-	11	11	-	11	-	11
<b>Teaching &amp; Learning Division</b>	4	-	-	-	4	-	-	-	-	-	-	-	4	-	4
Curriculum	17	1	-	-	18	-	-	6	-	-	-	-	23	1	24
School Improvement	6	-	-	-	6	-	-	20	-	-	-	-	26	-	26
Student Services (FC 94)	-	-	20	-	20	4	-	-	-	-	-	-	24	-	24
CTAE	3	-	-	-	3	-	-	-	-	-	-	-	3	-	3
<b>Technology Division</b>	38	3	-	-	41	-	-	-	-	-	-	-	38	3	41
Business Services Division	21	-	-	-	21	-	-	1	-	-	-	-	22	-	22
<b>Human Resources Division</b>	10	-	-	-	10	-	-	-	-	-	-	-	10	-	10
Superintendent's Office	10	-	-	-	10	-	-	-	-	-	-	-	10	-	10
Board and PEF	7	-	-	-	7	-	-	-	-	-	-	-	7	-	7
<b>Grand Total</b>	<b>2,695</b>	<b>99</b>	<b>649</b>	<b>15</b>	<b>3,458</b>	<b>88</b>	<b>3</b>	<b>127</b>	<b>(0)</b>	<b>173</b>	<b>239</b>	<b>-</b>	<b>3,799</b>	<b>117</b>	<b>3,916</b>

\* Instruction and support allotments based at a non-school facility that directly support students

## Preliminary Allotment Changes

6 | Allotments

	General Fund				
	Original GenEd	+/-	Original ESEP	+/-	Total
<b>School Based Allotments:</b>					
Elementary Schools	1,062	57	239	11	1,369
Middle Schools	478	12	154	5	649
High Schools	553	13	150	5	721
<b>Total School Based Allotments</b>	<b>2,093</b>	<b>82</b>	<b>543</b>	<b>21</b>	<b>2,739</b>
<b>Other Direct Instruction &amp; Support</b>					
Curriculum & School Improvement *	28	-	-	-	28
Student Services	-	-	78	1	79
New Hope Education Center	41	-	8	(7)	42
<b>Total (84%)</b>	<b>2,162</b>	<b>82</b>	<b>629</b>	<b>15</b>	<b>2,888</b>
<b>School Leadership Division</b>	14	3	-	-	17
Safety & Security	3	6	-	-	9
Nursing	3	-	-	-	3
Central Registration	7	-	-	-	7
Transportation	340	1	-	-	341
Maintenance	38	3	-	-	41
Custodial Services	12	-	-	-	12
SNP	-	-	-	-	-
<b>Teaching &amp; Learning Division</b>	4	-	-	-	4
Curriculum	17	1	-	-	18
School Improvement	6	-	-	-	6
Student Services (FC 94)	-	-	20	-	20
CTAE	3	-	-	-	3
<b>Technology Division</b>	38	3	-	-	41
<b>Business Services Division</b>	21	-	-	-	21
<b>Human Resources Division</b>	10	-	-	-	10
Superintendent's Office	10	-	-	-	10
Board and PEF	7	-	-	-	7
<b>Grand Total</b>	<b>2,695</b>	<b>99</b>	<b>649</b>	<b>15</b>	<b>3,458</b>

### Instruction and Student Support, Net

- GenEd Average Class Size:
  - Kindergarten at 21.6 : 1
  - Grades 1-3 at 22.6 : 1
  - Grades 4-8 at 28.6 : 1
  - Grades 9-12 at 22.5 : 1
- 82 GenEd \$7.5 million
- 15 ESEP \$1.2 million

### Operational Allotments, Net

- ESEP General Fund:
  - None
- Other General Fund:
  - Social Workers
  - Safety & Security
  - Transportation
  - Maintenance
  - Curriculum
  - Technology

