



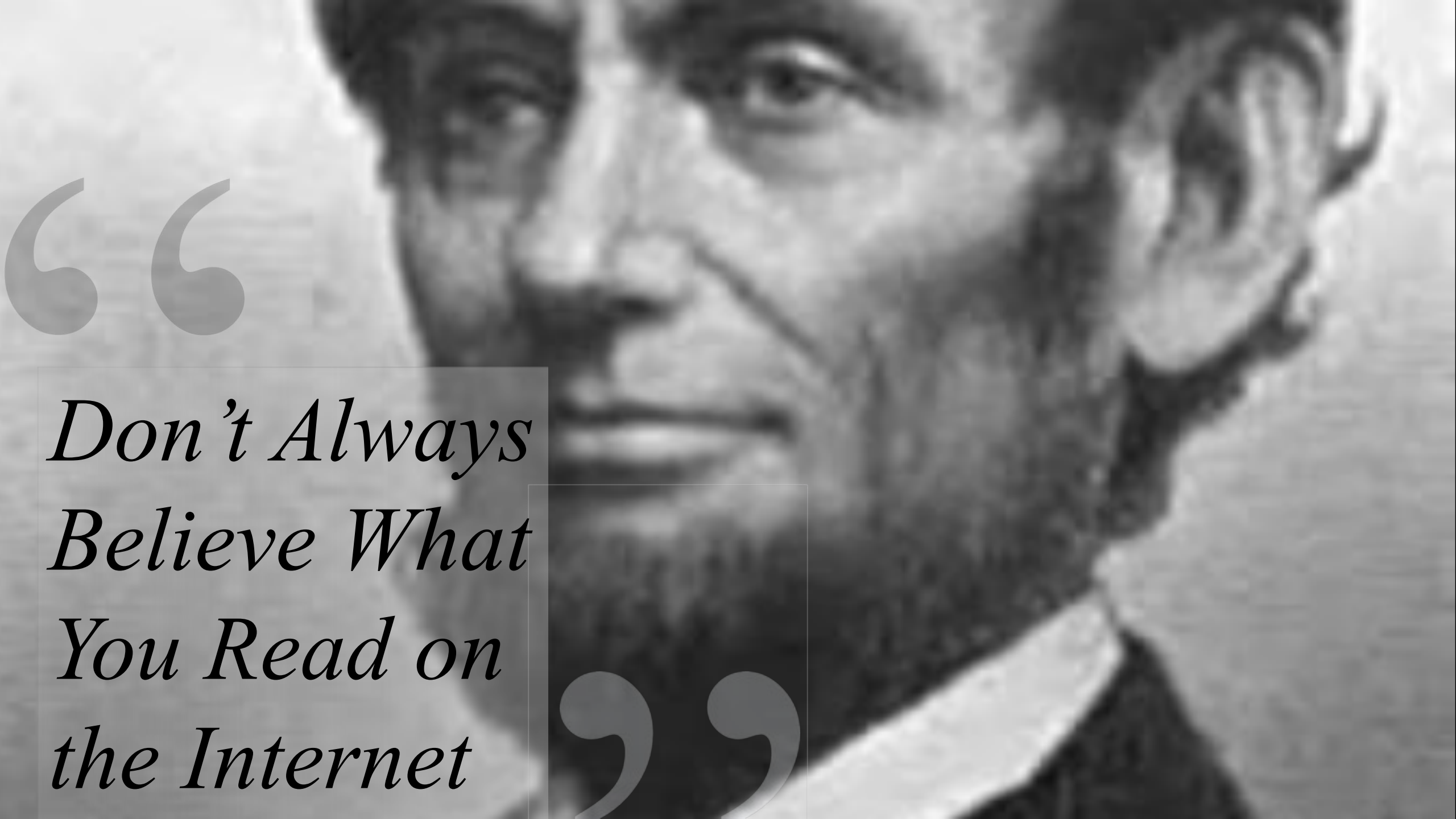
Funding Fundamentals

MAY 4, 2023

A wooden gavel with a dark brown handle and a rounded head is positioned diagonally on the right side of a white document. A silver paperclip is attached to the top left corner of the document. The document is placed on a light brown, textured surface, possibly a desk or folder. The word "DISCLAIMER" is printed in large, bold, black, serif capital letters across the middle of the page.

DISCLAIMER

The opinions expressed herein, while factually based, 100% true, and rational, are solely the presenter's and not necessarily anyone else's.



“

*Don't Always
Believe What
You Read on
the Internet*

”

Today's Agenda & Objectives

- Inflation & Other Considerations
- The QBE Formula & Categorical Grants
- The Good, Bad, & Ugly of the FY23A & FY24 Budgets
- Local Funding Basics
- Q&A



How Is Inflation Impacting Schools?

US Ultra-Low Sulfur Diesel Prices



Diesel prices remain near all-time highs.

U.S. No. 2 Diesel, Retail Prices

Oct '20 \$2.389

Oct '22 \$5.339

Jan '23 \$4.549

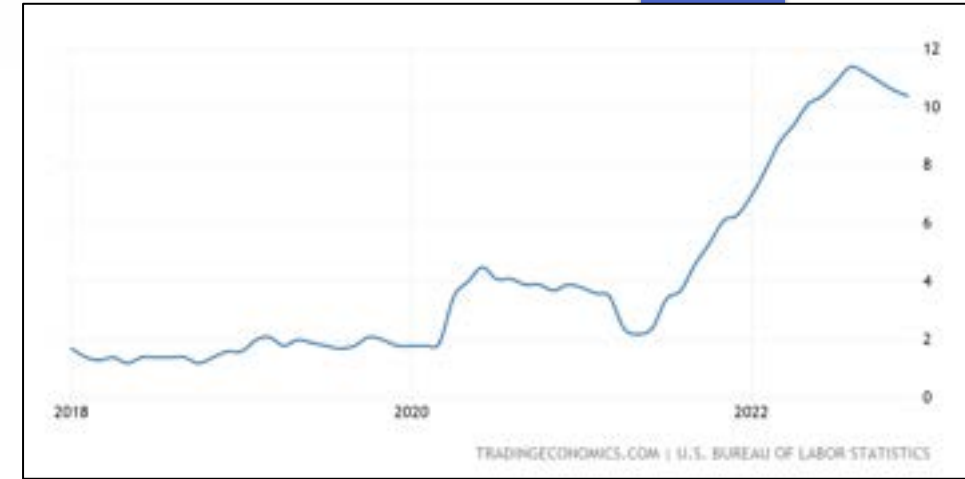
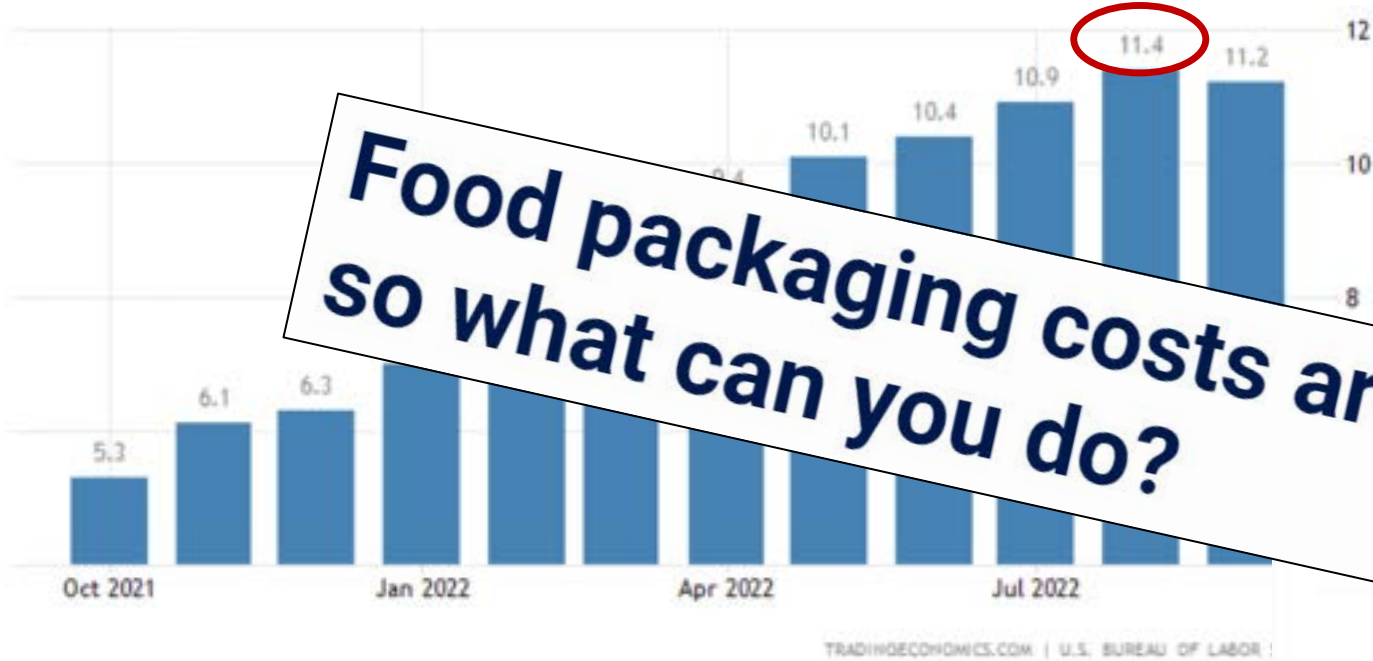
Apr '23 \$4.077

4/23 v 10/20

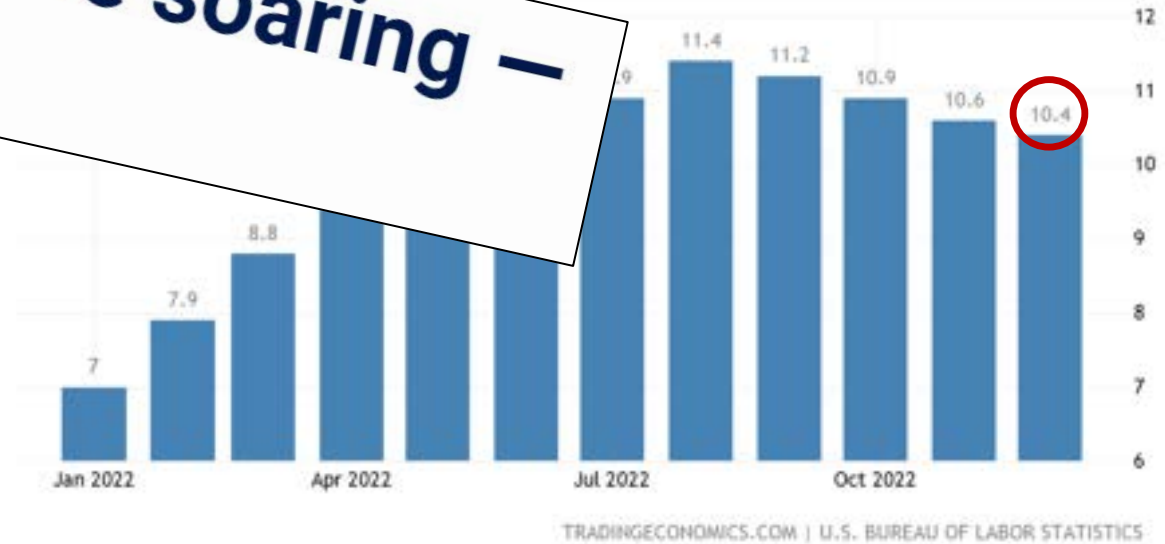
70.7% Increase!

How Is Inflation Impacting Schools?

U.S. Food Inflation

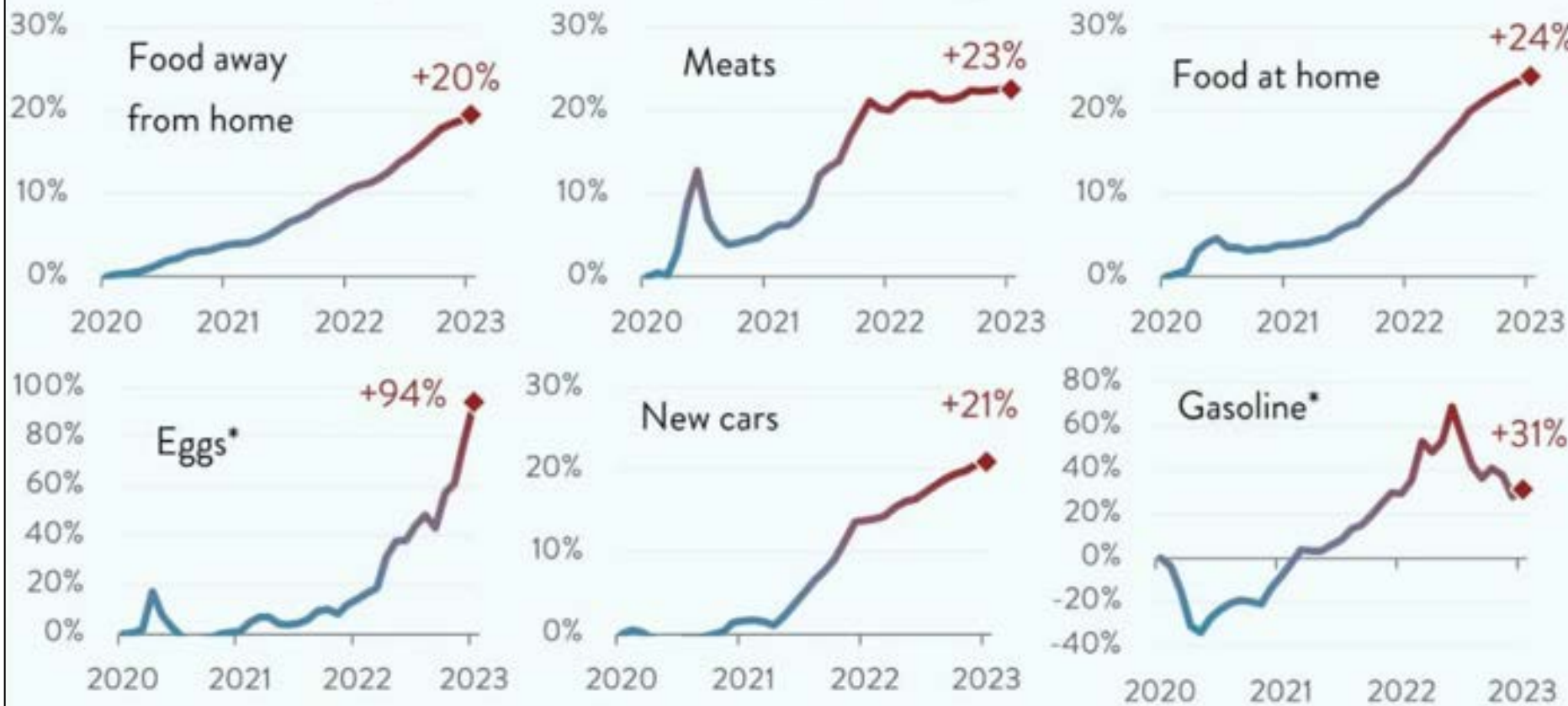


Food packaging costs are soaring – so what can you do?



Dining Out, Groceries & Gas: Inflation Is Hitting Your Wallet Where It Hurts Most

% Change In Consumer Price Index, By Category [Jan '20 - Jan '23]



Source: US Bureau Labor of Statistics

*Note different y-axis scale



\$2,000 raise for FY24 on \$60,000 avg teacher salary = 3.3%

\$5,000 raise over past three years = 8.3%

5.1% raise for bus drivers; raises for other classified staff?

Have any raises kept up with inflation?

NATIONAL

The U.S. could hit its debt ceiling within days. Here's what you need to know.

January 14, 2023 · 1:02 PM ET

JULIANA KIM SCOTT HORSLEY

Hitting the national debt ceiling is a major worry for Washington right now.

On Friday, Treasury Secretary Janet Yellen warned that the U.S. is on track to reach the debt limit, or the cap on how much money the federal government can borrow, by Thursday. The ceiling was last raised by \$2.5 trillion in December 2021 to a total of \$31.4 trillion.

In the past, Congress has avoided breaching the limit by simply raising it. But House Republicans said they will not support increasing the debt ceiling this time around — not unless they get spending cuts or other concessions.

In a letter to congressional leaders, Yellen said deadlock around the debt ceiling can cause "irreparable harm" to the economy and even global financial stability. She harkened back to 2011, when the U.S. reached its debt limit, wreaking havoc on the stock market.

ECONOMY

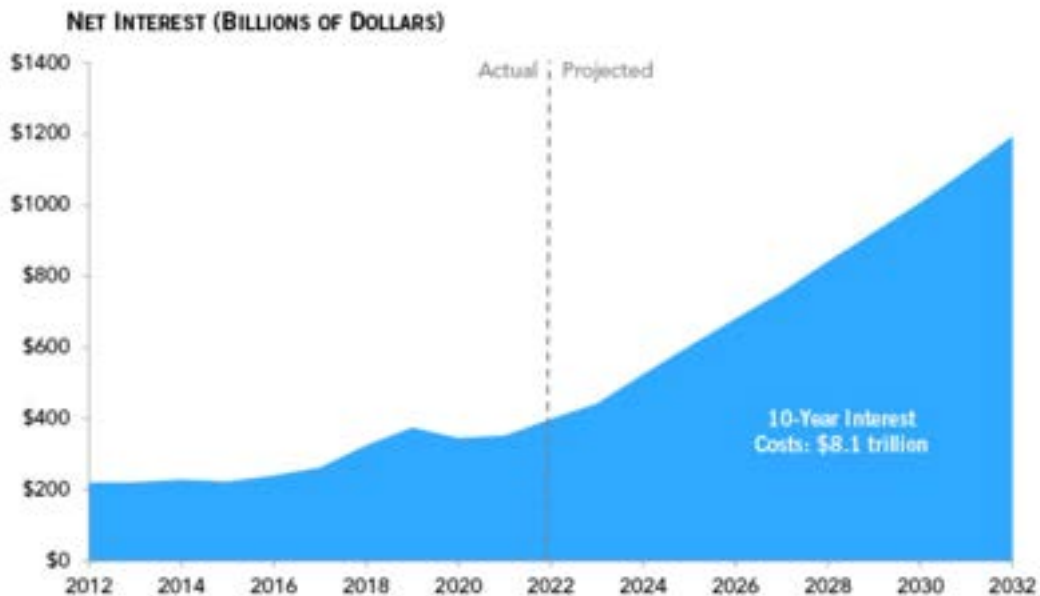
Close to hitting the debt ceiling, the government must win over House Republicans



If the U.S. reaches its debt ceiling, the Treasury will have to take "extraordinary measures"

Reduced Public Investment. As the federal debt mounts, the government will spend more of its budget on interest costs, increasingly crowding out public investments. Over the next 10 years, the Congressional Budget Office (CBO) estimates that interest costs will total \$8.1 trillion under current law. Currently, the United States spends over \$965 million per day on interest payments.

Net interest costs are projected to rise sharply



SOURCE: Congressional Budget Office, The Budget and Economic Outlook: 2022 to 2032, May 2022; and Office of Management and Budget, Historical Tables, Budget of the United States Government: Fiscal Year 2023, March 2022.

© 2022 Peter G. Peterson Foundation

PGPF.ORG

TWEET THIS

SUBWAY

**DRIVE-THRU
NOW HIRING
DAY SHIFT**

DQ

**HIRING
AWESOMENESS**

TACO BELL
NOW HIRING
APPLY AT TACOCAREERS.COM
OR ESQEN.COM

Grill & Chill

**McDonald's
Restaurant**

**DUE TO LACK
OF EMPLOYEES
CLOSED MONDAY
OPEN TO TOWN**

**JOIN OUR TEAM
OPEN INTERVIEWS**

**HELP
WANTED**

Now
HIRING

**Starbucks
Now Hiring
Part-Time
Baristas**



BUC-EE'S

Paid Weekly!

Cashier, Gift, Maintenance, Warehouse, and Grocery Stocker.....	\$16
Food Service and Car Wash.....	\$19
Team Lead.....	\$18 - \$21
Department Manager.....	\$23 - \$31

Full Time 35 - 50 Hours
No Experience Necessary

Assistant General Manager.....	\$100K+
Car Wash Manager.....	\$125K+
Food Service Manager.....	\$125K-\$175K+
General Manager.....	\$150K-\$225K+

▶ 401k - 100% Match up to 6%

▶ 3 Weeks Paid Time Off

Use It, Cash It, Roll It 1st Year



Scan Code To Apply

▶ Healthcare ▶ Part Time Available

▶ Plus \$2/hour for Overnight

Apply at buc-ees.com

**Average
Paraprofessional Pay
\$ 9.87 - \$ 11.84
(\$15,000-\$18,000
Annually)**

Preparing for Continuing Inflation

- State Funding Will not Keep Pace with Rising Wages to Stay Competitive
- If State Revenues Remain Strong, Expect Continued Teacher Raises
 - **NOTE:** Teacher Raises Usually End Up Costing Districts More \$ to Cover Unearned Positions

Preparing for Continuing Inflation Summary

- Expect M&O Costs to Continue to Rise
- Expect Salaries to Continue to Rise*
- Most Districts Have Increased Revenues from Property Taxes Even After Rollbacks for FY23
- While State Funding Will Increase Some for FY24, It Will NOT Offset the Rising Costs

*Unless we enter into a recession

COLD HARD FACT #1

We will need to budget for significant raises for non-certified (classified) staff or experience turnover in those positions.

This creates additional work for your leaders at the school and district level.



Opening Day:
All Employees
Report to Work

13 No-Shows.
No Call, No
Excuses, Just
Didn't Show.

Your leaders
are dealing
with similar
issues.