## Preliminary Allotment Changes: General Fund

6 | Allotments

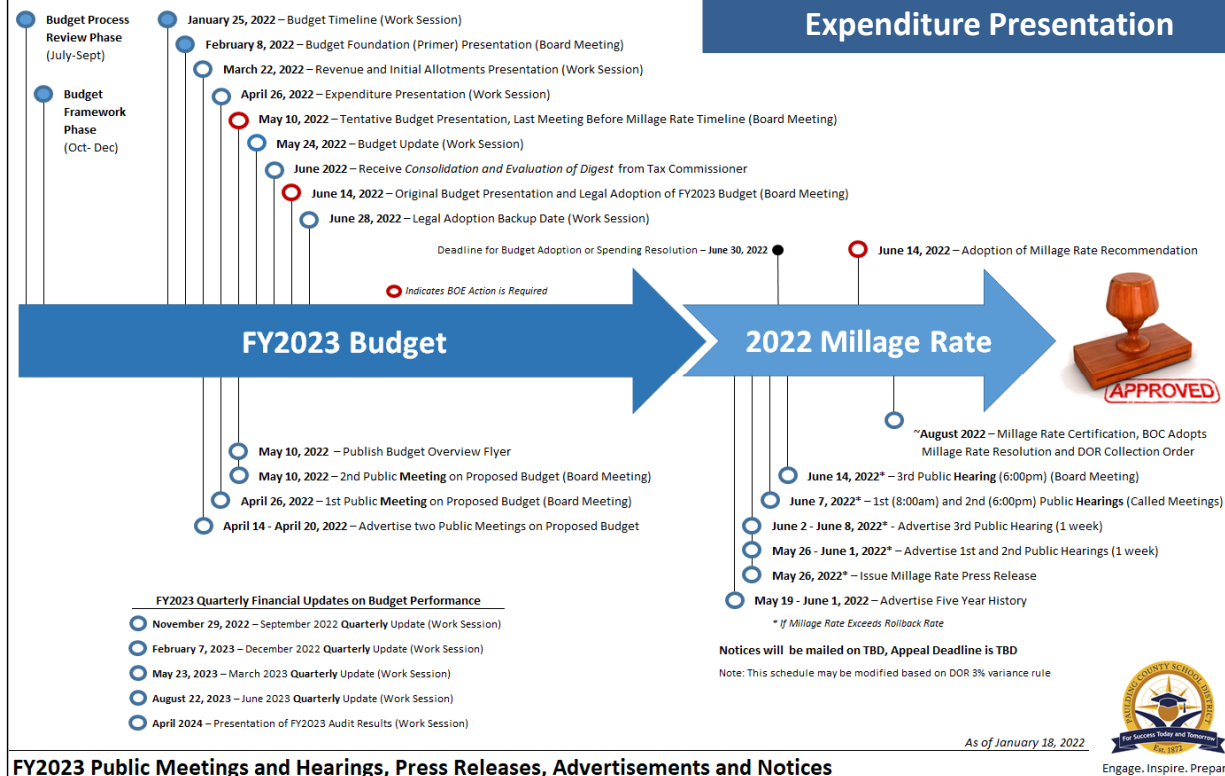
	FY2023 Changes (Preliminary)														
	General Fund					Grants					SNP		Total		
	Original GenEd	+/-	Original ESEP	+/-	Total	Original ESEP	+/-	Original Other	+/-	Total	Original SNP	+/-	Original	+/-	Grand Total
<b>School Based Allotments:</b>															
Elementary Schools	1,062	57	239	11	1,369	46	3	26	(1)	73	110	-	1,483	70	1,552
Middle Schools	478	12	154	5	649	7	1	12	1	21	60	-	711	19	730
High Schools	553	13	150	5	721	7	-	8	-	15	57	-	775	18	793
<b>Total School Based Allotments</b>	<b>2,093</b>	<b>82</b>	<b>543</b>	<b>21</b>	<b>2,739</b>	<b>60</b>	<b>4</b>	<b>46</b>	<b>(0)</b>	<b>109</b>	<b>227</b>	<b>-</b>	<b>2,969</b>	<b>107</b>	<b>3,075</b>
<b>Other Direct Instruction &amp; Support</b>															
Curriculum & School Improvement *	28	-	-	-	28	-	-	-	-	-	-	-	28	-	28
Student Services	-	-	78	1	79	3	(1)	-	-	2	-	-	81	-	81
New Hope Education Center	41	-	8	(7)	42	-	-	50	-	50	-	-	98	(7)	91
<b>Total (84%)</b>	<b>2,162</b>	<b>82</b>	<b>629</b>	<b>15</b>	<b>2,888</b>	<b>63</b>	<b>3</b>	<b>95</b>	<b>(0)</b>	<b>161</b>	<b>227</b>	<b>-</b>	<b>3,176</b>	<b>100</b>	<b>3,276</b>