Basic Principle of Economics

We all deal with scarce resources:

➤ *Money*

➤ *Time*

The biggest difference between
money and time:

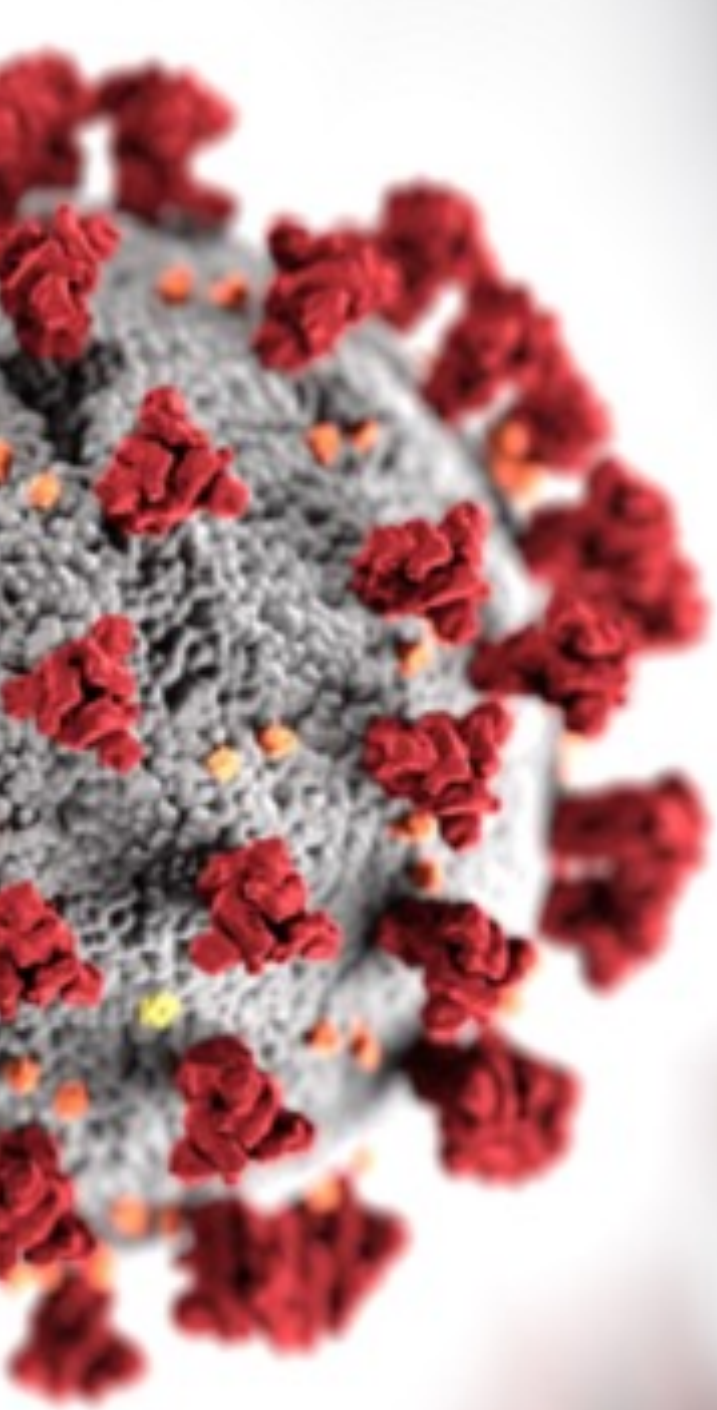
You always know how much money
you have, but you never know how
much time you have.



Our Perishable Product

The School Year:
> 180 Days to Make
a Difference

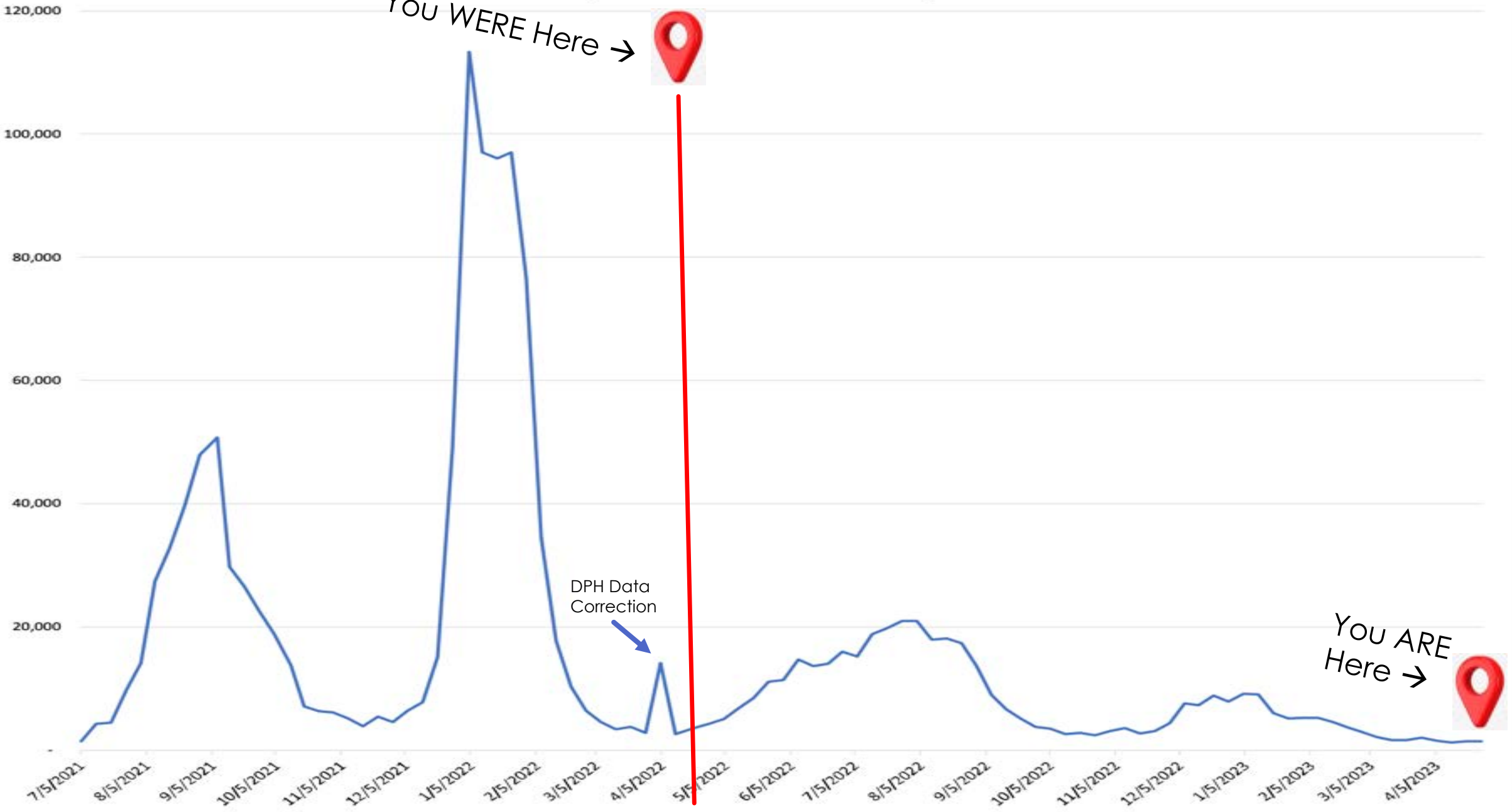




COVID-19

CORONAVIRUS DISEASE 2019

GA Weekly COVID-19 Positive Cases - All Age Bands



You WERE Here →

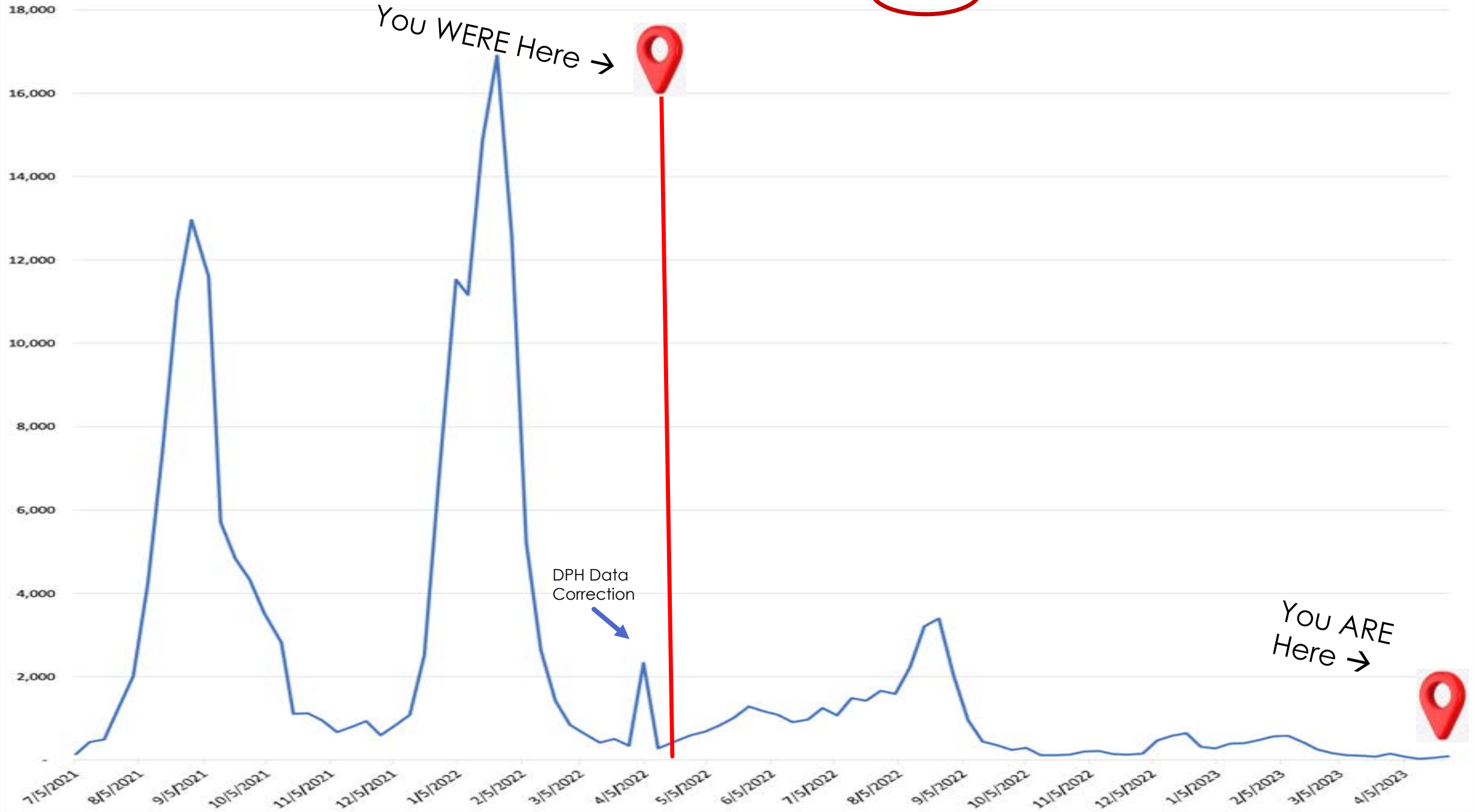


DPH Data Correction

You ARE Here →



GA Weekly COVID-19 Positive Cases - Age 5-17



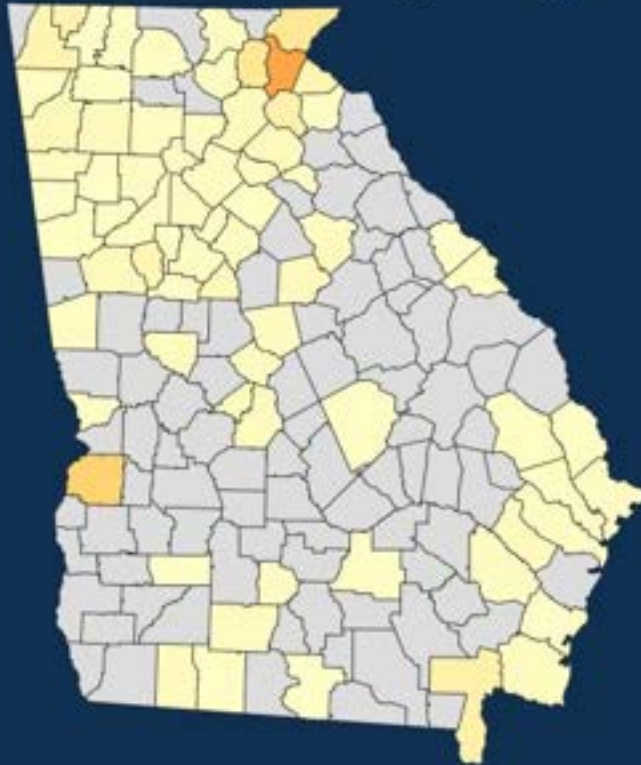
COVID-19 By County

PCR Cases | PCR Testing | Confirmed Deaths | Total Cases

Last 2 Weeks

April 26th

Reported PCR cases per 100,000 people last 14 days



Georgia - April 26

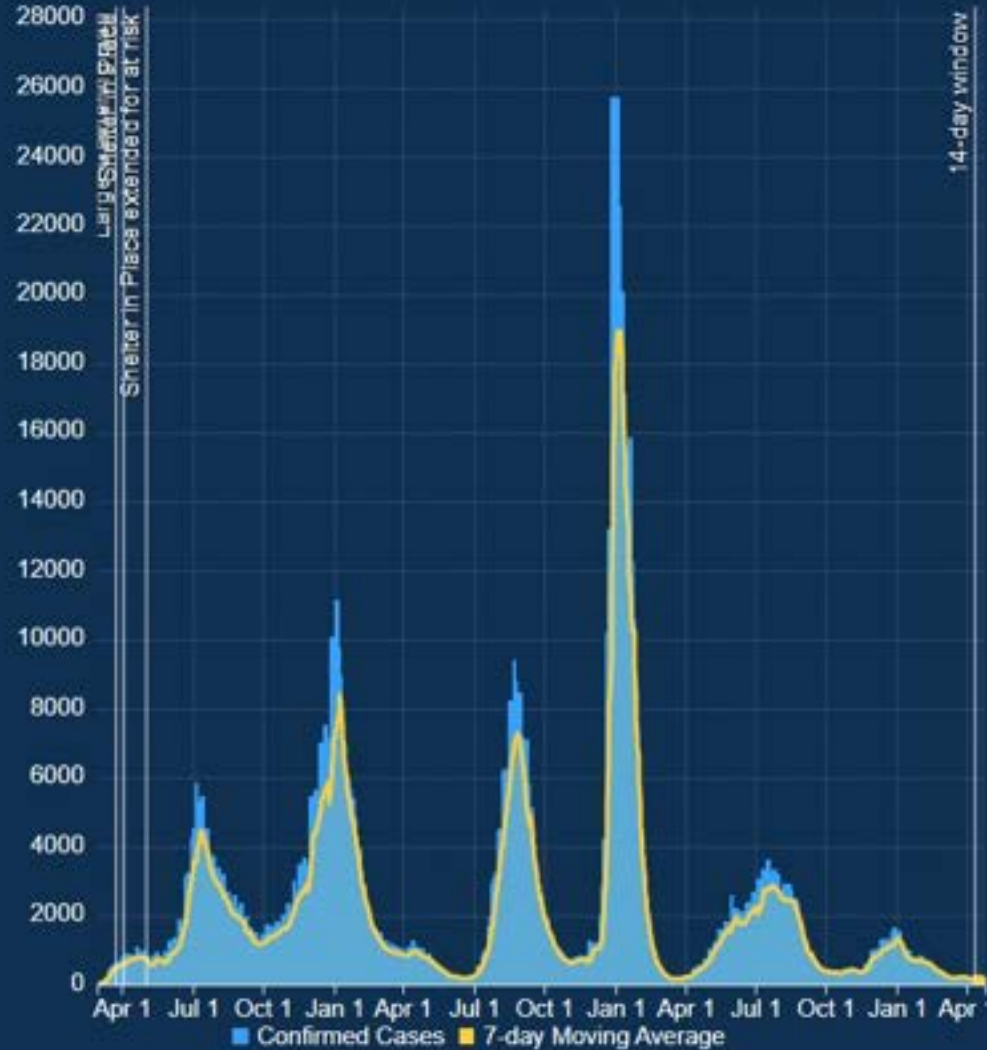
Cases (last 2 weeks): 3,036
Cases per 100k (last 2 weeks): 28
Cases (total): 2,360,723
Cases per 100k (total): 21,791
Population: 10,833,472

COVID-19 Over Time

PCR Cases

Georgia

Date of Onset



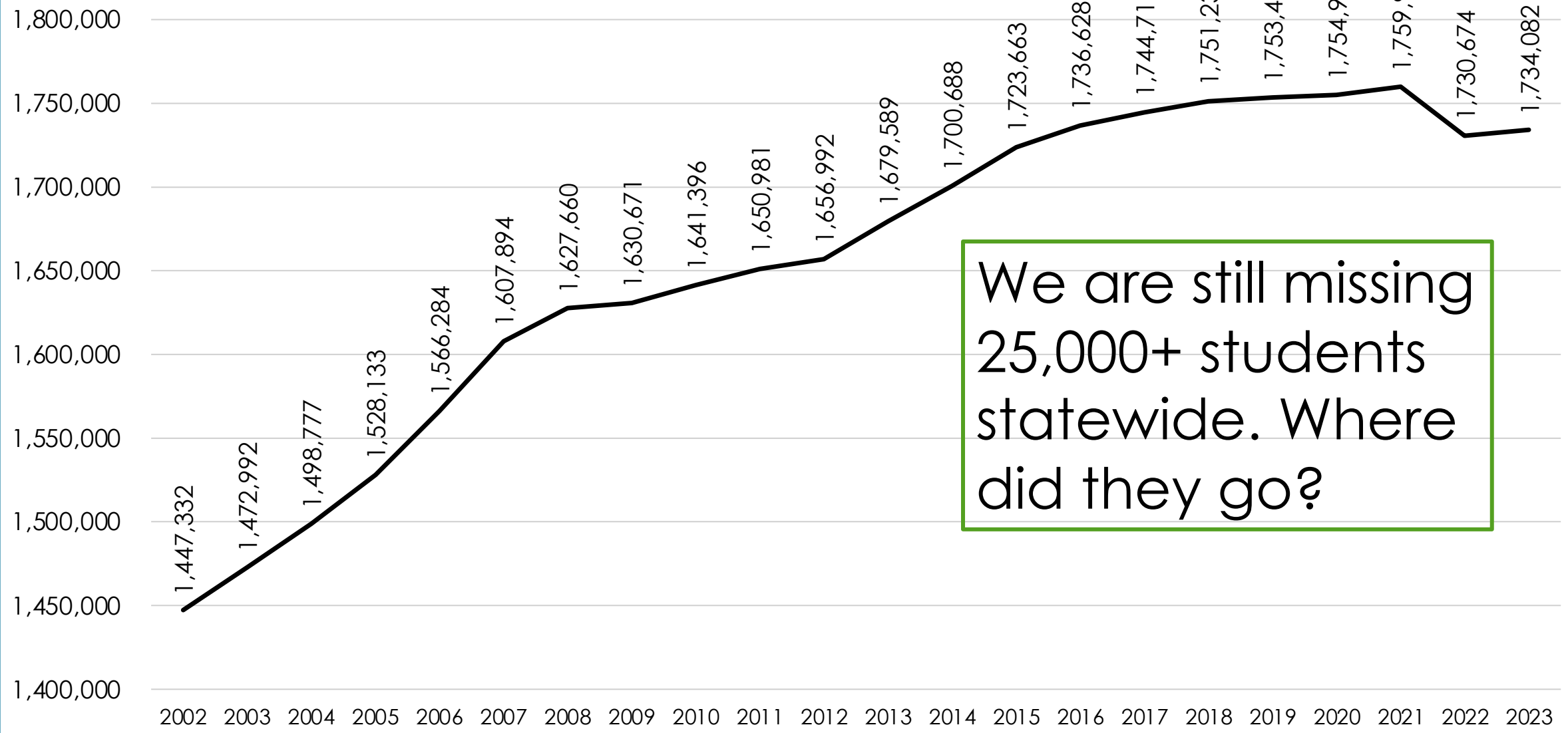


Daily Heatmap: PCR Cases

Source: <https://dph.georgia.gov/covid-19-daily-status-report>

Compiled by Dr. Steve J. Smith, Executive Director, Heart of Georgia RESA

Georgia Historical K-12 FTE



We are still missing 25,000+ students statewide. Where did they go?

COLD HARD FACT #2

**When a District Loses FTE, It
Loses State QBE Funding AND
Potentially other State Funding,
e.g. Equalization,
Transportation, & Nursing**

What Can A Board/Superintendent Do about Declining FTE?

COVID-19 FINANCIAL IMPACTS

- ▶ **CARES** (Coronavirus Aid, Relief, and Economic Security Act / ESSER1)
 - ▶ \$411,452,867 / 212 LEAs
- ▶ **CRRSA** (Coronavirus Response & Relief Supplemental Appropriations Act/ESSER2)
 - ▶ \$1,702,883,356 / 218 LEAs
- ▶ **ARP** (American Rescue Plan Act / ESSER3)
 - ▶ \$3,824,434,120 / 218 LEAs
- ▶ **Total: \$5,938,770,342**

COVID-19 – Federal Funding

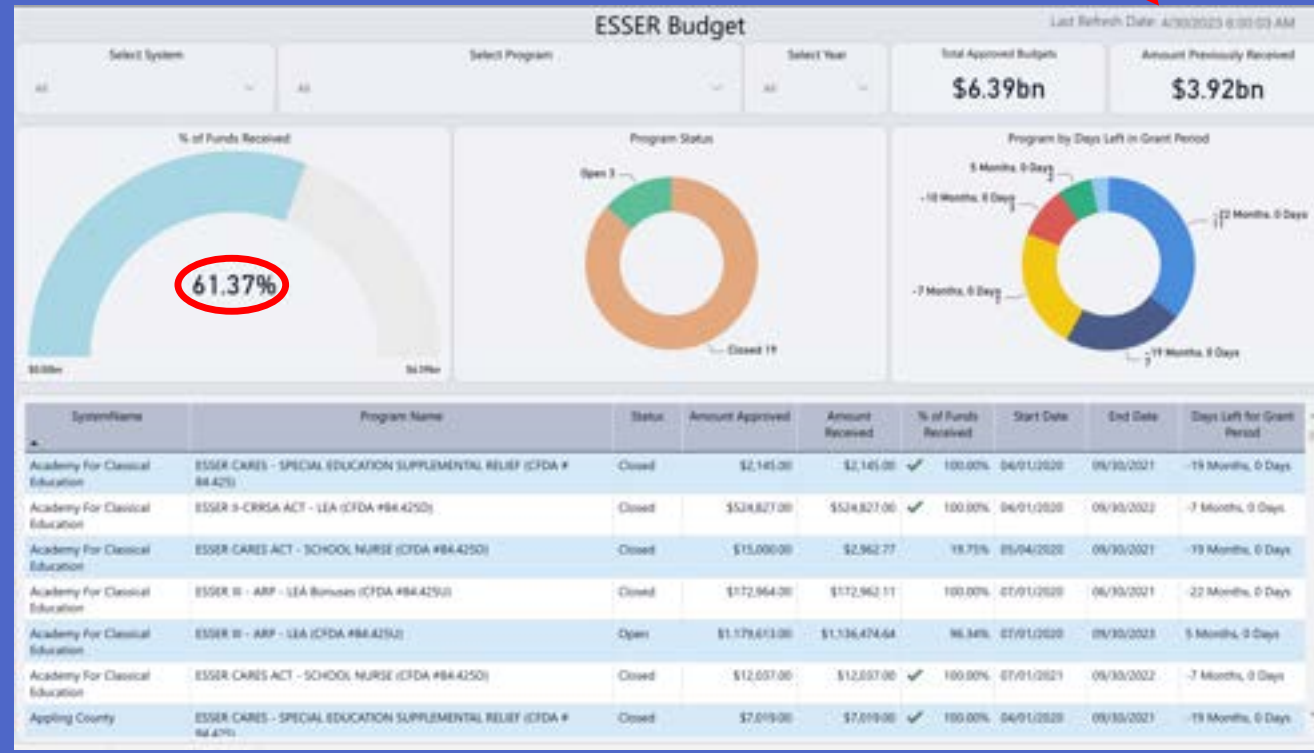
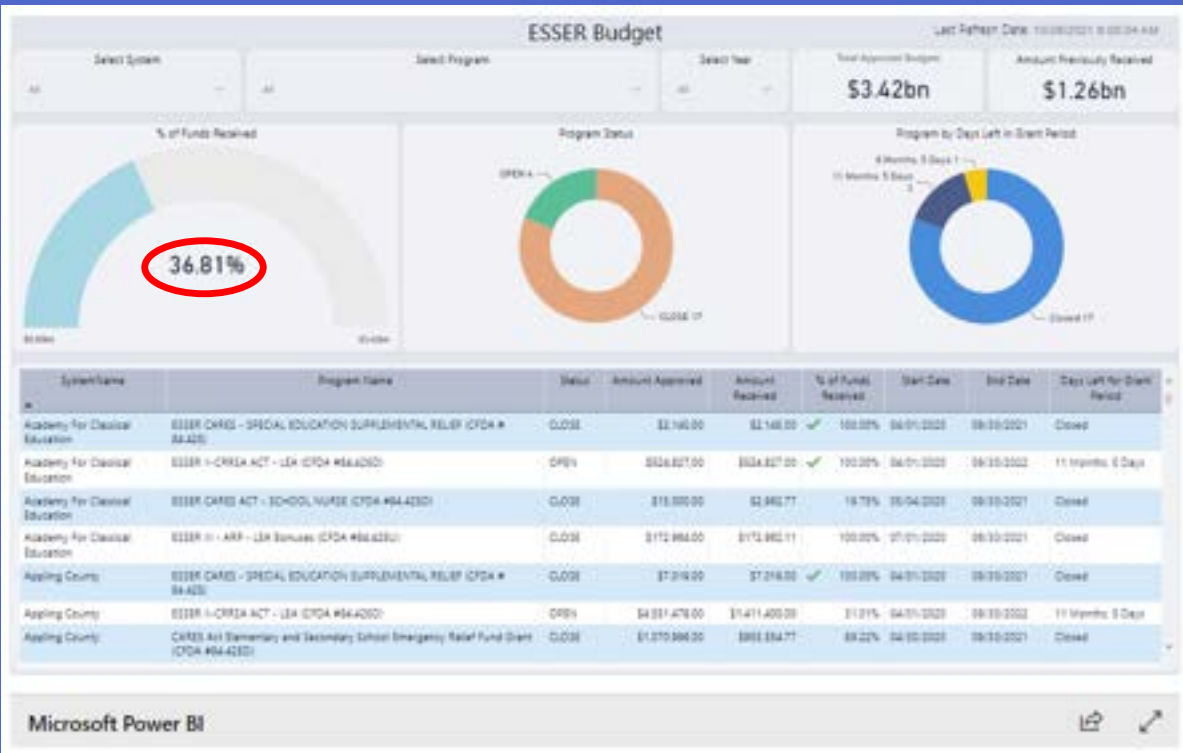
- ▶ CARES 1, CARES 2, and CARES 3 Funding were allocated using the same formula used to allocate Title I funding.
- ▶ Is this the fairest means of distributing \$5.9B to school districts?
- ▶ What happens when this \$ runs out?

ESSER Dashboard

<https://www.georgiainsights.com/esser-budget.html>

As of 10/26/21

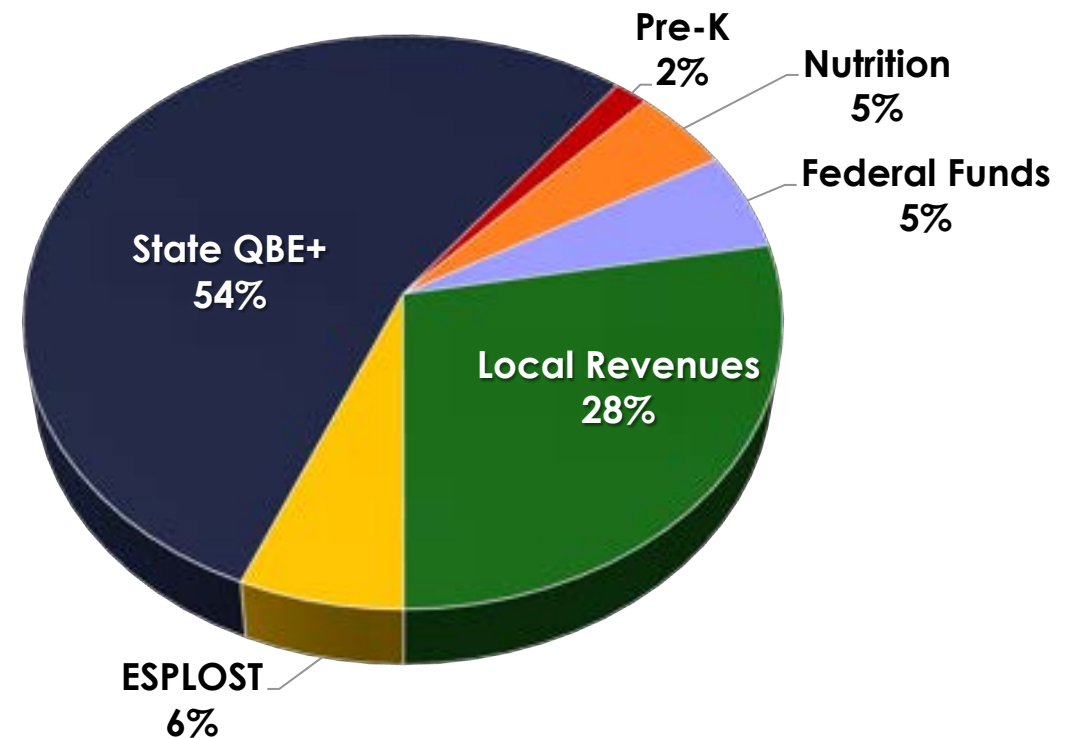
As of 4/30/23



The View from 30,000 Feet

▶ What are the major sources of **revenue** for school systems?

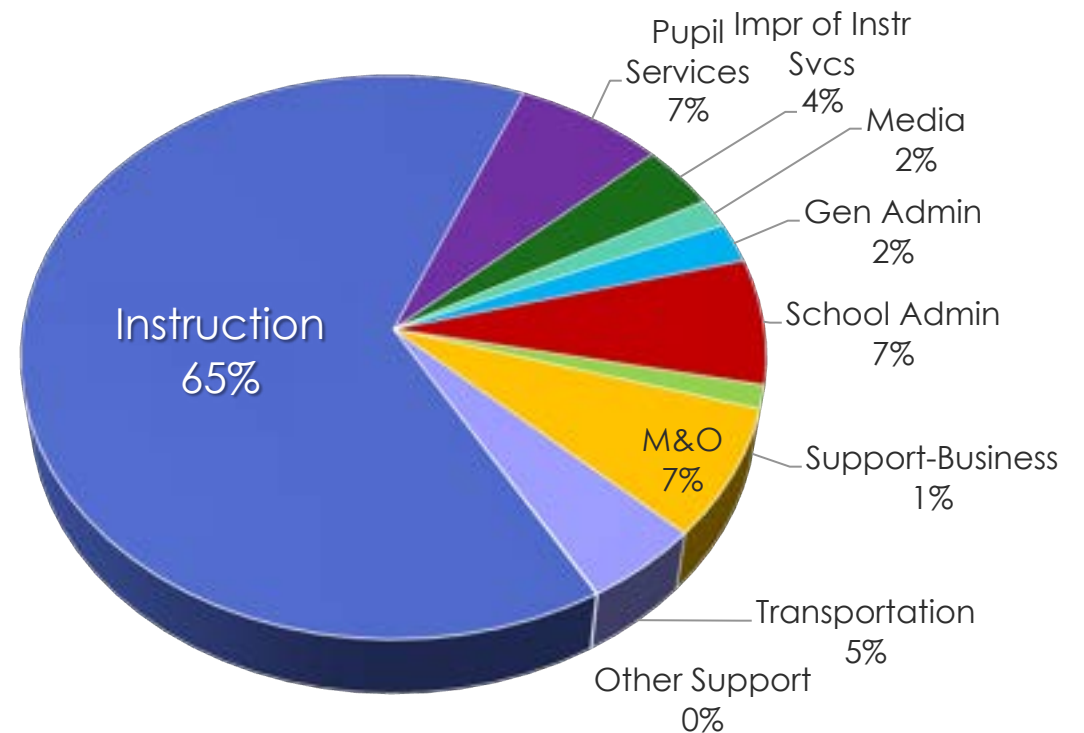
Effingham County School District
FY23 Budgeted Revenues (\$168.8m)



The View from 30,000 Feet

▶ What are the major expenditures for school systems?

Effingham County School District
FY23 Budgeted General Fund Expenditures (\$134.1m)



The View from 30,000 Feet

- ▶ What are the major **expenditures** that school systems incur?

Salaries & Benefits	\$121,823,296	FY23 Budget
Total General Fund Exp.	\$138,997,066	
Sal & Ben as % of Total	87.6%	

Salaries and Benefits
Account for 85%-90% of
All General Fund
Expenditures for Most
School Districts

Sidebar: Georgia's Budget

- ▶ The Governor establishes a revenue estimate.
 - ▶ He uses this estimate to present a proposed budget.
 - ▶ The Legislature must use his/her revenue estimate to pass a balanced budget.
- ▶ Georgia Constitution: Article VIII (I)(1) “The provision of an adequate public education for the citizens shall be a **primary obligation** of the State of Georgia.”



THE GOVERNOR'S BUDGET REPORT

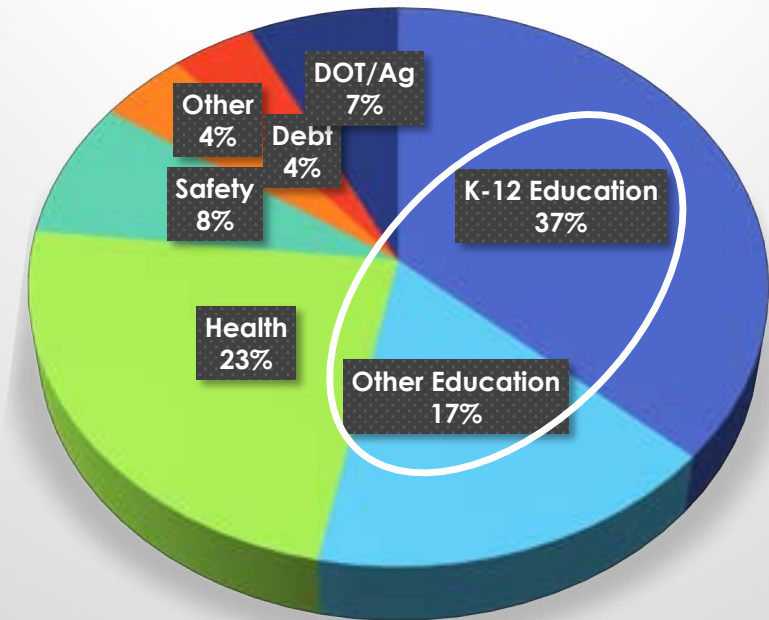
*Amended Fiscal Year 2023
and Fiscal Year 2024*

Georgia's Budget

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

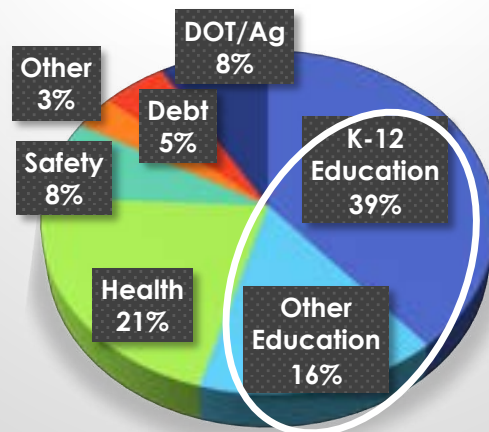
Georgia General Fund Budget - FY24 - \$32.4B

	FY21A	FY22A	FY23	FY24
K-12 Education	10,279,850,591	11,159,613,498	10,705,900,402	11,864,635,931
Other Ed.	4,184,515,780	4,574,333,265	5,150,119,468	5,389,226,896
Health	5,653,470,114	6,541,132,900	7,201,473,804	7,632,856,905
Safety	2,005,134,740	2,143,565,792	2,241,429,939	2,562,619,366
Other	844,725,200	1,497,485,506	1,169,663,103	1,376,223,330
Debt	1,330,293,231	1,464,404,861	1,264,508,307	1,284,223,018
DOT/Ag	2,268,721,970	2,508,627,771	2,470,818,299	2,340,007,562
Total	\$26,566,711,626	\$29,889,163,593	\$30,203,913,322	\$32,449,793,008



54% of the General Fund Budget Relates to Education

Georgia General Fund Budget - FY21A - \$26.6B

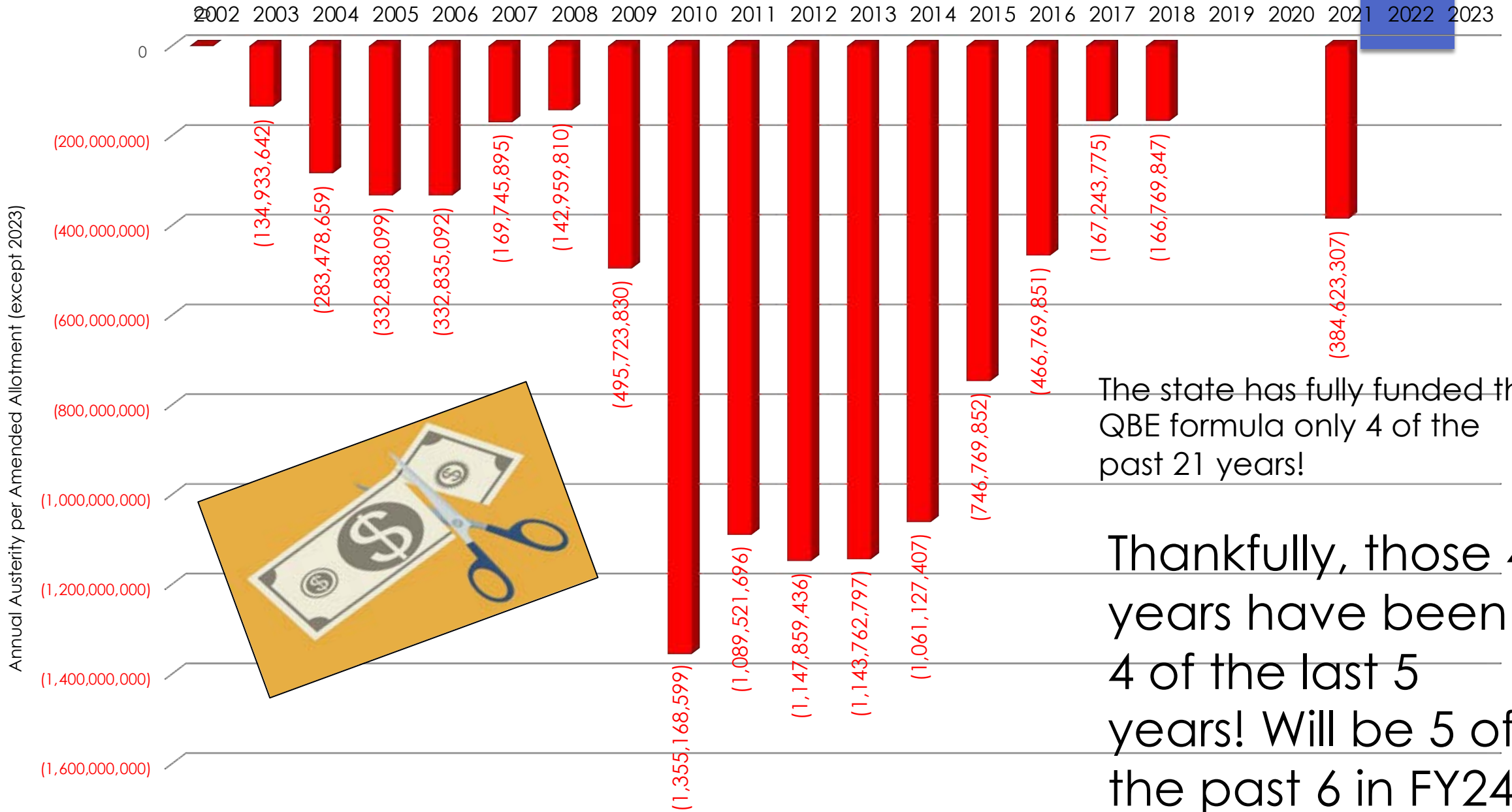


55% of the General Fund Budget Related to Education in FY21A

What Is Austerity?

- The QBE Formula Specifies the Method by which Districts Receive State Funds.
- Since 2003, the State Has only Funded the Formula Fully in Years 2019, 2020, 2022, 2023.
- This Reduction in Funding Has Been Called an “Amended Formula Adjustment,” and Is also Known as “Austerity Reduction” or “Austerity Cuts.”

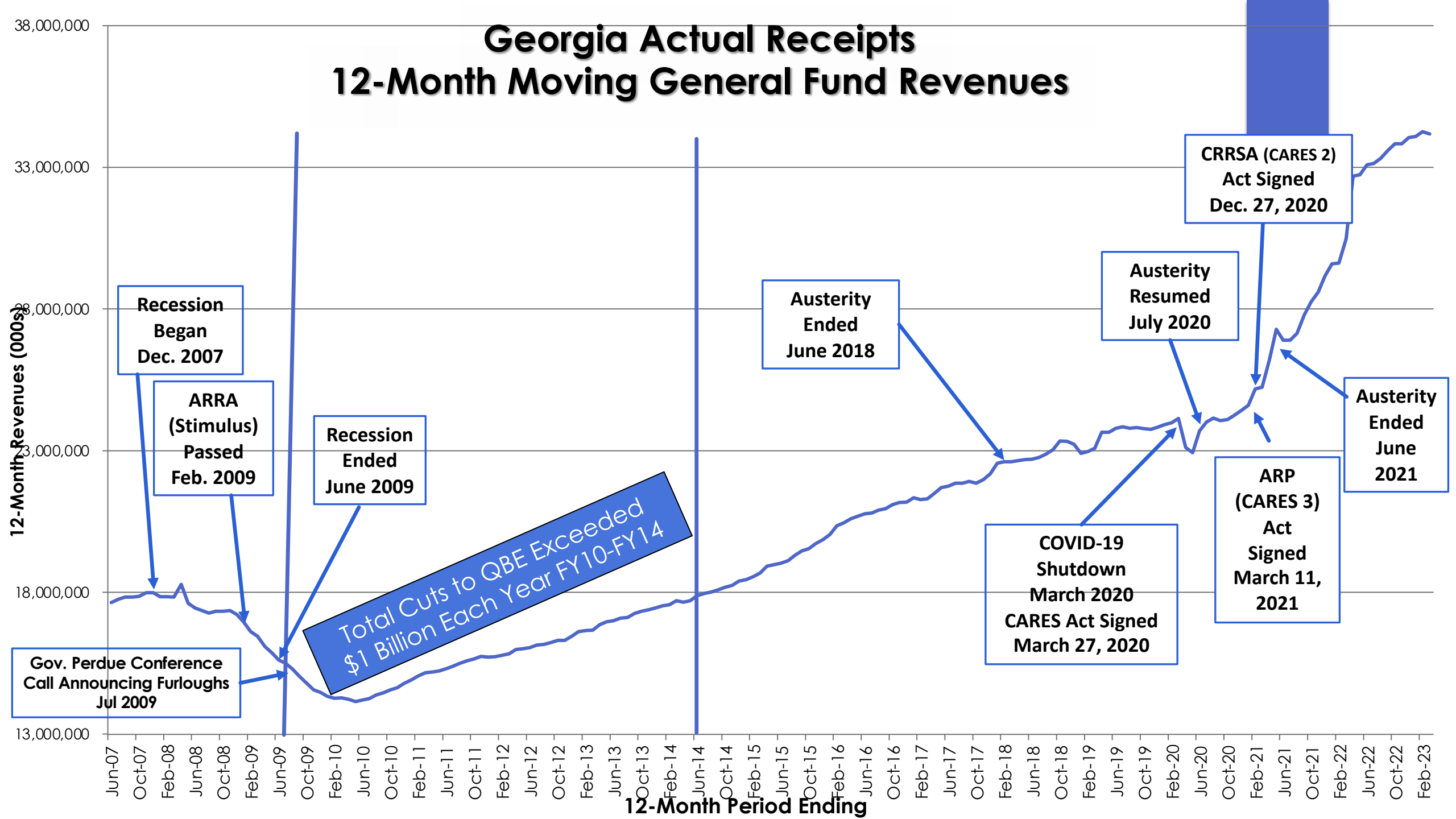
State of Georgia Historical Austerity Amounts