<b>School Leadership Division</b>	14	3	-	-	17	-	-	3	-	-	-	-	17	3	20
Safety & Security	3	6	-	-	9	-	-	-	-	-	-	-	3	6	9
Nursing	3	-	-	-	3	-	-	2	-	-	-	-	5	-	5
Central Registration	7	-	-	-	7	-	-	-	-	-	-	-	7	-	7
Transportation	340	1	-	-	341	21	-	-	-	-	-	-	361	1	362
Maintenance	38	3	-	-	41	-	-	-	-	1	1	-	39	3	42
Custodial Services	12	-	-	-	12	-	-	-	-	-	-	-	12	-	12
SNP	-	-	-	-	-	-	-	-	-	11	11	-	11	-	11
<b>Teaching &amp; Learning Division</b>	4	-	-	-	4	-	-	-	-	-	-	-	4	-	4
Curriculum	17	1	-	-	18	-	-	6	-	-	-	-	23	1	24
School Improvement	6	-	-	-	6	-	-	20	-	-	-	-	26	-	26
Student Services (FC 94)	-	-	20	-	20	4	-	-	-	-	-	-	24	-	24
CTAE	3	-	-	-	3	-	-	-	-	-	-	-	3	-	3
<b>Technology Division</b>	38	3	-	-	41	-	-	-	-	-	-	-	38	3	41
<b>Business Services Division</b>	21	-	-	-	21	-	-	1	-	-	-	-	22	-	22
<b>Human Resources Division</b>	10	-	-	-	10	-	-	-	-	-	-	-	10	-	10
Superintendent's Office	10	-	-	-	10	-	-	-	-	-	-	-	10	-	10
<b>Board and PER</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Grand Total</b>	<b>2,695</b>	<b>99</b>	<b>649</b>	<b>15</b>	<b>3,458</b>	<b>88</b>	<b>3</b>	<b>127</b>	<b>(0)</b>	<b>173</b>	<b>239</b>	<b>-</b>	<b>3,799</b>	<b>117</b>	<b>3,916</b>