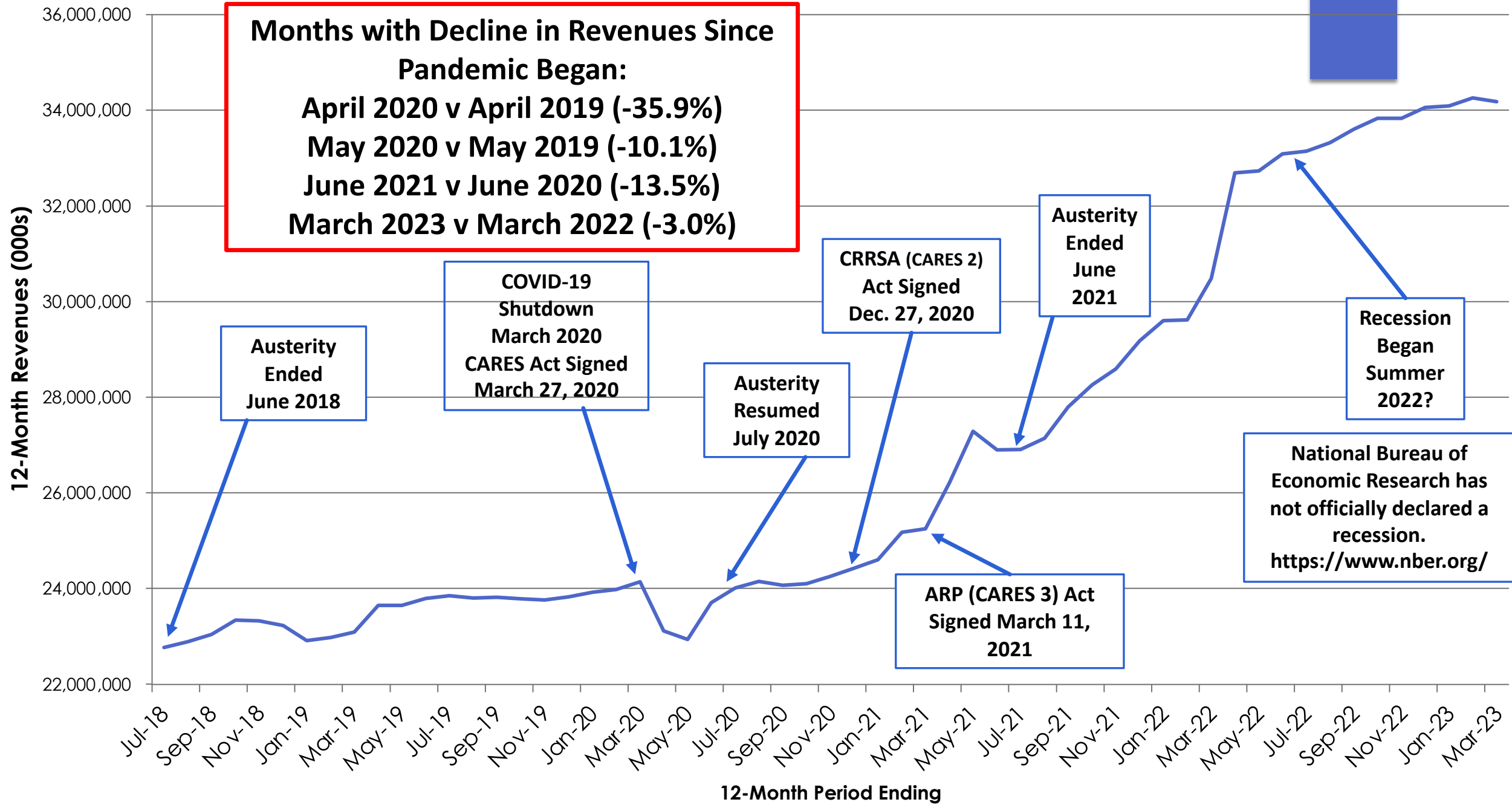
The state has fully funded the QBE formula only 4 of the past 21 years!

Thankfully, those 4 years have been 4 of the last 5 years! Will be 5 of the past 6 in FY24.

Georgia Actual Receipts 12-Month Moving General Fund Revenues



Georgia Revenues 12-Month Moving Total

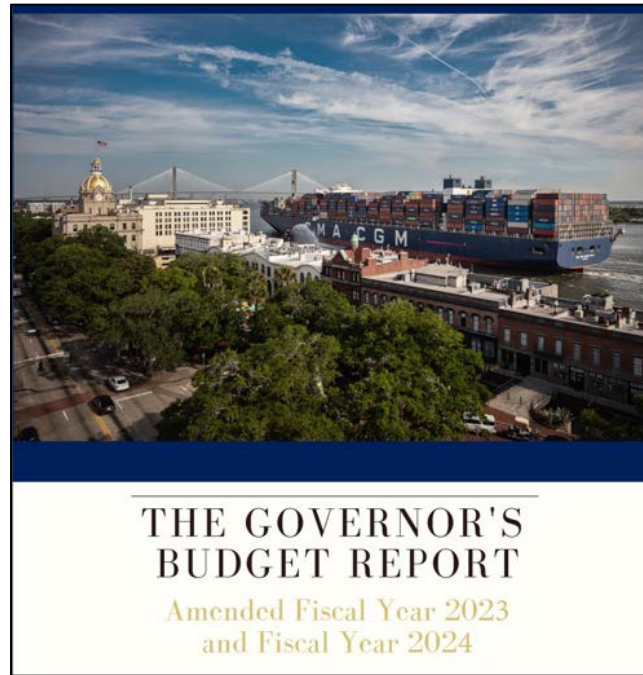




Revenue Shortfall Reserve

The 1976 session of the General Assembly created the Revenue Shortfall Reserve in lieu of the Working Reserve. This reserve acts as a savings account or "rainy day" fund for the state should revenue collections decline unexpectedly or uncontrollably. Current law provides that the reserve cannot exceed 15% of the previous fiscal year's net revenue. For each fiscal year, the General Assembly may appropriate an amount up to 1% of the net revenue collections of the preceding fiscal year for funding increased K-12 needs. In addition, the Governor has the authority to release funds from the reserve in excess of 4% of the net revenue of the preceding fiscal year. The chart for FY 2010 includes agency surplus collected after June 30, 2010 and does not include funds used for mid-year K-12 adjustment.

The Good



AFY23

- \$50,000 Safety/Security Grants
- Learning Loss Grants & Para TAPP

FY24

- \$2,000 Raises for Certified Staff (Pre-K & K-12)
- 5.1% Raises for Bus Drivers & Nutrition Staff
- \$1,000 Bonus for Custodians
- Fully Fund QBE Formula

The Bad



AFY23

- Para Grants only for Certified Paras for TAPP

FY24

- \$2,000 Raises for Pre-K Paras, NOT K-12 Paras
- 5.1% Raises for Nurses Dropped from Final Budget
- No Other Classified Staff Raises
- RESAs Still Have Austerity



The Ugly

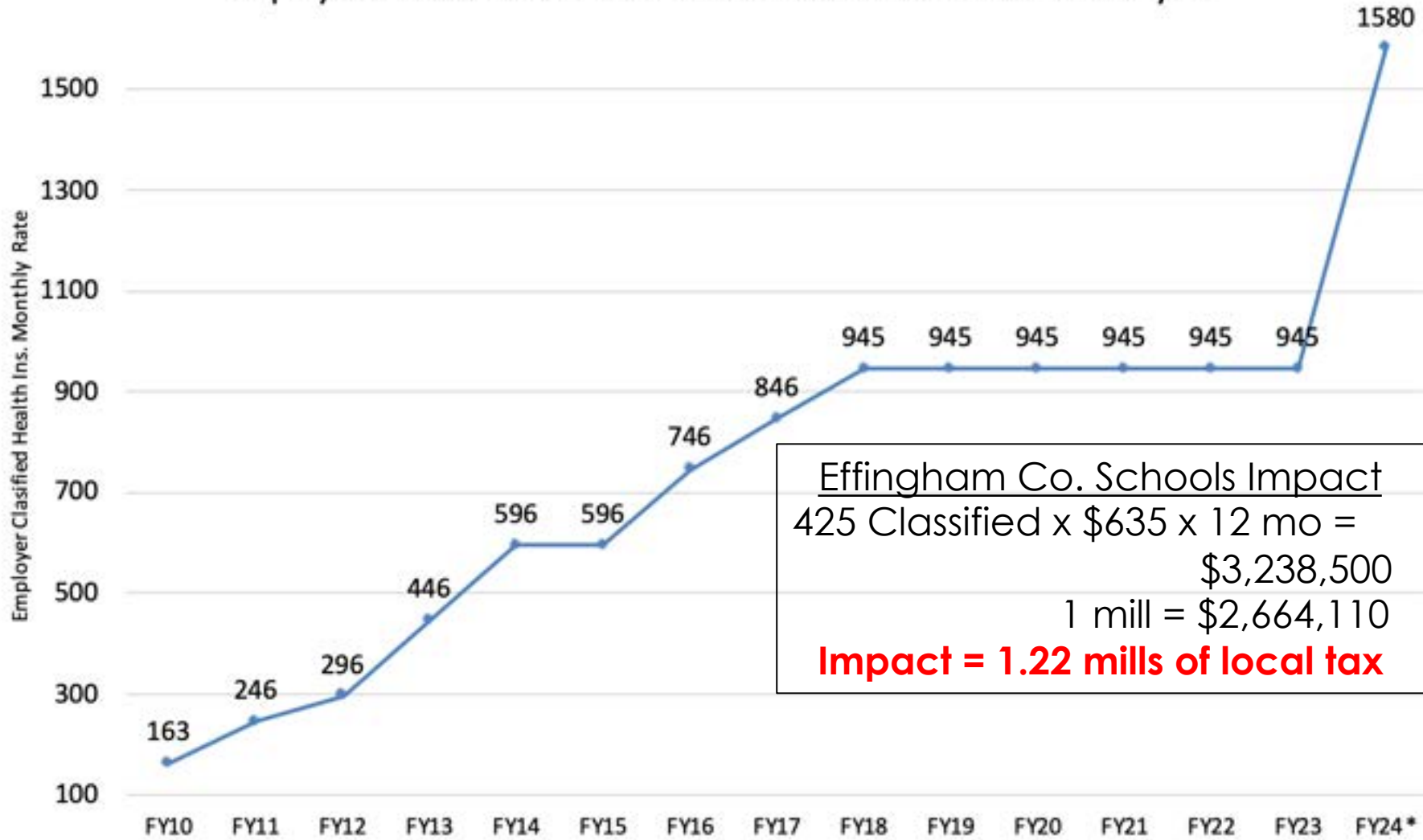
AFY23

- Increase of SHBP to \$1,580 per month per member (67% increase) retroactive to 1/1/23.

FY24

- \$250 per month per member increase for SHBP premiums, effective 1/1/24 + \$250 on 1/1/25 + \$135 on 1/1/26.

Employer Rate for Classified Health Insurance - Historical Analysis

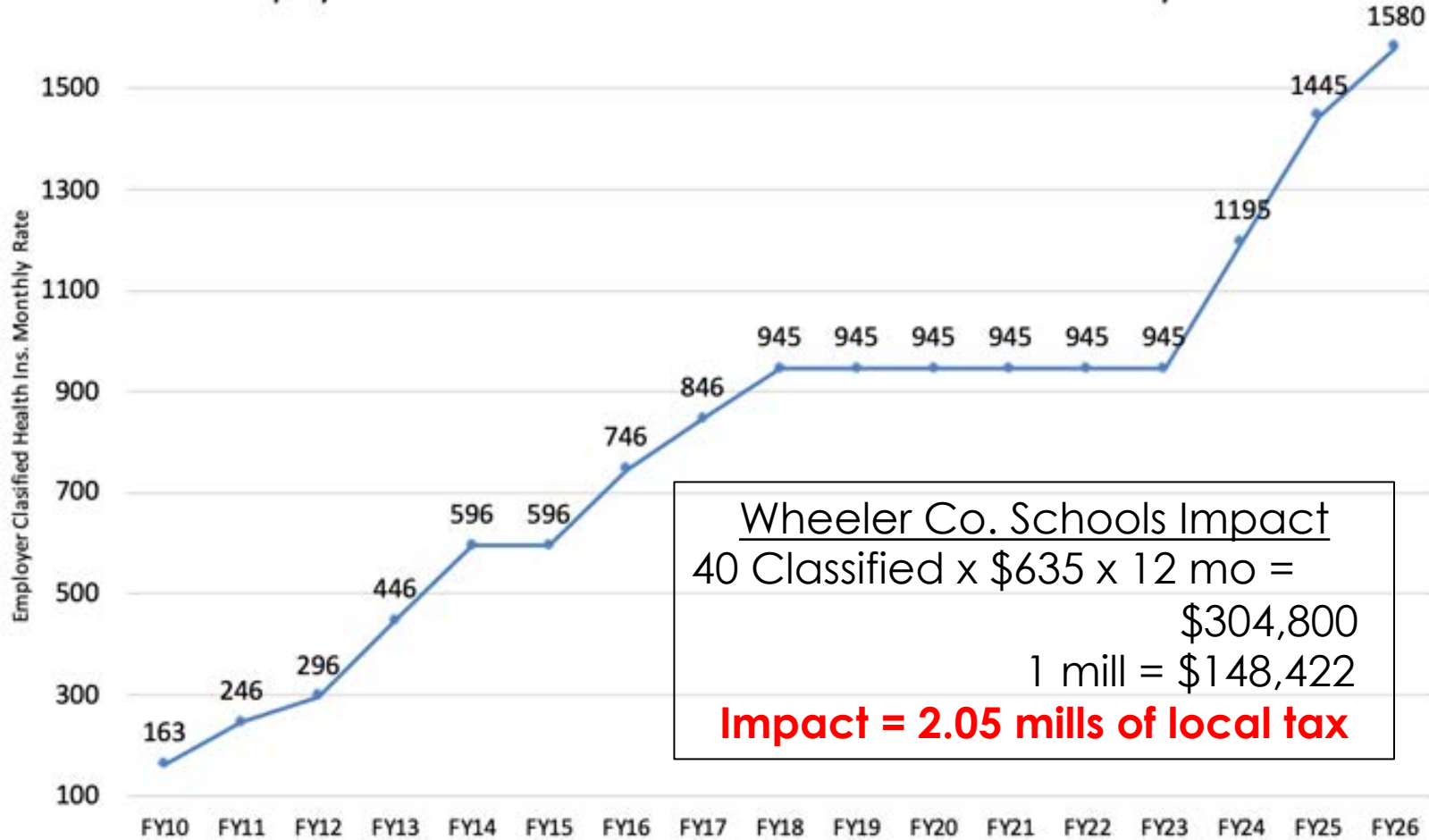


Effingham Co. Schools Impact
 425 Classified x \$635 x 12 mo =
 \$3,238,500
 1 mill = \$2,664,110
Impact = 1.22 mills of local tax

Fiscal Year	Monthly	% Chg
FY10	163	
FY11	246	50.9%
FY12	296	20.3%
FY13	446	50.7%
FY14	596	33.6%
FY15	596	0.0%
FY16	746	25.2%
FY17	846	13.4%
FY18	945	11.7%
FY19	945	0.0%
FY20	945	0.0%
FY21	945	0.0%
FY22	945	0.0%
FY23	945	0.0%
FY24*	1580	67.2%

*Proposed in Governor's
 FY23A & FY24 Budgets

Employer Rate for Classified Health Insurance - Historical Analysis



Wheeler Co. Schools Impact
 40 Classified x \$635 x 12 mo =
 \$304,800
 1 mill = \$148,422
Impact = 2.05 mills of local tax

Fiscal Year	Monthly	% Chg
FY10	163	
FY11	246	50.9%
FY12	296	20.3%
FY13	446	50.7%
FY14	596	33.6%
FY15	596	0.0%
FY16	746	25.2%
FY17	846	13.4%
FY18	945	11.7%
FY19	945	0.0%
FY20	945	0.0%
FY21	945	0.0%
FY22	945	0.0%
FY23	945	0.0%
FY24	1195	26.5%
FY25	1445	20.9%
FY26	1580	9.3%

Increases are effective Jan 1 for FY24, FY25, & FY26

Total Cost of Classified Health Insurance:

FY23: $40 \times \$945 \times 12 = \$453,600 / \$148,422 = 3.06$ mills
 FY24: $40 \times \$945 \times 6 = \$226,800 + (40 \times \$1195 \times 6 = \$286,800) = \$513,600 / \$148,422 = 3.46$ mills
 FY25: $40 \times \$1195 \times 6 = \$286,800 + (40 \times \$1445 \times 6 = \$346,800) = \$633,600 / \$148,422 = 4.27$ mills
 FY26: $40 \times \$1445 \times 6 = \$346,800 + (40 \times \$1580 \times 6 = \$379,200) = \$726,000 / \$148,422 = 4.89$ mills
 FY27: $40 \times \$1580 \times 12 = \$758,400 / \$148,422 = 5.11$ mills

Summary:

Cost of Classified Health Ins. Will Rise from 3.06 mills in FY23 to 5.11 mills in FY27

160.12 Increase funds to provide a salary supplement of \$1,000 to all custodians.

State General Funds	\$8,750,869	\$8,636,781	\$8,636,781
---------------------	-------------	-------------	-------------

160.13 Reflect a \$500 increase in employer contribution per-member per-month (PMPM) for non-certified school employees phased in over two years, effective January 1, 2024, and reflect a minimum employer contribution of \$1,580 PMPM to maintain the fiscal soundness of the State Health Benefit Plan, effective January 1, 2026.
(H:YES)(S:YES)

State General Funds	\$0	\$0	\$0
---------------------	-----	-----	-----

160.100 Quality Basic Education Program

Appropriation (HB 19)

The purpose of this appropriation is to provide formula funds to school systems based on full time equivalent students for the instruction of students in grades K-12 as outlined in O.C.G.A. 20-2-161.

TOTAL STATE FUNDS	\$13,160,483,142	\$13,144,128,481	\$13,144,014,393	\$13,144,014,393
State General Funds	\$13,160,483,142	\$13,144,128,481	\$13,144,014,393	\$13,144,014,393
TOTAL PUBLIC FUNDS	\$13,160,483,142	\$13,144,128,481	\$13,144,014,393	\$13,144,014,393

132.1 *Increase funds to provide a \$2,000 cost-of-living adjustment for all full-time, benefit-eligible state employees effective July 1, 2023 to address agency recruitment and retention needs.*

Lottery Proceeds \$202,326 \$202,326 \$202,326 \$202,326

132.2 *Increase funds to reflect an adjustment in Merit System Assessment billings.*

Lottery Proceeds \$2,782 \$2,782 \$2,782 \$2,782

132.3 *Reduce formula funds for training and experience for Pre-K teachers.*

Lottery Proceeds (\$178,981) (\$178,981) (\$178,981) (\$178,981)

132.4 *Increase formula funds for classroom operations and redirect existing funding to Pre-K lead teacher salaries. (H and S:YES; Increase formula funds for classroom operations and redirect existing funds to ensure Pre-K lead teachers receive 100% of salaries)*

Lottery Proceeds \$14,035,636 \$14,035,636 \$14,035,636 \$14,035,636

132.5 *Increase funds to adjust the state base salary schedule to increase salaries for certified Pre-K teachers and assistant teachers by \$2,000.*

Lottery Proceeds \$20,647,514 \$20,647,514 \$20,647,514 \$20,647,514

132.6 *Increase formula funds to reflect an increase in the employer contribution per-member per-month (PMPM) rate for lead and assistant teachers at public Pre-K providers effective January 1, 2023. (S:Increase formula funds to reflect an increase in the employer contribution for State Health Benefit Plan (SHBP) from 18.534% to 29.454% of salary to maintain formula fidelity)(CC:Increase funds to reflect an increase in the employer contribution for State Health Benefit Plan (SHBP) and provide a report to the Office of Planning and Budget, the House Budget and Research Office, and the Senate Budget and Evaluation Office to determine actual participation in SHBP by September 30, 2023)*

Lottery Proceeds \$11,929,424 \$8,179,906 \$8,179,906



Heart of Georgia RESA School Districts

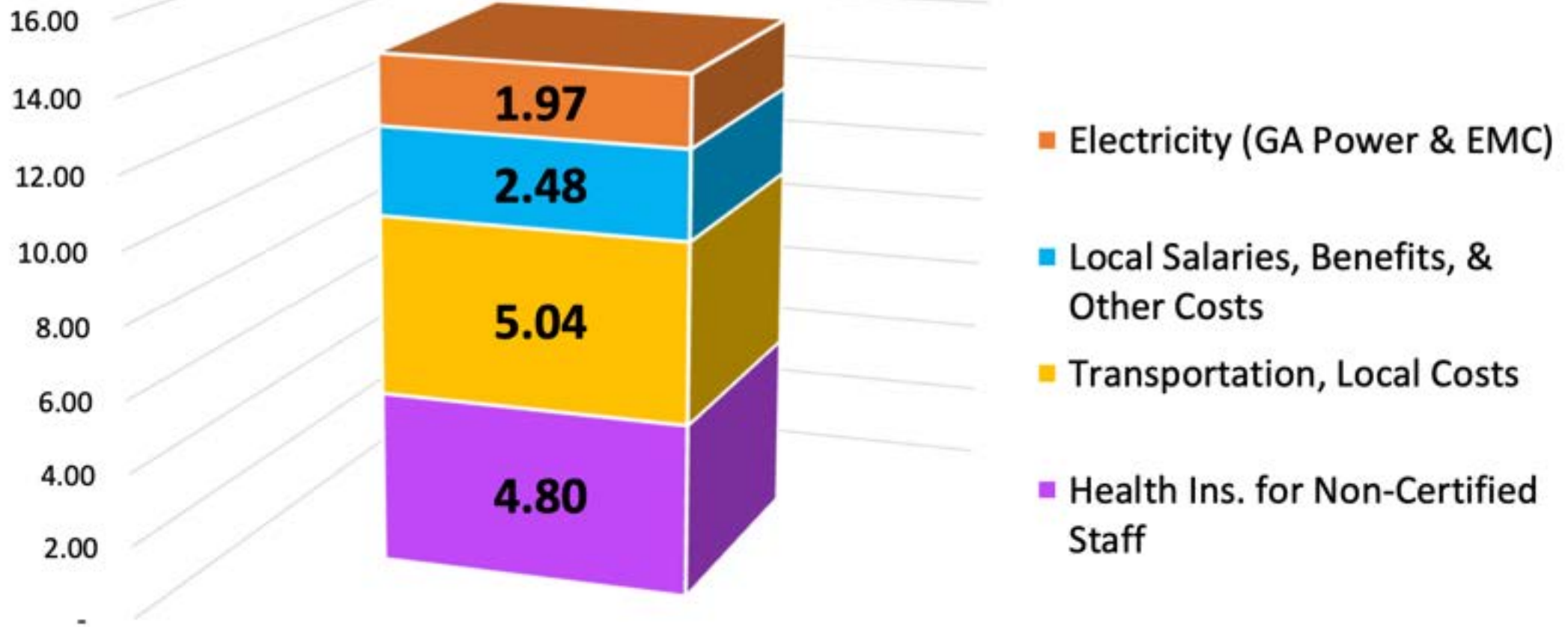
Impact of Classified Health Insurance Increase to \$1,580 Per Month

	Bleckley	Dodge	Dublin	Laurens	Montgomery	Pulaski	Telfair	Treutlen	Wheeler	Wilcox	Total All 10 Districts
Number of Classified Employees	188	201	152	334	82	82	119	55	68	77	1,358
Number of Classified Currently Enrolled in SHBP	107	118	91	224	49	53	78	32	40	50	842
Annual ADDITIONAL Cost if 100% Enrolled	1,432,560	1,531,620	1,158,240	2,545,080	624,840	624,840	906,780	419,100	518,160	586,740	\$ 10,347,960
Annual ADDITIONAL Cost Using Current Enrolled	815,340	899,160	693,420	1,706,880	373,380	403,860	594,360	243,840	304,800	381,000	\$ 6,416,040
Value of 1 Mill of Local Property Taxes	\$ 325,310	\$ 446,959	\$ 548,167	\$ 1,023,331	\$ 193,947	256387	\$ 326,727	\$ 126,755	\$ 148,422	\$ 205,498	
Mills Needed to Cover Current ADDITIONAL Cost	2.51	2.01	1.26	1.67	1.93	1.58	1.82	1.92	2.05	1.85	1.86 Avg

Bleckley Co Schools - General Fund - FY23 Budget

Expenditures Not Funded by State in Local Mills: 14.286 Total Mills

1 mill of tax = \$276,518



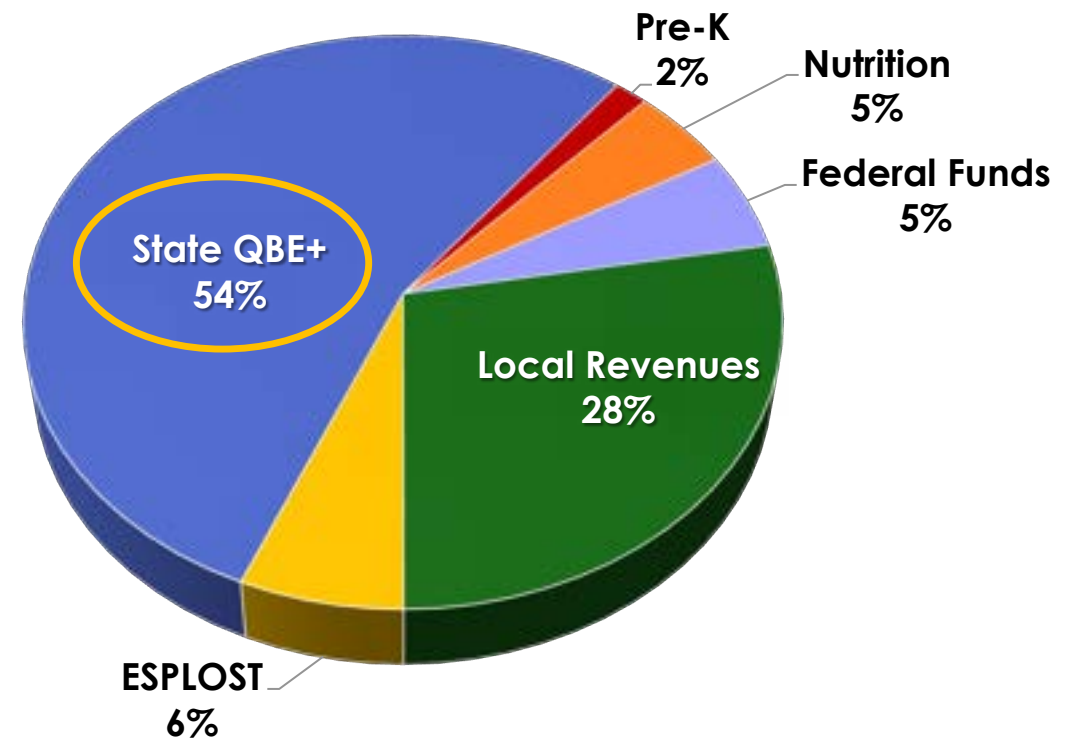
Educating the Public

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

The View from 30,000 Feet

▶ Let's look at QBE

Effingham County School District
FY23 Budgeted Revenues (\$168.8m)



QBE Funding

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

QBE Funding

<https://financeweb.doe.k12.ga.us/QBEPublicWeb/ReportsMenu.aspx>

- ▶ Base Salary Drives Everything
- ▶ Q1. What is the state base salary for a beginning teacher who is fully certified?
- ▶ A1. \$39,092.00
- ▶ Q2. What is your starting salary for a T-4 beginning teacher?
- ▶ A2. \$41,820.00

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

School Funding Is Driven By

FTE



School Funding Is Driven By

FTE, Full-Time
Equivalent

1 FTE = 6 Segments

Any Georgia School System

Program Earnings

FY23

Program	Weight	Teacher Student Ratio	Base Funding
Gr K	1.6773	15	\$ 4,638
EIP K	2.0753	11	\$ 5,733
Gr 1-3	1.2970	17	\$ 3,592
EIP 1-3	1.8237	11	\$ 5,041
Gr 4-5	1.0397	23	\$ 2,883
EIP 4-5	1.8184	11	\$ 5,026
MG*	1.0325	23	\$ 2,862
MS*	1.1396	20	\$ 3,157
Gr 9-12*	1.0000	23	\$ 2,775
Vocational*	1.1811	20	\$ 3,284
SpEd I	2.4194	8	\$ 6,688
SpEd II	2.8524	7	\$ 7,874
SpEd III	3.6352	5	\$ 10,032
SpEd IV	5.8994	3	\$ 16,275
SpEd V	2.4793	8	\$ 6,862
SpEd VI - GNETs Coming in FY25?			
Gifted	1.6843	12	\$ 4,658
Remedial	1.3609	15	\$ 3,765
Alternative Ed	1.4921	15	\$ 4,127
ESOL	2.6007	7	\$ 7,178

*Includes 2.5% allowable for alternative education.

FTE & Program Funding

QBE = Quality Basic Education Act of 1985



Effingham Co. School District QBE/FTE

Program Earnings

Basic Levels vs. Actual for FY23

Program	Weight	Teacher Student Ratio	Base Funding	Actual Funding
Gr K	1.6773	15	\$ 4,860	\$ 6,260
EIP K	2.0753	11	\$ 6,013	\$ 8,101
Gr 1-3	1.2970	17	\$ 3,758	\$ 5,015
EIP 1-3	1.8237	11	\$ 5,284	\$ 7,454
Gr 4-5	1.0397	23	\$ 3,012	\$ 3,833
EIP 4-5	1.8184	11	\$ 5,268	\$ 7,439
MG*	1.0325	23	\$ 2,992	\$ -
MS*	1.1396	20	\$ 3,302	\$ 4,329
Gr 9-12*	1.0000	23	\$ 2,897	\$ 3,656
Vocational*	1.1811	20	\$ 3,422	\$ 4,366
SpEd I	2.4194	8	\$ 7,010	\$ 9,821
SpEd II	2.8524	7	\$ 8,264	\$ 11,895
SpEd III	3.6352	5	\$ 10,532	\$ 15,477
SpEd IV	5.8994	3	\$ 17,092	\$ 25,831
SpEd V	2.4793	8	\$ 7,183	\$ 9,994
Gifted	1.6843	12	\$ 4,880	\$ 6,505
Remedial	1.3609	15	\$ 3,943	\$ 5,358
Alternative Ed	1.4921	15	\$ 4,323	\$ 5,376
ESOL	2.6007	7	\$ 7,535	\$ 11,155

Notice this difference of \$1,841, or 29.4%

Notice this difference of \$2,439, or 48.6%

Notice this difference of \$3,606, or 94.1%

Notice this difference of \$5,656, or 57.6%

Notice Remedial Is \$1,029 > MS; \$1,702 > HS

*Includes 2.5% allowable for alternative education.

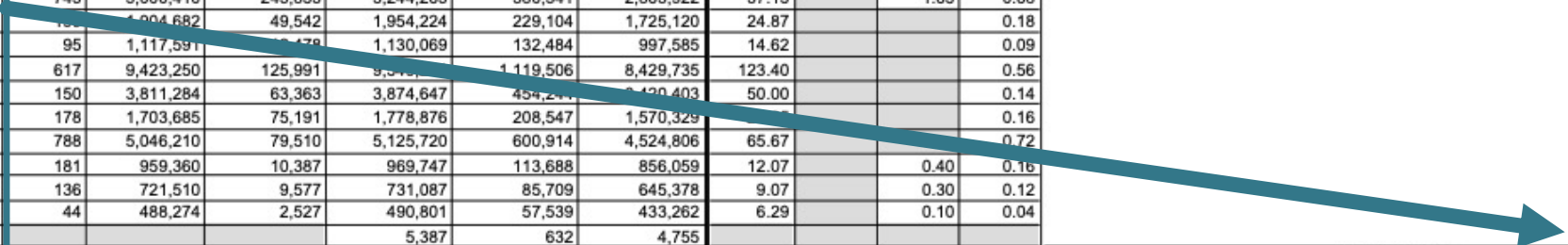
School System: 651 - Effingham County

FY23 Initial(Amendment #3)

THE BASIC UNIT COST IS DEFINED TO BE THE AMOUNT OF \$2,800

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	904	5,586,330	70,649	5,656,979	663,196	4,993,783	60.27		2.01	0.82										
Kindergarten Early Intr Pgm	50	401,123	3,908	405,031	47,484	357,547	4.55		0.11	0.05										
Primary Grade(1-3) Pgm	2,485	12,249,389	213,459	12,462,848	1,461,082	11,001,766	146.18	7.20	5.52	2.26										
Primary Grd Early Intrv(1-3) Pgm	256	1,886,322	21,990	1,908,312	223,721	1,684,591	23.27	0.74	0.57	0.23										
Upper Elementary Grd(4-5) Pgm	1,378	5,185,142	97,041	5,282,183	619,257	4,662,926	59.91	3.99	3.06	1.25										
UppElem Grd Early Intrv(4-5)	171	1,260,004	12,041	1,272,045	149,128	1,122,917	15.55	0.50	0.38	0.16										
Middle Grade(6-8) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00										
Middle School(6-8) Pgm	2,423	10,319,238	170,638	10,489,876	1,229,781	9,260,095	121.15	7.02	5.38	2.20										
High School Gen Educ(9-12)	2,327	8,243,314	264,346	8,507,660	997,396	7,510,264	101.17		5.17	2.12										
CTAE(9-12) PGM	743	3,000,410	243,853	3,244,263	380,341	2,863,922	37.15		1.65	0.68										
Students with Disab Cat I	181	1,004,682	49,542	1,954,224	229,104	1,725,120	24.87			0.18										
Students with Disab Cat II	95	1,117,591	10,478	1,130,069	132,484	997,585	14.62			0.09										
Students with Disab Cat III	617	9,423,250	125,991	9,549,241	1,119,506	8,429,735	123.40			0.56										
Students with Disab Cat IV	150	3,811,284	63,363	3,874,647	454,244	3,420,403	50.00			0.14										
Students with Disab Cat V	178	1,703,685	75,191	1,778,876	208,547	1,570,329				0.16										
Gifted Student Category VI	788	5,046,210	79,510	5,125,720	600,914	4,524,806	65.67			0.72										
Remedial Education Pgm	181	959,360	10,387	969,747	113,688	856,059	12.07		0.40	0.18										
Alternate Education Pgm	136	721,510	9,577	731,087	85,709	645,378	9.07		0.30	0.12										
Eng.Spkr.s.of Other Lang.(ESOL)	44	488,274	2,527	490,801	57,539	433,262	6.29		0.10	0.04										
Spec Ed. Itinerant				5,387	632	4,755														
Spec Ed. Supplemental Speech				0	0	0														
TOTAL DIRECT INSTRUC.	13,125	73,307,118	1,526,491	74,838,996	8,773,753	66,065,243	897.44	19.45	24.65	11.94										
INDIRECT COST							Earned Positions													
Cent. Admin		2,251,605	0	2,251,605	263,967	1,987,638						Supt.	Asst Supt	Prin.	Asst Prin.	Secy.	Acctt.	VT/SW	Psych.	
School Admin		3,210,258	91,200	3,301,458	387,047	2,914,411						1.00	6.00			1.00	1.00	5.30	5.30	
Facility M & O			3,911,247	3,911,247	458,535	3,452,712								13.00	21.01	25.69				
Sub Total (INDIRECT COST)		5,461,863	4,002,447	9,464,310	1,109,549	8,354,761						1.00	6.00	13.00	21.01	26.69	1.00	5.30	5.30	
MEDIA CENTER PGM.		1,707,114	182,962	1,890,076	221,583	1,668,493														
20 DAYS ADDITIONAL INSTRUCTION		556,544		556,544	65,246	491,298														
STAFF & PROFESSIONAL DEV				354,829	41,598	313,231														
PRINCIPAL STAFF & PROF. DEV				4,535	532	4,003														
MIDTERM HOLD HARMLESS																				
Amended Formula Adjustment						0														
Charter System Adjustment						0														
QBE FORMULA EARNINGS		81,032,639	5,711,900	87,109,290	10,212,261	76,897,029	897.44	19.45	24.65	11.94	1.00	6.00	13.00	21.01	26.69	1.00	5.30	5.30		
CATEGORICAL GRANTS							NOTES													
Pupil Transportation Pgm (Includes 82 Drivers and bus replacement funds of 0)				1,348,561		1,348,561	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				0		0	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 2022 (HB 911).													
Nursing Services				296,876		296,876	3. Teacher Retirement is funded at 19.98% in QBE in FY 2022 (HB 911).													
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				88,754,727		78,542,466	Total T&E 30,206,332 includes T&E 22,030,192 and HI 8,17													
Education Equalization Funding Grant				12,793,400		12,793,400														
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866														
Charter Commission Admin - State						0														
Military Counselors						0														
Local Charter Supplement						0														
State Commission Charter Supplement						0														
TOTAL FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866														

DIRECT INSTRUCTIONAL COST
Kindergarten Pgm
Kindergarten Early Intr Pgm
Primary Grade(1-3) Pgm
Primary Grd Early Intrv(1-3) Pgm
Upper Elementary Grd(4-5) Pgm
UppElem Grd Early Intrv(4-5)
Middle Grade(6-8) Pgm
Middle School(6-8) Pgm
High School Gen Educ(9-12)
CTAE(9-12) PGM
Students with Disab Cat I
Students with Disab Cat II
Students with Disab Cat III
Students with Disab Cat IV
Students with Disab Cat V
Gifted Student Category VI
Remedial Education Pgm
Alternate Education Pgm
Eng.Spkr.s.of Other Lang.(ESOL)
Spec Ed. Itinerant
Spec Ed. Supplemental Speech
TOTAL DIRECT INSTRUC.



THE BASIC UNIT COST IS DEFINED TO BE THE AMOUNT OF \$2,897.28

School System: 651 - Effingham County

FY23 Initial(Amendment #3)

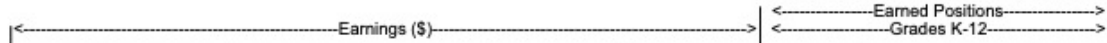


Table with columns: DIRECT INSTRUCTIONAL COST, FTE, SALARY, OPERATING, QBE EARNINGS, LESS LOCAL 5 MILLS, STATE FUNDS, Teacher, Subj. Spec, Couns., Tech. Spec. Includes rows for Kindergarten Pgm, Primary Grade(1-3) Pgm, etc.

OFFICIAL

Georgia State Department of Education

Earnings Sheet for FY 2023

School System: 651 - Effingham County

FY23 Initial(Amendment #3)



Table with columns: DIRECT INSTRUCTIONAL COST, FTE, SALARY, OPERATING, QBE EARNINGS, LESS LOCAL 5 MILLS, STATE FUNDS, Teacher. Includes rows for Kindergarten Pgm, Primary Grade(1-3) Pgm, etc.

Table with columns: INDIRECT COST, CATEGORICAL GRANTS, TOTAL EARNINGS FOR QUALITY BASIC EDUCATION, TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET, TOTAL FUNDING ON THIS ALLOTMENT SHEET.

NOTES

School System: 651 - Effingham County

FY23 Initial(Amendment #3)

←-----Earnings (\$)-----→

DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS	Teacher
Kindergarten Pgm	904	5,586,330	70,649	5,656,979	663,196	4,993,783	60.27
Kindergarten Early Intr Pgm	50	401,123	3,908	405,031	47,484	357,547	4.55
Primary Grade(1-3) Pgm	2,485	12,249,389	213,459	12,462,848	1,461,082	11,001,766	146.18
Primary Grd Early Intrv(1-3) Pgm	256	1,886,322	21,990	1,908,312	223,721	1,684,591	23.27
Upper Elementary Grd(4-5) Pgm	1,378	5,185,142	97,041	5,282,183	619,257	4,662,926	59.91
UppElem Grd Early Intrv(4-5)	171	1,260,004	12,041	1,272,045	149,128	1,122,917	15.55
Middle Grade(6-8) Pgm	0	0	0	0	0	0	0.00
Middle School(6-8) Pgm	2,423	10,319,238	170,638	10,489,876	1,229,781	9,260,095	121.15
High School Gen Educ(9-12)	2,327	8,243,314	264,346	8,507,660	997,396	7,510,264	101.17
CTAE(9-12) PGM	743	3,000,410	243,853	3,244,263	380,341	2,863,922	37.15
Students with Disab Cat I	199	1,904,682	49,542	1,954,224	229,104	1,725,120	24.87
Students with Disab Cat II	95	1,117,591	12,478	1,130,069	132,484	997,585	14.62
Students with Disab Cat III	617	9,423,250	125,991	9,549,241	1,119,506	8,429,735	123.40
Students with Disab Cat IV	150	3,811,284	63,363	3,874,647	454,244	3,420,403	50.00
Students with Disab Cat V	178	1,703,685	75,191	1,778,876	208,547	1,570,329	22.25
Gifted Student Category VI	788	5,046,210	79,510	5,125,720	600,914	4,524,806	65.67
Remedial Education Pgm	181	959,360	10,387	969,747	113,688	856,059	12.07
Alternate Education Pgm	136	721,510	9,577	731,087	85,709	645,378	9.07
Eng.Spkr.s.of Other Lang.(ESOL)	44	488,274	2,527	490,801	57,539	433,262	6.29
Spec Ed. Itinerant				5,387	632	4,755	
Spec Ed. Supplemental Speech				0	0	0	
TOTAL DIRECT INSTRUC.	13,125	73,307,118	1,526,491	74,838,996	8,773,753	66,065,243	897.44

Program	Weight	Teacher Student Ratio
Gr K	1.6773	15
EIP K	2.0753	11
Gr 1-3	1.2970	17
EIP 1-3	1.8237	11
Gr 4-5	1.0397	23
EIP 4-5	1.8184	11
MG*	1.0325	23
MS*	1.1396	20
Gr 9-12*	1.0000	23
Vocational*	1.1811	20
SpEd I	2.4194	8
SpEd II	2.8524	7
SpEd III	3.6352	5
SpEd IV	5.8994	3
SpEd V	2.4793	8
Gifted	1.6843	12
Remedial	1.3609	15
Alternative Ed	1.4921	15
ESOL	2.6007	7

$904/15 = 60.27$
 $50/11 = 4.55$
 $2,485/17 = 146.18$
 $256/11 = 23.27$
 $1,378/23 = 59.91$
 $171/11 = 15.55$

School System: 651 - Effingham County

FY23 Initial(Amendment #3)