\* Instruction and support allotments based at a non-school facility that directly support students

## Preliminary Allotment Changes

6 | Allotments

## FY2023 Budget Development - Major Milestones



# FY2023 Budget Roadmap



Engage. Inspire. Prepare.

# Thank You

For Budget Ideas and Feedback Please Visit our Website

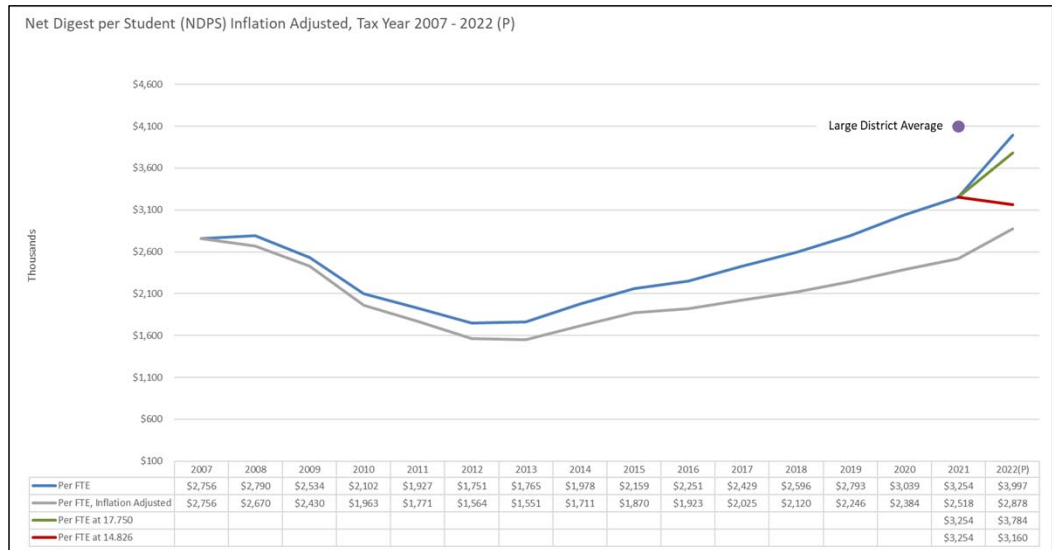


Engage. Inspire. Prepare.

# Appendix

**Great Recession.** Paulding County's housing-centric economy has largely recovered from the recession. However, as of 2021, the residual inflation-adjusted effect on the tax digest remains material. This is significant to note because approximately one-third of the District's revenues comes from local sources.

- 2021 tax year the Net Digest per Student (NDPS) remained \$238 lower than 2007, inflation adjusted or \$7.4 million total.
- The district continues to lag large district and statewide averages.



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

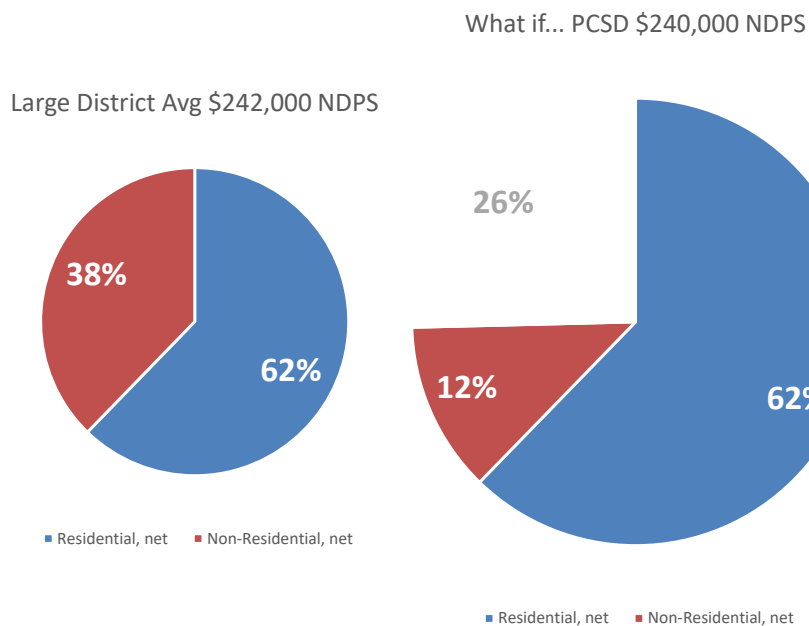
2022 (P)

## Local Revenue: Net Digest per Student Trend

Appendix

## Net Digest Allocation: Residential versus Non-Residential

*What if the Non-Residential Percentage was Similar to the Average Large District in Georgia?*



- **Residential** would be 62% of NDPS
- **Non-Residential** would be 38% of NDPS but is currently only 12%.
  - ✓ The 26% “missing” NDPS represents a digest value of **\$2.2 billion**, an increase of 206%.
  - ✓ The 26% “missing” NDPS represents **\$35.5 million** in lost or **\$63,000 per pupil**.