←-----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	904	5,586,330	70,649	5,656,979	663,196	4,993,783	60.27		2.01	0.82
Kindergarten Early Intr Pgm	50	401,123	3,908	405,031	47,484	357,547	4.55		0.11	0.05
Primary Grade(1-3) Pgm	2,485	12,249,389	213,459	12,462,848	1,461,082	11,001,766	146.18	7.20	5.52	2.26
Primary Grd Early Intrv(1-3) Pgm	256	1,886,322	21,990	1,908,312	223,721	1,684,591	23.27	0.74	0.57	0.23
Upper Elementary Grd(4-5) Pgm	1,378	5,185,142	97,041	5,282,183	619,257	4,662,926	59.91	3.99	3.06	1.25
UppElem Grd Early Intrv(4-5)	171	1,260,004	12,041	1,272,045	149,128	1,122,917	15.55	0.50	0.38	0.16
Middle Grade(6-8) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00
Middle School(6-8) Pgm	2,423	10,319,238	170,638	10,489,876	1,229,781	9,260,095	121.15	7.02	5.38	2.20
High School Gen Educ(9-12)	2,327	8,243,314	264,346	8,507,660	997,396	7,510,264	101.17		5.17	2.12
CTAE(9-12) PGM	743	3,000,410	243,853	3,244,263	380,341	2,863,922	37.15		1.65	0.68
Students with Disab Cat I	199	1,904,682	49,542	1,954,224	229,104	1,725,120	24.87			0.18
Students with Disab Cat II	95	1,117,591	12,478	1,130,069	132,484	997,585	14.62			0.09
Students with Disab Cat III	617	9,423,250	125,991	9,549,241	1,119,506	8,429,735	123.40			0.56
Students with Disab Cat IV	150	3,811,284	63,363	3,874,647	454,244	3,420,403	50.00			0.14
Students with Disab Cat V	178	1,703,685	75,191	1,778,876	208,547	1,570,329	22.25			0.16
Gifted Student Category VI	788	5,046,210	79,510	5,125,720	600,914	4,524,806	65.67			0.72
Remedial Education Pgm	181	959,360	10,387	969,747	113,688	856,059	12.07		0.40	0.16
Alternate Education Pgm	136	721,510	9,577	731,087	85,709	645,378	9.07		0.30	0.12
Eng.Spkr.s.of Other Lang.(ESOL)	44	488,274	2,527	490,801	57,539	433,262	6.29		0.10	0.04
Spec Ed. Itinerant				5,387	632	4,755				
Spec Ed. Supplemental Speech				0	0	0				
TOTAL DIRECT INSTRUC.	13,125	73,307,118	1,526,491	74,838,996	8,773,753	66,065,243	897.44	19.45	24.65	11.94

Earnings (\$)										Earned Positions - Grades K-12				
DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL \$ MILLS	STATE FUNDS	Teacher	Subj. Spec.	Couns.	Tech. Spec.				
Kindergarten Pgm	904	5,586,330	70,649	5,656,979	663,196	4,993,783	60.27	2.01	0.92					
Kindergarten Early Int'l Pgm	50	401,123	3,908	405,031	47,484	357,547	4.55	0.11	0.05					
Primary Grades (K-3) Pgm	2,485	12,248,389	213,459	12,461,848	1,461,082	11,000,766	146.18	7.20	5.52	2.28				
Primary Grad Early Int'l (K-3) Pgm	296	1,886,322	21,900	1,908,222	223,721	1,684,501	23.27	0.74	0.57	0.23				
Upper Elementary Grades (4-5) Pgm	1,378	5,185,142	97,041	5,282,183	619,257	4,662,926	59.91	3.99	3.06	1.25				
Upper Elem Grad Early Int'l (4-5)	171	1,260,004	12,041	1,272,045	149,128	1,122,917	15.55	0.50	0.38	0.16				
Middle Grades (6) Pgm	0	0	0	0	0	0	0.00	0.00	0.00	0.00				
Middle School (6-8) Pgm	2,423	10,319,238	170,638	10,489,876	1,229,781	9,260,095	121.15	7.02	5.38	2.20				
High School Gen Educat (9-12)	2,327	8,243,314	264,346	8,507,660	997,396	7,510,264	101.17	5.17	2.12					
CTAE (9-12) PGM	743	3,000,410	243,853	3,244,263	380,341	2,863,922	37.15	1.65	0.68					
Students with Disab Cat I	199	1,954,682	49,542	2,004,224	229,104	1,775,120	24.87							
Students with Disab Cat II	95	1,117,591	12,478	1,130,069	132,484	997,585	14.82							
Students with Disab Cat III	617	9,423,250	125,991	9,549,241	1,119,506	8,429,735	123.40							
Students with Disab Cat IV	150	3,911,284	63,363	3,974,647	454,244	3,520,403	50.00							
Students with Disab Cat V	176	1,703,695	75,191	1,778,886	208,547	1,570,339	22.25							
Gifted Student Category VI	788	5,046,210	79,510	5,125,720	600,914	4,524,806	65.67							
Remedial Education Pgm	181	993,360	10,387	1,003,747	113,688	890,059	12.07							
Alternative Education Pgm	136	721,510	9,577	731,087	85,709	645,378	9.07							
Eng Spkrs of Other Lang (ESOL)	44	488,274	2,527	490,801	57,539	433,262	6.29							
Spec Ed - Itinerant				5,387	632	4,755								
Spec Ed - Supplemental Speech				0	0	0								
TOTAL DIRECT INSTRUC.	13,125	73,307,118	1,526,491	74,833,996	8,773,753	66,065,243	897.44	19.45	24.65	11.94				
INDIRECT COST														
Cent. Admin		2,251,605	0	2,251,605	263,967	1,987,638								
School Admin		3,210,258	91,200	3,301,458	387,047	2,914,411								
Facility M & O		3,911,247	3,911,247	458,535	3,452,712									
Sub Total (INDIRECT COST)		5,461,863	4,002,447	9,464,310	1,109,549	8,354,761								
MEDIA CENTER PGM.		1,707,114	182,962	1,890,076	221,583	1,668,493								
20 DAYS ADDITIONAL INSTRUCTION		556,544		556,544	65,246	491,298								
STAFF & PROFESSIONAL DEV					354,829	41,598								
PRINCIPAL STAFF & PROF. DEV					4,535	532								
MIDTERM HOLD HARMLESS														
Amended Formula Adjustment														
Charter System Adjustment														
QBE FORMULA EARNINGS		81,032,639	5,711,900	87,109,290	10,212,261	76,897,029	897.44	19.45	24.65	11.94				
CATEGORICAL GRANTS														
Pupil Transportation Pgm (Includes 82 Drivers and bus replacement funds of 0)				1,348,561		1,348,561								
Sparsity - Regular				0		0								
Nursing Services				296,876		296,876								
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				88,754,727		78,542,466								
Education Equalization Funding Grant				12,793,400		12,793,400								
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866								
Charter Commission Admin - State						0								
Military Counselors						0								
Local Charter Supplement						0								
State Commission Charter Supplement						0								
TOTAL FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866								

Spec Ed. Itinerant	Earnings (\$)				Earned Positions															
	Spec Ed. Supplemental Speech				Supt.	Asst Supt.	Prin.	Asst Prin.	Secty.	Accnt.	VT/SW	Psych.	Sp Ed Ldr	Media Center						
TOTAL DIRECT INSTRUC.	13,125	73,307,118	1,526,491	74,833,996	8,773,753	66,065,243	897.44	19.45	24.65	11.94										
INDIRECT COST																				
Cent. Admin		2,251,605	0	2,251,605	263,967	1,987,638														
School Admin		3,210,258	91,200	3,301,458	387,047	2,914,411														
Facility M & O		3,911,247	3,911,247	458,535	3,452,712															
Sub Total (INDIRECT COST)		5,461,863	4,002,447	9,464,310	1,109,549	8,354,761														
MEDIA CENTER PGM.		1,707,114	182,962	1,890,076	221,583	1,668,493														
20 DAYS ADDITIONAL INSTRUCTION		556,544		556,544	65,246	491,298														
STAFF & PROFESSIONAL DEV					354,829	41,598														
PRINCIPAL STAFF & PROF. DEV					4,535	532														
MIDTERM HOLD HARMLESS																				
Amended Formula Adjustment																				
Charter System Adjustment																				
QBE FORMULA EARNINGS		81,032,639	5,711,900	87,109,290	10,212,261	76,897,029	897.44	19.45	24.65	11.94	1.00	6.00	13.00	21.01	26.69	1.00	5.30	5.30	10.13	22.53
CATEGORICAL GRANTS																				
Pupil Transportation Pgm (Includes 82 Drivers and bus replacement funds of 0)				1,348,561		1,348,561														
Sparsity - Regular				0		0														
Nursing Services				296,876		296,876														
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				88,754,727		78,542,466														
Education Equalization Funding Grant				12,793,400		12,793,400														
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866														
Charter Commission Admin - State						0														
Military Counselors						0														
Local Charter Supplement						0														
State Commission Charter Supplement						0														
TOTAL FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866														

NOTES

- Expenditure controls as set forth in O.C.G.A. Section 20-2-167 are reinstated, subject to each district's approved flexibility contract.
- 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 2022 (HB 911).
- Teacher Retirement is funded at 19.98% in QBE in FY 2022 (HB 911).

Total T&E **30,206,332** includes T&E 22,030,192 and HI 8,176,140

School System: 651 - Effingham County							FY23 Initial(Amendment #3)				THE BASIC UNIT COST IS DEFINED TO BE THE AMOUNT OF \$2,897.28											
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	Earned Positions											
											Supt.	Asst Supt	Prin.	Asst Prin.	Secty.	Accnt.	VT/SW	Psych.	Sp Ed Ldr	Media Center		
Spec Ed. Supplemental Speech				0	0	0																
TOTAL DIRECT INSTRUC.	13,125	73,307,118	1,526,491	74,838,996	8,773,753	66,065,243	897.44	19.45	24.65	11.94	1.00	6.00	13.00	21.01	26.69	1.00	5.30	5.30	10.13	22.53		
INDIRECT COST																						
Cent. Admin		2,251,605	0	2,251,605	263,967	1,987,638																
School Admin		3,210,258	91,200	3,301,458	387,047	2,914,411																
Facility M & O			3,911,247	3,911,247	458,535	3,452,712																
Sub Total (INDIRECT COST)		5,461,863	4,002,447	9,464,310	1,109,549	8,354,761					1.00	6.00	13.00	21.01	26.69	1.00	5.30	5.30	10.13			
MEDIA CENTER PGM.		1,707,114	182,962	1,890,076	221,583	1,668,493																22.53
20 DAYS ADDITIONAL INSTRUCTION		556,544		556,544	65,246	491,298																
STAFF & PROFESSIONAL DEV				354,829	41,598	313,231																
PRINCIPAL STAFF & PROF. DEV				4,535	532	4,003																
MIDTERM HOLD HARMLESS																						
Amended Formula Adjustment						0																
Charter System Adjustment				0		0																
QBE FORMULA EARNINGS		81,032,639	5,711,900	87,109,290	10,212,261	76,897,029	897.44	19.45	24.65	11.94	1.00	6.00	13.00	21.01	26.69	1.00	5.30	5.30	10.13	22.53		
CATEGORICAL GRANTS																						
Pupil Transportation Pgm (Includes 82 Drivers and bus replacement funds of 0)				1,348,561		1,348,561																
Sparsity - Regular				0		0																
Nursing Services				296,876		296,876																
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				88,754,727		78,542,466																
Education Equalization Funding Grant				12,793,400		12,793,400																
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866																
Charter Commission Admin - State						0																
Military Counselors						0																
Local Charter Supplement						0																
State Commission Charter Supplement				0		0																
TOTAL FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866																

NOTES
 1. Expenditures subject to each of \$945.00. for 3. Teacher Re
 Total T&E

Paraprofessionals (Teacher Aides - \$15,738): 1 per K teacher
 Subject Specialist: 1 Art, Music, OR PE Teacher per 345 students (1-8 only)
 Counselors: K-5=462:1; 6-8=624:1; HS=400:1
 Technology Specialists (\$47,065): 1100:1

1 Superintendent per District (\$56,478 + T&E)
 Asst. Supts (\$56,478 + T&E): 0-5000 FTE=2; 5001-9999 = 4; 10,000+ = 6
 Principal earned for each school code.
 Asst. Prin. (\$47,065 + T&E): K-5=450:1/2; 6-8=624:1; 9-12=970:2
 School Secretaries (\$17,336): K-5=450:1; 6-8=624:1; 9-12=970:2
 Accountant (\$25,876): 1 per district
 Psychologists (\$47,065): 2475:1
 Social Workers (\$47,065): 2475:1

NOTE: The salary amounts are supposed to cover salary & benefits.
 Instructional & Media Supplies ~ \$100 per student.

Sick Leave for Earned Employees: 8 days - \$150 total

NO FUNDING FOR:
 Custodians, School Bookkeepers, HR & Payroll,
 Accounts Payable & Accounting Support,
 Curriculum Director, Maintenance, Mental Health
 Therapists, Board Members & their Training, Paid
 Parental Leave, Graduation Coaches, etc.

←-----Earnings (\$)----->

DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS
QBE FORMULA EARNINGS		81,032,639	5,711,900	87,109,290	10,212,261	76,897,029
CATEGORICAL GRANTS						
<u>Pupil Transportation Pgm</u> (Includes 82 Drivers and bus replacement funds of 0)				1,348,561		1,348,561
<u>Sparsity - Regular</u>				0		0
<u>Nursing Services</u>				296,876		296,876
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				88,754,727		78,542,466
<u>Education Equalization Funding Grant</u>				12,793,400		12,793,400
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866
Charter Commission Admin - State						0
Military Counselors						0
Local Charter Supplement						0
State Commission Charter Supplement				0		0
TOTAL FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866

QBE Funding

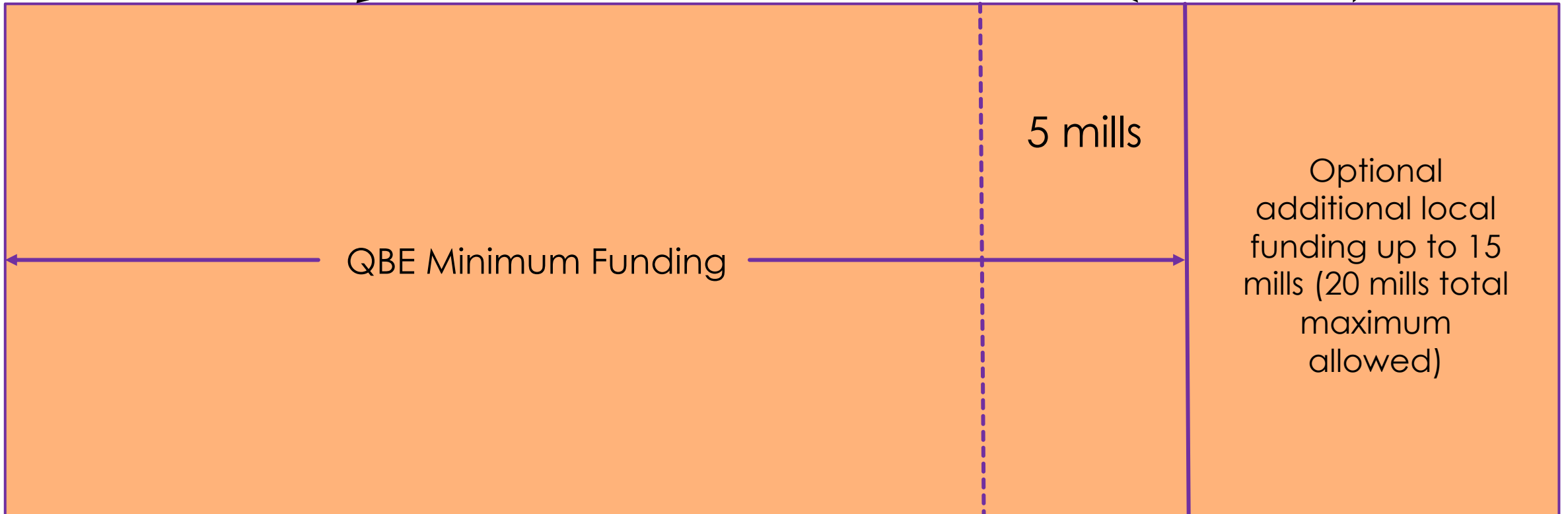
- ▶ T&E (Training & Experience)
- ▶ Program Funding
- ▶ **Local Fair Share**

Local Fair Share

State's Responsibility

Local School System's Responsibility

Optional Enhanced Local Funding



←-----Earnings (\$)--→



DIRECT INSTRUCTIONAL COST	FTE	SALARY	OPERATING	QBE EARNINGS	LESS LOCAL 5 MILLS	STATE FUNDS
QBE FORMULA EARNINGS		81,032,639	5,711,900	87,109,290	10,212,261	76,897,029
CATEGORICAL GRANTS						
Pupil Transportation Pgm (Includes 82 Drivers and bus replacement funds of 0)				1,348,561		1,348,561
Sparsity - Regular				0		0
Nursing Services				296,876		296,876
TOTAL EARNINGS FOR QUALITY BASIC EDUCATION				88,754,727		78,542,466
Education Equalization Funding Grant				12,793,400		12,793,400
TOTAL STATE FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866
Charter Commission Admin - State						0
Military Counselors						0
Local Charter Supplement						0
State Commission Charter Supplement				0		0
TOTAL FUNDING ON THIS ALLOTMENT SHEET				101,548,127		91,335,866

Calculation of Effective LFMS:

1 Mill on FY22 (2020 Digest)	$\$2,005,219 \times 5 = \$10,026,095$
5 Mill Share on FY23 Allotment	$\$10,212,261 / \$2,005,219 = 5.1 \text{ mills}$

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 Twiggs Co Schools	= \$	291,623	(FY23)
1 mill of tax in Effingham Co Schools	= \$	2,664,110	(FY23)
1 mill of tax in Forsyth Co Schools	= \$	16,697,874	(FY23)

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

FY21: 120 Districts received \$725,171,447

FY22: 124 Districts received \$797,797,158

FY23: 117 Districts will receive \$633,783,022

FY24: 120 Districts will receive \$756,056,299

Why Does ECSD Get Equalization?

Districts Ranked 64 and greater receive Equalization in FY23

▶ For FY23 (using 2020 digest), Effingham County School District ranks 126th in the state in “wealth.”

▶ Wealth=Total Digest/Weighted FTE

▶ Wealth = Net Eligible Digest / Weighted FTE

▶ $\$2,143,014,867 / 18,078 = \$118,543$

▶ Cutoff for Equalization: \$168,021

- | | |
|------------------------|------------------------|
| 1. Burke | 11. Glynn |
| 2. Towns | 12. Talbot |
| 3. Rabun | 13. Dawson |
| 4. Atlanta City | 14. Buford City |
| 5. Greene | 15. Hancock |
| 6. Fannin | 16. Twiggs |
| 7. Chatham | 17. Baker |
| 8. Fulton | 18. Marietta |
| 9. Clay | 19. Mitchell |
| 10. Putnam | 20. Union |

NEGARESA CARES Allocations

District	CARES1	CARES2	CARES3	Total	FTE # 2021-1	Total/ Student	Rank Hi-Lo	% Exp as of 04/30/23	FY24 Equalization
Barrow	\$ 2,352,623	\$ 8,879,097	\$ 19,941,191	\$ 31,172,911	14,078	\$ 2,214	185	65.9	\$ 12,227,794
Clarke	\$ 5,793,374	\$ 21,603,273	\$ 48,517,883	\$ 75,914,530	12,507	\$ 6,070	53	58.6	\$ 0
Commerce City	\$ 295,112	\$ 1,158,698	\$ 2,602,271	\$ 4,056,081	1,721	\$ 2,357	179	83.5	\$ 1,269,621
Elbert	\$ 927,691	\$ 3,771,238	\$ 8,469,665	\$ 13,168,594	3,011	\$ 4,373	101	64.2	\$ 2,679,759
Foothills Charter	\$ 205,193	\$ 1,126,014	\$ 2,528,867	\$ 3,860,074	2,202	\$ 1,753	191	95.2	\$ 0
Greene	\$ 712,838	\$ 3,165,618	\$ 7,109,529	\$ 10,987,985	2,590	\$ 4,242	103	83.5	\$ 0
Jackson	\$ 1,029,812	\$ 4,192,499	\$ 9,415,758	\$ 14,638,069	8,512	\$ 1,720	192	85.2	\$ 0
Jefferson City	\$ 180,983	\$ 718,735	\$ 1,614,177	\$ 2,513,895	3,960	\$ 635	215	97.5	\$ 0
Madison Co.	\$ 897,874	\$ 3,923,373	\$ 8,811,338	\$ 13,632,585	4,971	\$ 2,742	163	63.9	\$ 4,638,610
Morgan	\$ 503,744	\$ 2,088,319	\$ 4,690,068	\$ 7,282,131	3,242	\$ 2,246	183	88.5	\$ 0
Oconee	\$ 356,885	\$ 1,487,017	\$ 3,339,628	\$ 5,183,530	8,224	\$ 630	216	98.6	\$ 0
Oglethorpe	\$ 419,017	\$ 1,714,235	\$ 3,849,927	\$ 5,983,179	2,135	\$ 2,802	161	56.8	\$ 1,447,805
Social Circle City	\$ 180,645	\$ 732,314	\$ 1,644,673	\$ 2,557,632	1,848	\$ 1,384	198	65.3	\$ 2,031,935
Walton	\$ 2,548,501	\$ 10,702,537	\$ 24,036,378	\$ 37,287,416	13,844	\$ 2,693	164	79.9	\$ 1,987,385
Total	\$ 16,404,292	\$ 65,262,967	\$146,571,353	\$228,238,612	82,845	\$ 2,755			\$26,282,909





THE
INTERVIEW
IN THEATERS THIS CHRISTMAS



**THEY HATE US
CAUSE THEY AIN'T US!**

Equalization Calculation – ECSD

FY23 Equalization - District Name & Rank: Effingham Co Schools 126th

District Adjusted NET Digest - 2020		\$2,143,014,867	A
District Weighted FTE - FY21		18,078	B = B1+B2
District Average Wealth/WFTE		\$118.54	C=A/B/1000
State Average Wealth/WFTE		\$168.02	D
Difference		\$49.48	E=D-C
Total Local Taxes Collected	\$	39,676,669	F
Effective Mills		18.51	G = F/A*1000
Effective Mills - 5 mills		13.51	H = G - 5.0 (Max 15)
Equalization Amount per WFTE		\$668.65	I = H*E
WFTE (Budget Year) - FY23		19,112	J = J1+J2
Total Equalization - FY23		\$12,793,400	K = I * J





Why Does Gwinnett Get Equalization?

Equalization Summary - Gwinnett - FY22 - 74th

District Adjusted NET Digest - 2019	\$39,165,156,326	A
District Weighted FTE - FY20	271,384	B
District Average Wealth/WFTE	\$144.32	$C = A/B/1000$
State Average Wealth/WFTE	\$168.02	D
Difference	→ \$23.70	$E = D - C$
Total Local Taxes Collected	\$716,866,119	F
Effective Mills	18.30367	$G = F/A * 1000$
Effective Mills - 5 mills	→ 13.30367	$H = G - 5.0$
Equalization Amount per WFTE	\$315.32	$I = H * E$
WFTE (Budget Year) - FY22	→ 268,256	J (rounded # shown)
Total Equalization - FY22	→ \$84,586,097	$K = I * J$

Why Does Gwinnett Get Equalization?