Source: Georgia Department of Revenue, Consolidated Tax Digest Summary - Large School Districts Average (enrollment >10,000)

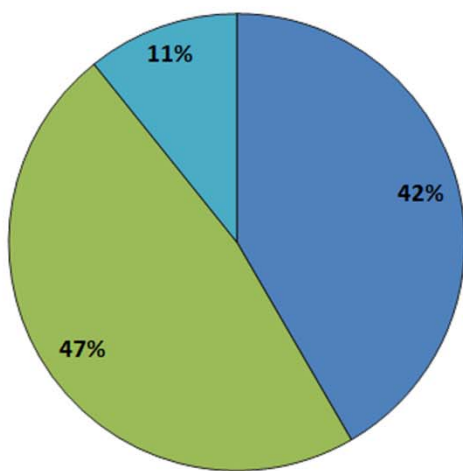
**FY2021**

# Local Revenue: Net Digest per Student

Appendix

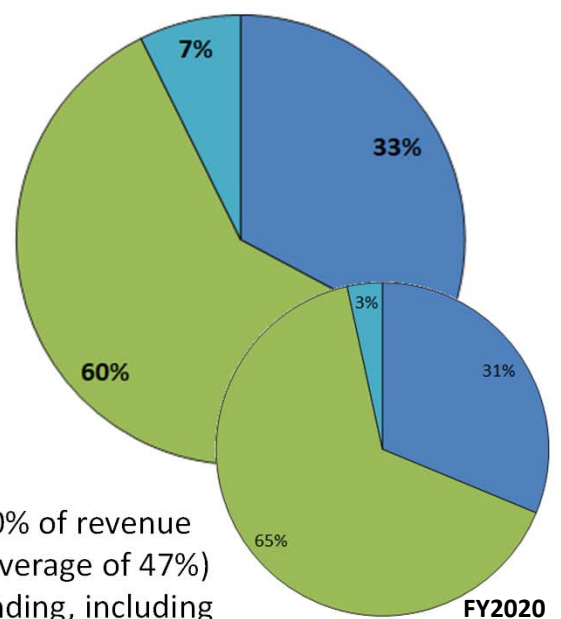
FY2021 Statewide Revenue Sources

Local Revenue State Revenue Federal Revenue



FY2021 PCSD Revenue Sources

Local Revenue State Revenue Federal Revenue



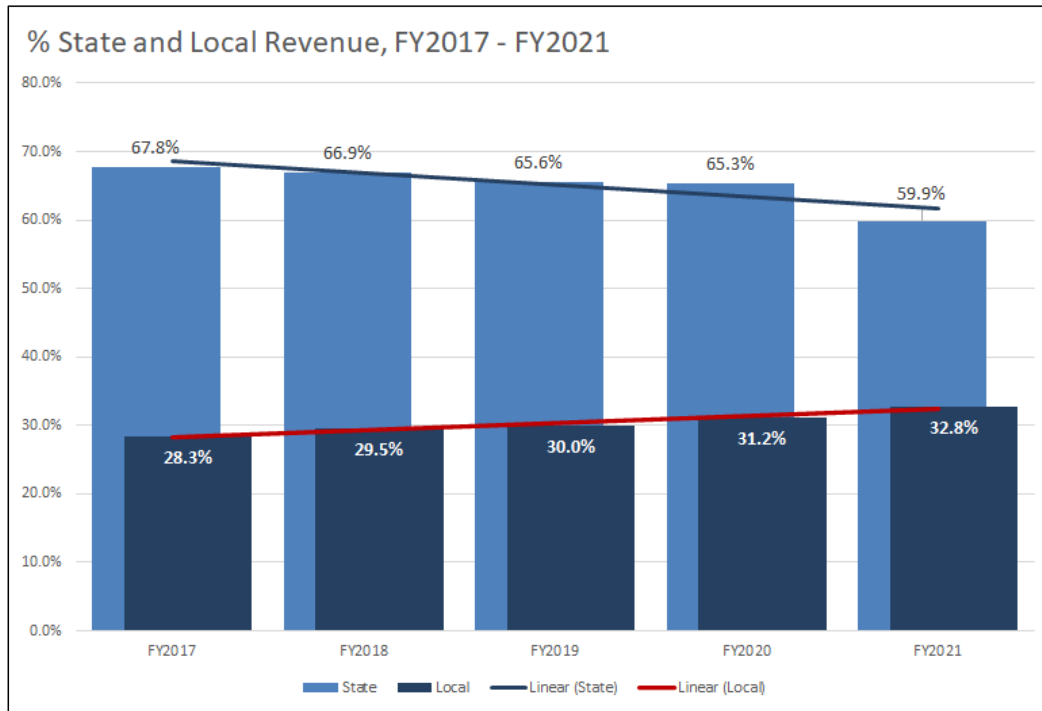
**Dependency on State Sources.** With approximately 60% of revenue coming from state sources (compared to a statewide average of 47%) the District is highly susceptible to changes in state funding, including austerity reductions, Equalization Grant funding and changes in the Quality Basic Education (QBE) formula.