Equalization Summary - Gwinnett - FY23 - 72nd

District Adjusted NET Digest - 2020	\$42,599,836,134	A
District Weighted FTE - FY21	268,836	B
District Average Wealth/WFTE	\$158.46	C=A/B/1000
State Average Wealth/WFTE	\$168.02	D
Difference	 \$9.56	E=D-C
Total Local Taxes Collected	\$ 778,604,152	F
Effective Mills	18.28	G = F/A*1000
Effective Mills - 5 mills	 13.28	H = G - 5.0
Equalization Amount per WFTE	\$126.93	I = H*E
WFTE (Budget Year) - FY22	 273,524	J (rounded # shown)
Total Equalization - FY23	 \$34,758,014	K = I * J

Why Did So Many Districts Have Tax Hearings?

- ▶ 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**.

School Funding Is Driven By

FTE

Equalization Is Driven By

WWFTE

Equalization Is Driven By

WFTE

Wealth

Millage Rate

If wealth is above state average, then no equalization is earned.

Miscellaneous Grants & Other

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



Sparsity Grants

- ▶ This grant is awarded to systems with FTE ranging from 165 FTE (Taliaferro Co.) to 2,905 FTE (Union Co.) Total statewide amounts to \$8,249,855.

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. In FY23, it amounts to ~\$109.66 / FTE.
- ▶ Total allocated in FY23 amounts to \$3,016,317.

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.

Funding for Nurses

- ▶ ECSD receives \$296,876 for nursing in FY23. The state funds this amount to cover **all** salaries, benefits, and supplies for **all** 16 nurses in the district.
- ▶ **NOTE:** The 5.1% raise for nurses proposed in FY24 will be based on this funding amount, **NOT** on actual salaries.

REMOVED IN FINAL BUDGET

Miscellaneous Grants & Other

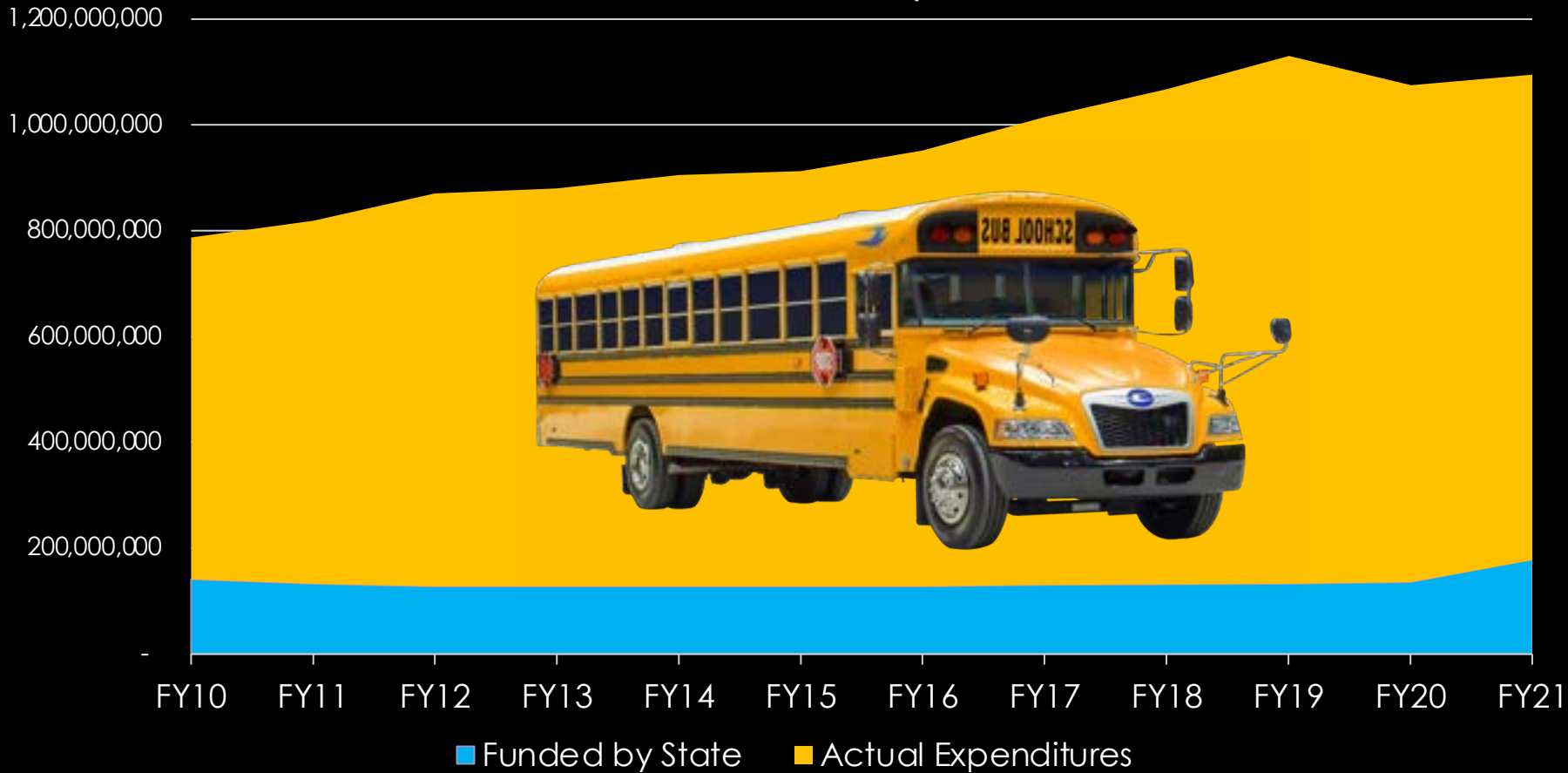
- ▶ Equalization
- ▶ Sparsity
- ▶ Charter System
- ▶ Nurses
- ▶ **Transportation**



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 \$14,500 - \$16,100 per driver as a good budget figure.
 - ▶ In FY23, the state funded 8,827 routes statewide for a total of \$141,676,547.

Georgia K-12 Transportation Expenditures Historical Analysis



Sources:

Funding: DOE
Mid-Term State
Allotment
Sheets

Expenditures:
DOE School
System Financial
Reports

	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Funded by State	141,397,382	133,083,261	127,704,479	127,704,479	127,704,479	127,704,472	127,704,472	130,239,812	131,980,745	132,884,118	135,434,946	178,516,490
Actual Expenditures	645,464,823	686,327,282	742,567,664	751,972,544	777,693,454	784,733,137	823,929,601	884,435,039	936,046,005	997,641,309	940,004,871	916,181,775
% Funded by State	21.9%	19.4%	17.2%	17.0%	16.4%	16.3%	15.5%	14.7%	14.1%	13.3%	14.4%	19.5%

Transportation Funding

- ▶ ECSD is receiving \$1,348,561 to fund 82 routes for FY23.
- ▶ In FY23, the District is budgeting to spend \$6,783,046 for Transportation via the General Fund, so **the state is only funding 19.9% of ECSD's expected costs.**
- ▶ As recently as FY07, the state funded in about 50% of transportation costs.

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.

What Is So Bad about QBE?

▶ Issues

- ▶ Outdated: Passed in 1985
- ▶ No indexing for inflation
- ▶ Assumes HS students are least expensive to educate
- ▶ \$150 per teacher per year for substitutes (supposed to cover 8 days)
- ▶ \$100 per student for books & supplies annually
- ▶ Many positions are underfunded or not funded at all
 - ▶ No custodians, school bookkeepers, maintenance staff, grad coaches, instructional coaches, academic specialists
 - ▶ Except some T&E if certified
 - ▶ Central Office staff: only one secretary at \$17,336 & 1 accountant at \$25,876
 - ▶ Supt. Funded at \$56,478 + T&E
- ▶ Transportation only funded at 20% of actual
- ▶ No additional funding for high poverty
- ▶ No funding for classified health insurance

▶ Benefits

- ▶ Now that austerity is gone, districts generally receive equitable funding except for poverty (Title I ?)
- ▶ Allows for budgeting by using lagging data
- ▶ Although somewhat complex, can be understood by most educational professionals
- ▶ Recognizes differing costs of educating students in different programs
- ▶ Includes T&E funding for all certified staff, regardless of whether or not the position is earned
- ▶ Provides most of the funding for TRS and **certified** health insurance

Budget Reporting Requirement HB65 (OCGA § 20-2-167.1)

(b) Each governing body shall hold **at least two public meetings**, which shall not occur within the same week, for the purpose of providing an opportunity for public input on its proposed annual operating budget **before adopting any budget**; provided, however, that any other public meeting or hearing held that is related to the budget as required by law shall satisfy all or a portion of such requirement. The governing body of a charter school with a state-wide attendance zone and students residing in 25 percent or more of Georgia's counties or in three or more counties which are not geographically contiguous shall conduct one such public meeting virtually and one such public meeting in the county in which its primary business office is located. The public meetings shall be advertised in a local newspaper of general circulation which shall be the same newspaper in which other legal announcements of the board of education are advertised.

Budget Reporting Requirement HB65 (OCGA § 20-2-167.1)

(c) A **summary of the annual operating budget** proposed by the governing board and the annual operating budget adopted by the governing board **shall be posted** on a publicly available area of such governing body's **website**. The summary of the annual operating budget adopted by the governing body shall be maintained on such publicly available area of the website until the annual operating budget for the next fiscal year is adopted by the governing body. In the event a governing body elects to post the line item detailed proposed and adopted annual operating budgets on a publicly available area of its website, it shall be deemed in compliance with this subsection.

Budget Reporting Requirement HB65 (OCGA § 20-2-167.1)

(d) **Upon request**, each governing body **shall provide** to any person an **electronic copy of the line item detailed adopted annual operating budget** in a format suitable for analysis at no cost within three business days of such request, and the summary of the budget required by subsection (c) of this Code section shall give notice of such right.

(e) The provisions of this Code section **shall not be construed to apply** to the operating budget or accounting records **of a nonprofit corporation itself that operates a charter school.**"



Richard Woods, Georgia's School Superintendent

- Offices & Divisions -
- Programs & Initiatives -
- Data & Reporting -
- Learning & Curriculum -
- State Board & Policy -
- Finance & Operations -
- Contact -

Home → Finance and Business Operations → Financial Review

- Financial Review
- Financial Management of Georgia LUAS Manual**
- Preparing Basic Financial Statements
- School System Financial Information

Financial Review

The Financial Review division was established for the purpose of reviewing financial records and accounting of local governing school boards and assisting local units of administration in training personnel in financial and budgetary accounting.

Financial Review is responsible for issuing and updating the chart of accounts utilized by local units of administration (LUAs) in reporting budget and financial data to the Georgia Department of Education.

Contact Information

Amy Rowell
Director, Financial Review
Cell 404-710-6239
arowell@doe.k12.ga.us

Saranna Charping (Milledgeville)
Cell 404-556-4169
saranna.charping@doe.k12.ga.us

Tentative Budget Adoption

At least two weeks prior to the proposed budget adoption date, the school board should tentatively adopt the proposed budget. This adoption can be made in a simple resolution with a copy of the tentative budget attached to the resolution.

Publish Tentative and Final Budgets

After the school board has adopted a tentative budget, the budget must be published on the LEA's public website. The tentative budget is to remain on the website until adoption of the final initial budget. The final initial budget is also required to be published on the LEA's public website. At a minimum, the published tentative budget must be presented by revenue category and expenditure function by governmental fund type. The presentation must also include a notice of the date, time, and place at which final adoption will be considered. Exhibit IV-32-12 is an example of the publication of the tentative budget.

EXHIBIT IV-32-12
ILLUSTRATION OF TENTATIVE
BUDGET ADVERTISEMENT

Tentative Budget
Pine Tree Local Unit of Administration
July 1, 2018 - June 30, 2019
(Amounts rounded to \$1,000)
GOVERNMENTAL FUND TYPES

	General Fund	Special Revenue Funds	Capital Projects Funds	Debt Service Fund
Estimated Revenues:				
Local taxes	\$92,886	\$ -	\$ -	\$ 18,005
Other local sources	19,000	4,137	61,756	18
State sources		3,059	5,798	-
Federal sources	127,308	1,003	-	-
Other sources	238	2,060	591	-
	-			
Total Estimated Revenues	239,432	10,239	68,145	18,023
Estimated Expenditures:				
Instruction		10,769		-
Pupil Services	158,840	941	1,679	-
Improvement of Instruction	6,071	106	-	-
Educational Media	5,813	16	22	-
General Administration	6,029	399	-	-
School Administration	2,570	59	38	-
Business Services	13,771	-	-	-
Maintenance and Operation of Plant	4,323	406	61	-
Student Transportation	27,597	104	-	-
Central Support Services	12,455	-	4	-
School & Community Nutrition	4,258	-	2,609	-
Facilities Acquisition and Construction	634	-	2	-
Other Support Services	1,135	-	84,158	-
Debt Service	3,300	-	153	16,549
	-			
Total Expenditures	246,796	12,767	86,724	16,549
Excess of Revenues Over (Under) Expenditures	(7,364)	(2,548)	(20,579)	1,474
Estimated Fund Balance, July 1	34,344	2,548	21,248	10,422
Estimated Fund Balance, June 30	\$ 26,980	\$ -	\$ 669	\$ 11,896

The budget will be considered for final adoption by the board at 7:30 p.m., June 20xx, Room 201, county courthouse.

In accordance with State Board Rule 160-5-2-.23, the Bleckley County Board of Education presents the budget to be approved on June 21, 2022. In accordance with O.C.G.A. §20-2-167.1, opportunities for public input will be provided at the May 17, 2022, Regular Meeting and will be provided at the June 21, 2022, Regular Board Meeting.

In accordance with State Board Rule 160-5-2-.23, the Bleckley County Board of Education presents the budget to be approved on June 21, 2022. In accordance with O.C.G.A. §20-2-167.1, opportunities for public input will be provided at the May 17, 2022, Regular Meeting and will be provided at the June 21, 2022, Regular Board Meeting.

Bleckley County Board of Education

FY23 Final Budget

Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended June 30, 2023

	Total All Funds	General Fund	ESPLOST Fund	Capital Projects Fund	American Rescue Plan (CARES3) Funds	Other Govern- mental Funds
Beginning Fund Balance	10,114,535	6,899,571	1,539,686	1,225,852	0	449,426
Local Taxes	4,392,416	4,392,416	0	0	0	0
State	22,366,307	20,698,208	0	926,115	0	741,984
Federal CARES Act Funding	2,048,004	0	0	0	2,048,004	0
Other	6,484,489	150,000	1,440,000	1,066,000	0	3,828,489
Total Receipts	35,291,216	25,240,624	1,440,000	1,992,115	2,048,004	4,570,473
Payments						
Instruction	21,437,679	17,492,188	0	0	1,795,090	2,150,401
Pupil Services	1,208,567	1,027,954	0	0	112,914	67,698
Improvement of Instr. Services	106,097	76,419	0	0	0	29,678
Professional Development	261,924	104,507	0	0	25,000	132,416
Educational Media Services	366,753	366,753	0	0	0	0
Federal Grant Administration	172,988	76,294	0	0	0	96,695
General Administration	958,676	931,728	0	0	0	26,948
School Administration	1,783,984	1,755,959	0	0	0	28,025
Support Services - Business	294,379	251,279	0	0	0	43,100
Maintenance and Operation	1,971,693	1,894,687	0	0	50,000	27,006
Student Transportation	1,844,347	1,765,167	0	0	0	79,180
Other Support Services	2,280,264	179,646	0	0	65,000	2,035,618
Facilities Acquisition and Const.	3,964,689	0	1,066,000	2,898,689	0	0
Total Payments	36,652,041	25,922,582	1,066,000	2,898,689	2,048,004	4,716,766
Change in Fund Balance	(1,360,825)	(681,957)	374,000	(906,574)	0	(146,293)
Ending Fund Balance	8,753,710	6,217,613	1,913,686	319,278	0	303,133

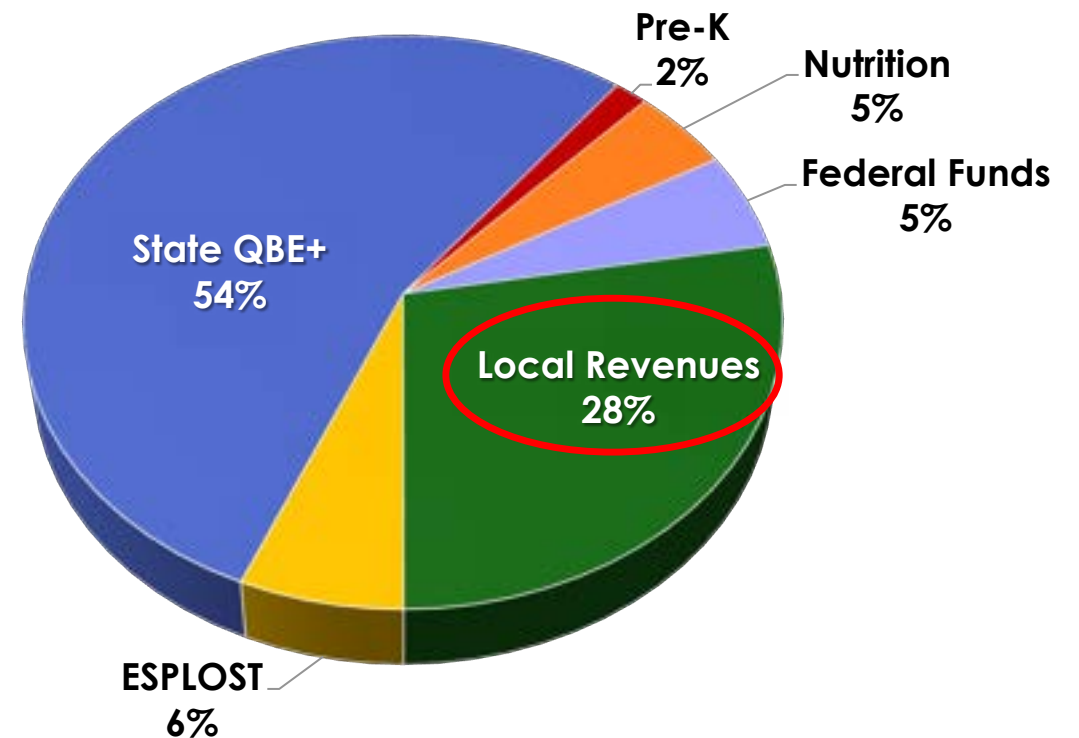
Educating the Public

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

The View from 30,000 Feet

▶ Let's look at Local Revenues

Effingham County School District
FY23 Budgeted Revenues (\$168.8m)



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 #1: \$60,000 home has a \$24,000 taxable value. If millage rate is 16.6, then number of thousands (24) is multiplied by 16.6 to get an annual tax amount of \$398.40

Ad Valorem Property Taxes Real Estate

- Example #2: \$75,000 home with millage rate of 16.6
 - $\$75,000 \times .4 = 30,000 / 1,000 = 30 \times 16.6 = \498.00 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: \$60,000 home with millage rate of 16.6 in 2022 will see school millage increase to 20.0 in 2023. How does this impact the homeowner?
 - $\$60,000 \times .4 = 24,000 / 1,000 = 24 \times 16.6 = \398.40
 - $\$60,000 \times .4 = 24,000 / 1,000 = 24 \times 20.0 = \480.00
 - **A difference of \$81.60 (\$480.00 - \$398.40)**
 - **That 20.5% increase doesn't seem so bad. Are our children worth another \$6.80 per month?**



The Budget Calendar

- June-July: Advertise tax hearings if necessary in newspaper
 - O.C.G.A. (Official Code of Georgia Annotated) §48-5-32.1
 - What constitutes a tax increase?
 - Any positive percentage on the Rollback

Five Year Tax Digest and M&O Levy History

2022 Tax Digest and M&O Levy for FY2023

The Effingham County Board of Education, does hereby announce that the M&O millage rate for 2022 will be established at a meeting to be held at the Board Office, 405 N. Ash Street, Springfield, Ga. on October 13, 2022 at 7:00 P.M. . Pursuant to the requirements of O.C.G.A. 48-5-32, the Board of Education 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. School systems, other than county systems, must ensure that tax digest information applies only to their jurisdiction.

Current (Year) Tax Digest and 5-Year History of Levy

School Digest and Levy	2017	2018	2019	2020	2021	2022
		(New Form)	(New Form)	(New Form)	(New Form)	(For 2023 Budget) (New Form)
Real & Personal	1,806,476,346	1,912,202,189	2,174,263,466	2,262,997,975	2,504,458,101	3,073,967,195
Motor Vehicles	50,599,780	41,093,790	35,108,070	31,229,400	26,625,270	25,189,620
Mobile Homes	18,169,521	19,510,793	18,937,196	22,170,857	22,013,267	28,511,826
Timber - 100%	8,824,900	11,885,973	10,842,021	10,787,245	10,251,449	11,366,112
Heavy Duty Equipment	1,957,203	344,932	711,931	618,452	692,787	732,015
Gross Digest	1,886,027,750	1,985,037,677	2,239,862,684	2,327,803,929	2,564,040,874	3,139,766,768
Less M&O Exempt	239,337,110	244,293,923	319,810,587	322,584,802	388,507,638	475,656,673
FLPA reimbursement Value	4,446,700	-	-	-	-	-
New M&O Digest	1,651,137,340	1,740,743,754	1,920,052,097	2,005,219,127	2,175,533,236	2,664,110,095
Net M&O Millage	17.500	17.077	16.468	16.225	15.810	15.810
Net Taxes Levied	\$ 28,894,903.45	\$ 29,726,681.09	\$ 31,619,417.93	\$ 32,534,680.34	\$ 34,395,180.46	\$ 42,119,580.60
Net Taxes \$ Increase	\$ 3,354,924.30	\$ 831,777.64	\$ 1,892,736.85	\$ 915,262.40	\$ 1,860,500.12	\$ 7,724,400.14
Net Taxes % Increase	13.14%	2.88%	6.37%	2.89%	5.72%	22.46%

Q1. How much does one mill bring in for the ECSD in 2022 (FY23)?

A. $2,664,110,095 / 1,000 =$
\$2,664,110
Annually

Q2. How much should ECSD expect to realize in local ad valorem taxes in FY23?