Source: GaDOE School System Revenue/Expenditures Report as of FY2021

FY2021

## Revenue Sources

2 | Budget Factors



**% State and Local Revenue Trend.** From FY2017 to FY2021, the percentage of revenue from state sources has decline from 67.8% to 59.9%, while the percentage of revenue from local sources has increased from 28.3% to 32.8%.

Source: FY2023 Budget Primer - GaDOE School System Revenue/Expenditures Report as of FY2021

**FY2017 – FY2021**

## Revenue Sources Trend

Appendix

Per Pupil Local Revenue Comparison, FY1999 - FY2021



**Per-Pupil Local Revenue.** As of FY2021, PCSD remained \$1,031 lower in per-pupil local revenue than comparable districts or \$1,522 lower than the statewide average.

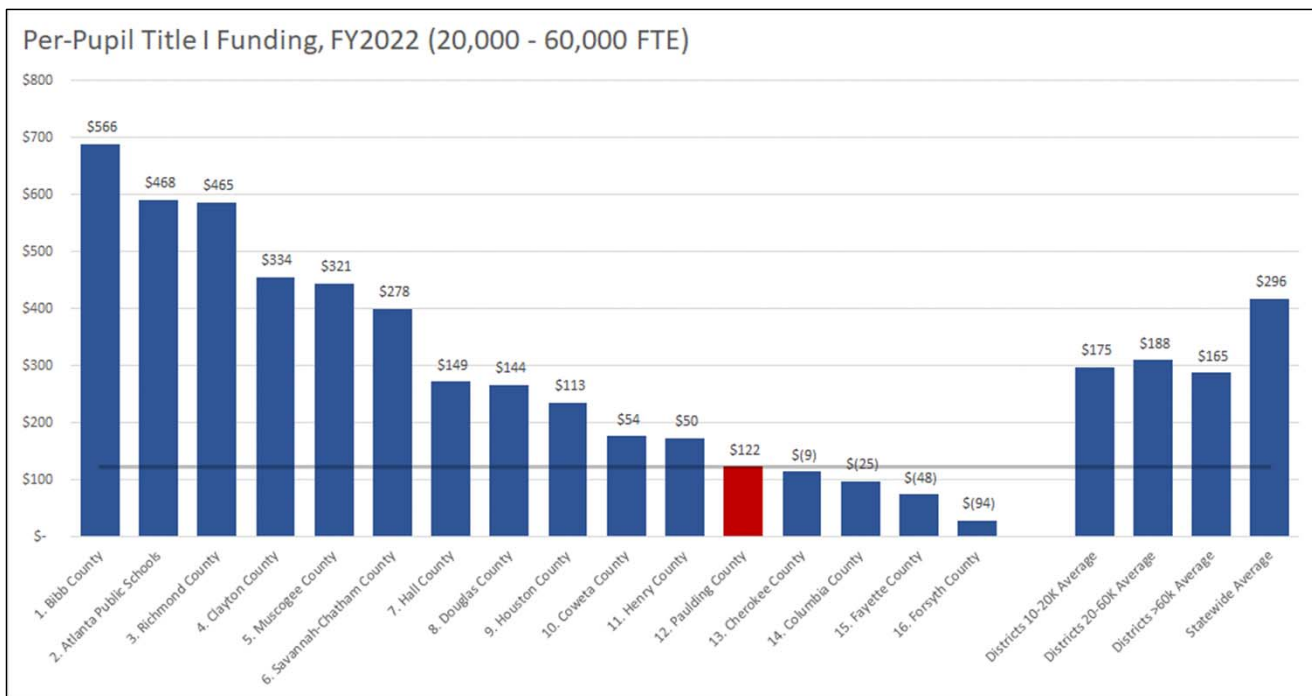
Source: FY2023 Budget Foundation - GaDOE School System Revenue/Expenditures Report as of FY2021

FY1999 – FY2021

## Local Revenue: Per-Pupil Revenue

Appendix

**Per-Pupil Title I.** As of FY2022 and based on overall enrollment, per-pupil Title I funding was \$122. This is lower than any comparable group, including the statewide average, which was \$296 more per-pupil. Variances to PCSD appear above the columns.



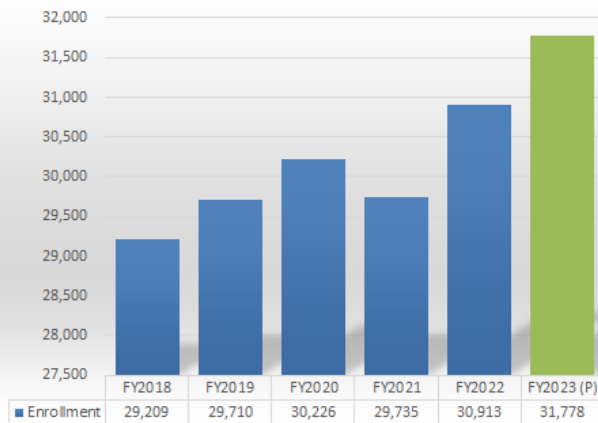
Source: GaDOE, Title I Awards

FY2022

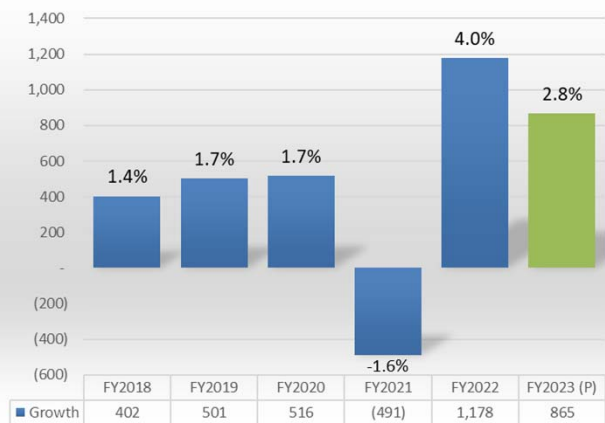
## Federal Funding: Per-Pupil Title I Funding

Appendix

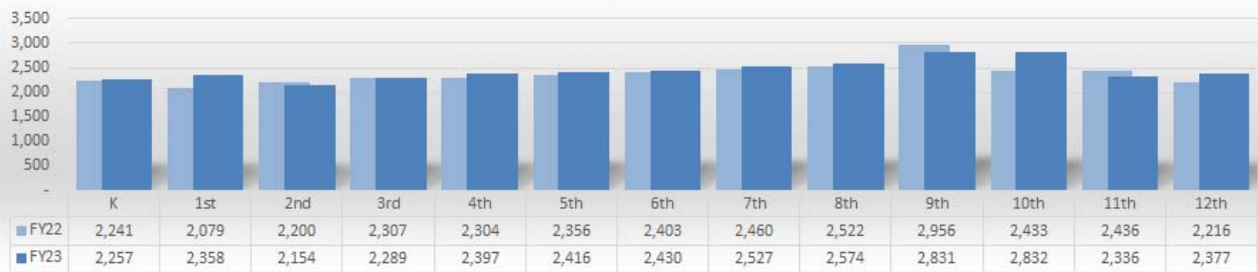
FY2023 K-12 Enrollment



FY2023 K-12 Enrollment Growth



FY2023 Enrollment by Grade



FY2018 – FY2023 (P)

# Preliminary Enrollment

Appendix