A2. \$7,724,400 less 2.5% collection = \$7,531,290

Impact of Senior Exemption Increase?

Senior Exemption Options

- ▶ Increase in Exemption Amount to \$20,000 (Heard, Many Others)
- ▶ 100% Exemption if Income Below Poverty Rate, Regardless of Age (Clarke)
- ▶ Freeze Property Value for Primary Residents for as Long as You Own the Property, Regardless of Age (Glynn)
- ▶ 100% Exemption if Over 65
- ▶ Leave as Is (State Amount = \$2,000)

Do Rural Systems Not Value Education?

2022 Millage Rate	# of Systems
<12	12
12-14.99	63
15-17.99	82
18-20+	23
Total	180

41.7%

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

ECSD 15.81

State Average Millage Rate: 15.479

State Median Millage Rate: 15.307

Highest: Muscogee – 23.321 mills (8 districts 20+ mills)

Lowest: Trion City – 5.7 mills (8 districts < 10 mills)

Tax Hearings

- ▶ 135 of 180 districts reduced millage rates in 2022 (FY23) at an average of .71 mills.
 - ▶ 29 of the districts that reduced rates stayed at or above 14 mills but less than 15 mills (most likely those receiving Equalization funds).
- ▶ 4 of 180 districts raised millage rates, but only one was > .01 mills: Upson County Schools raised their millage rate by 0.8 mills.
- ▶ 41 of 180 districts kept the millage rate at the same level as 2021 (FY22).

Why Does Metro Matter?

District	FY24 FTE	% of State
Gwinnett	190,327	10.9%
Cobb	109,292	6.3%
DeKalb	93,528	5.4%
Fulton	89,451	5.1%
Forsyth	54,535	3.1%
Clayton	52,732	3.0%
Atlanta City	49,547	2.8%
Henry	43,626	2.5%
Cherokee	42,828	2.5%
Chatham	<u>35,160</u>	<u>2.0%</u>
Top 10	761,026	43.7%

Every district but one lost FTE FY20-FY23. Which one didn't have lower FTE?

Why Would Millage Rate Increase?

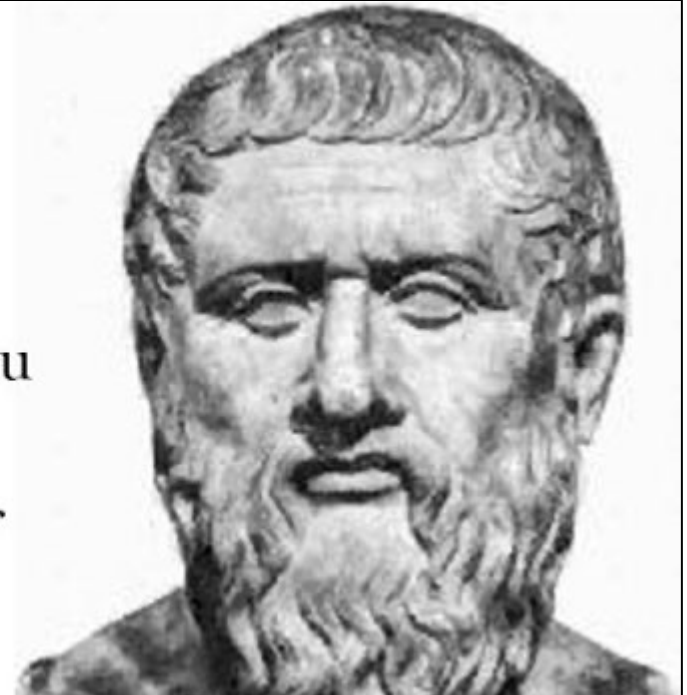
- ▶ Remember that changes in the millage rate affect property tax revenues AND equalization.
- ▶ Also, changes in FTE affect state QBE funding AND equalization.

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)
 - ▶ CARES (ESSER)
- ▶ Politics, Politics, Politics

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

Plato



Local Funding

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



Local Funding

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

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

Five Year Tax Digest and M&O Levy History

2022 Tax Digest and M&O Levy for FY2023

The Effingham County Board of Education, does hereby announce that the M&O millage rate for 2022 will be established at a meeting to be held at the Board Office, 405 N. Ash Street, Springfield, Ga. on October 13, 2022 at 7:00 P.M. . Pursuant to the requirements of O.C.G.A. 48-5-32, the Board of Education 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. School systems, other than county systems, must ensure that tax digest information applies only to their jurisdiction.

Current (Year) Tax Digest and 5-Year History of Levy

School Digest and Levy	2017	2018	2019	2020	2021	2022 (For 2023 Budget)
		(New Form)	(New Form)	(New Form)	(New Form)	(New Form)
Real & Personal	1,806,476,346	1,912,202,189	2,174,263,466	2,262,997,975	2,504,458,101	3,073,967,195
Motor Vehicles	50,599,780	41,093,790	35,108,070	31,229,400	26,625,270	25,189,620
Mobile Homes	18,169,521	19,510,793	18,937,196	22,170,857	22,013,267	28,511,826
Timber - 100%	8,824,900	11,885,973	10,842,021	10,787,245	10,251,449	11,366,112
Heavy Duty Equipment	1,957,203	344,932	711,931	618,452	692,787	732,015
Gross Digest	1,886,027,750	1,985,037,677	2,239,862,684	2,327,803,929	2,564,040,874	3,139,766,768
Less M&O Exempt	239,337,110	244,293,923	319,810,587	322,584,802	388,507,638	475,656,673
FLPA reimbursement Value	4,446,700	-	-	-	-	-
New M&O Digest	1,651,137,340	1,740,743,754	1,920,052,097	2,005,219,127	2,175,533,236	2,664,110,095
Net M&O Millage	17.500	17.077	16.468	16.225	15.810	15.810
Net Taxes Levied	\$ 28,894,903.45	\$ 29,726,681.09	\$ 31,619,417.93	\$ 32,534,680.34	\$ 34,395,180.46	\$ 42,119,580.60
Net Taxes \$ Increase	\$ 3,354,924.30	\$ 831,777.64	\$ 1,892,736.85	\$ 915,262.40	\$ 1,860,500.12	\$ 7,724,400.14
Net Taxes % Increase	13.14%	2.88%	6.37%	2.89%	5.72%	22.46%

50.2% decline in motor vehicle values on digest since 2017; Over 80% decline since 2013

TAVT

- ▶ The impact of TAVT is significant, and the amount should not be ignored for budgeting purposes. Amount of TAVT / month:
 - ▶ ECSD: ~\$391,500+/mo.; \$4,698,371 in FY22

Local Funding

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

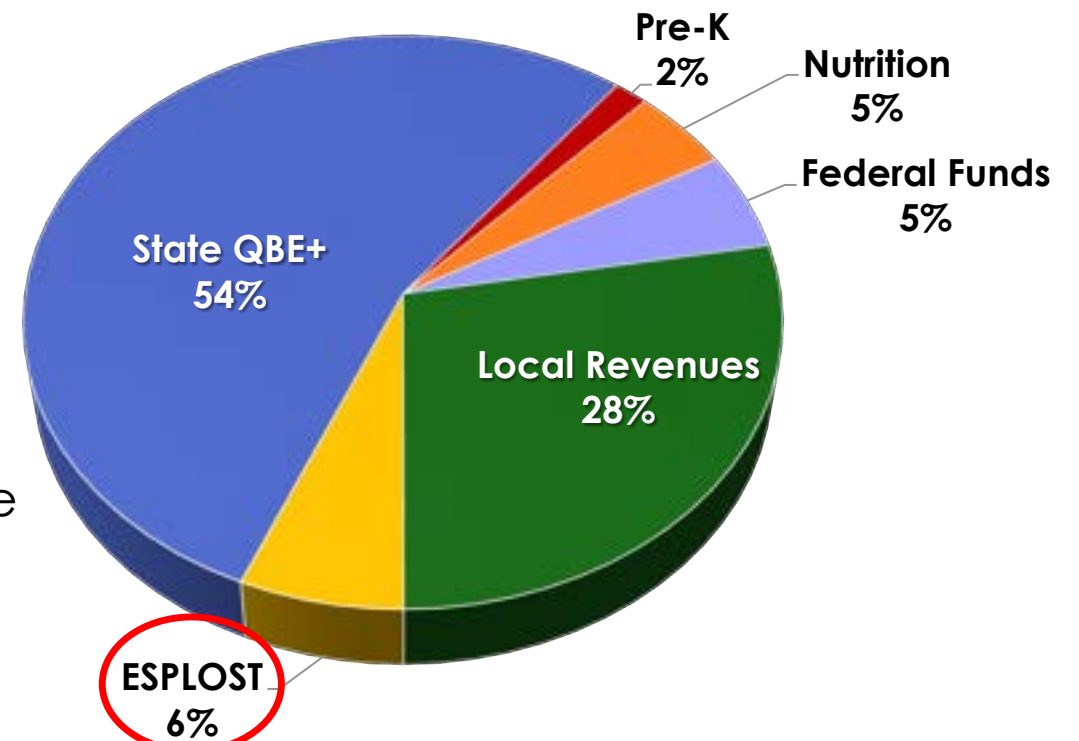
The View from 30,000 Feet

▶ Let's look at ESPLOST

Month/Year	ESPLOST
November 2018	\$ 759,697
November 2019	\$ 823,399
November 2020	\$ 973,065
November 2021	\$ 1,109,420
November 2022	\$ 1,397,509

84.0% increase

Effingham County School District
FY23 Budgeted Revenues (\$168.8m)



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, Bonds, Books, Buses, and Bits/Bytes (Technology).
 - ▶ NOTE: ESPLOST, E-LOST, & SPLOST are used interchangeably.

E-LOST

- ▶ An Education Local Option Sales Tax (E-LOST) 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 2022 (FY23) millage rates are listed. The State Average=15.479 and rank, lowest to highest, is in ().

▶ *Bulloch (5) – 8.263*

▶ *Colquitt (8) – 8.685*

▶ *Houston (22) – 13.183*

▶ *Pelham City (7) – 8.645*

▶ *Towns (2) – 6.550*

Chattooga (9) – 12.404

Habersham (12) – 11.726

Mitchell (113) – 16.086

Rabun (6) – 8.375

Trion City (1) – 5.700

District	FY23 Equalization (Based on FY21 Data)	FY21 ELOST	Approximate Equalized Mills from ELOST	Approximate Equalization From ELOST	Total Impact (ELOST + Equalization from ELOST)
<i>Bulloch</i>	\$5,577,619	\$15,056,611	6.7 mills of 12.3 Total	\$3,038,215	\$18,094,826
<i>Chattooga</i>	\$2,237,546	\$2,167,220	5.1 mills of 14.0 Total	\$815,106	\$2,982,326
<i>Colquitt</i>	\$9,858,735	\$7,261,863	6.3 mills of 12.0 Total	\$5,175,836	\$12,437,699
<i>Habersham</i>	\$4,363,435	\$8,234,270	5.8 mills of 13.8 Total	\$1,833,907	\$10,068,177
<i>Houston</i>	\$34,682,244	\$27,241,781	6.1 mills of 15.0 Total (4.8 mills used)	\$11,098,318	\$38,340,099
<i>Mitchell</i>	-	\$2,299,324	NA	NA	NA
<i>Pelham City</i>	\$1,972,753	\$457,298	10.2 of 15.0 Total (7.3 mills used)	\$960,073	\$1,417,371
<i>Rabun</i>	-	\$5,130,662	NA	NA	NA
<i>Towns</i>	-	\$2,675,218	NA	NA	NA
<i>Trion City</i>	\$1,912,623	-	NA	NA	NA
Total	\$60,604,955	\$70,524,427	NA	\$22,921,455	\$93,445,702

Employee Benefits

- ▶ TRS
- ▶ Health Insurance
- ▶ Matching on 457(b) and/or 403(b)
- ▶ Life Insurance
- ▶ Long-term Disability Insurance
- ▶ Sick-leave, Personal Days, COVID Leave
- ▶ Paid Parental Leave

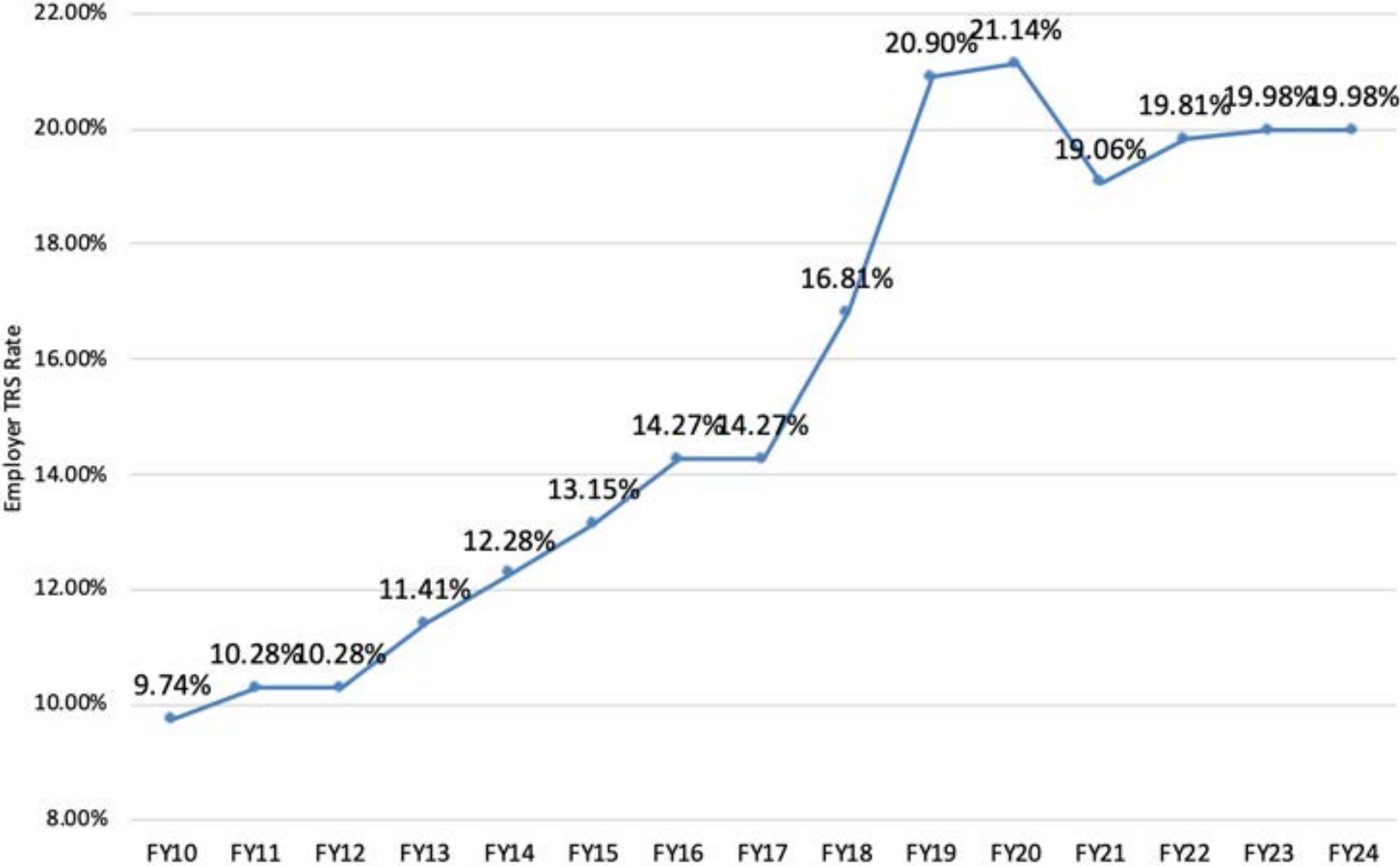


The Big Picture - Benefits

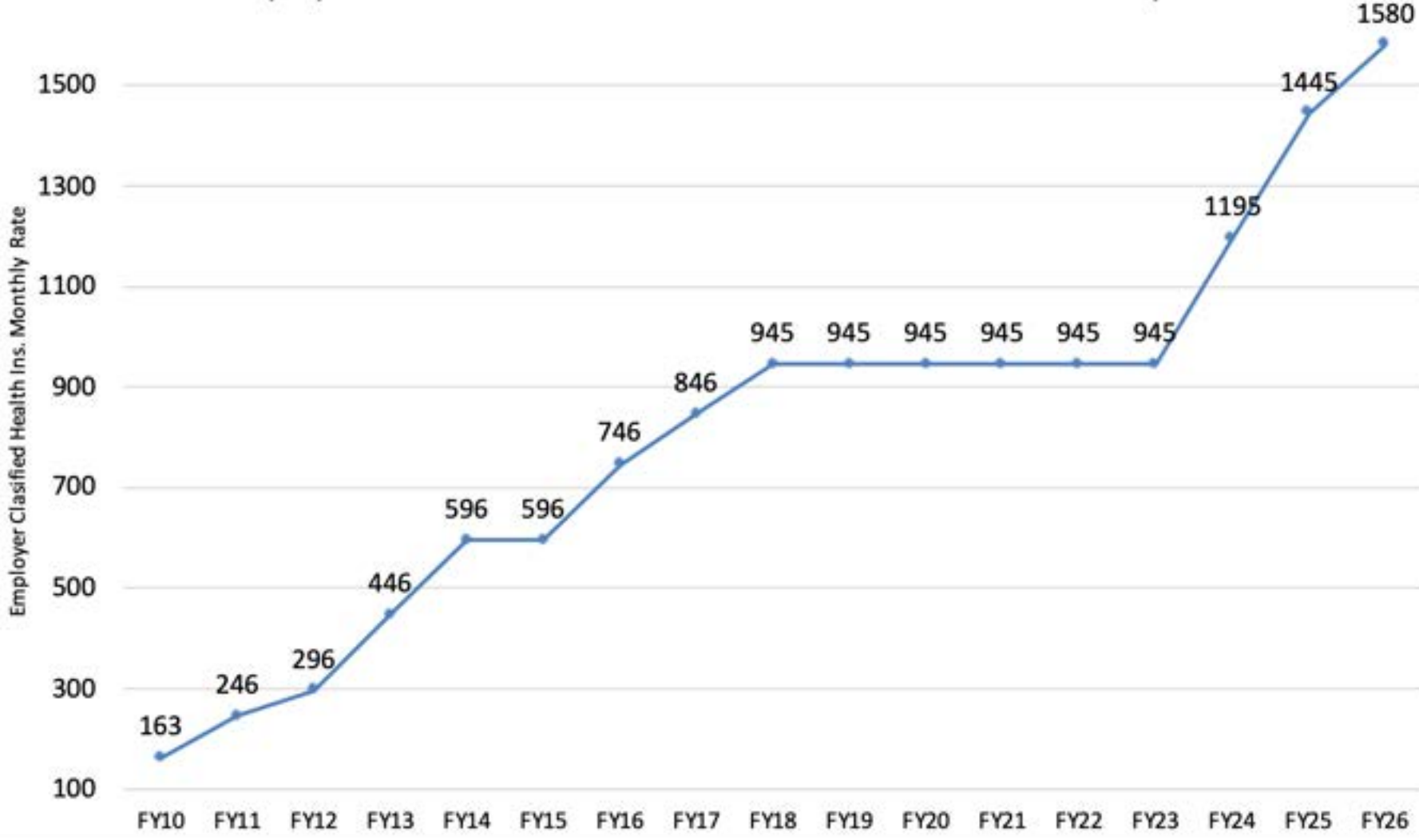
Benefits
Generally
Run 35-50%
of Salaries

Georgia K-12 Public Schools Employee Benefits-Historical Analysis											
	FY10	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Teacher Retirement System (TRS):*											
Employee Portion	5.25%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Employer Portion	9.74%	14.27%	16.81%	20.90%	21.14%	19.06%	19.81%	19.98%	19.98%	?	?
Public School Employee Retirement System (PSERS):*											
Employee Portion	\$4/mo.	\$4/mo. or \$10/mo (new employees 7/1/12)									
Employer Portion (\$11.79/mo	\$15.60/mo.									
Health Insurance: Certified*											
Employee Portion	Varies	HRA Same	HRA Same	HRA Same	HRA Same	HRA Same	4% Avg Inc				##
Employer Portion	18.53%**	\$945/mo.						\$1,580	\$1,580	\$1,580	\$1,580
Health Insurance: Classified											
Employee Portion	Varies	~ 2% incr.	~ 2% incr.	~ 2% incr.	No Incr.	No Incr.	4% Avg Inc				##
Employer Portion	\$163/mo	\$845/mo. ¹	\$945/mo.						\$1,195	\$1,445	\$1,580
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%	6.20%	6.20%	6.20%	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. NOTE: Classified HI amounts effective Jan. 1 for FY24, FY25, & FY26											

Employer Rate for TRS - Historical Analysis



Employer Rate for Classified Health Insurance - Historical Analysis



Fiscal Year	Monthly	% Chg
FY10	163	
FY11	246	50.9%
FY12	296	20.3%
FY13	446	50.7%
FY14	596	33.6%
FY15	596	0.0%
FY16	746	25.2%
FY17	846	13.4%
FY18	945	11.7%
FY19	945	0.0%
FY20	945	0.0%
FY21	945	0.0%
FY22	945	0.0%
FY23	945	0.0%
FY24	1195	26.5%
FY25	1445	20.9%
FY26	1580	9.3%

Increases are effective Jan 1 for FY24, FY25, & FY26



Performance Audit Division

Greg S. Griffin, State Auditor | 404.656.2180 | audits.ga.gov

State Health Benefit Plan
Requested Information on Plan Stability

KEY FINDINGS

While State Health Benefit Plan revenue and expenditures have increased since 2018, the increase in expenditures between fiscal years 2020 and 2022 exceeded the increase in revenues. Revenue growth has been limited by policy decisions and stagnant subscriber levels.

The SHBP Fund's net position has increased over the past five years.

- Health insurance benefits for active members are paid through the SHBP Fund. Between fiscal years 2017 and 2021, the SHBP Fund's net position (which reflects its financial stability) increased by 5%—from \$571.7 million to \$602.0 million. However, the Fund operated at a loss in fiscal year 2021, with expenditures exceeding revenues by approximately \$93.5 million.

- Health insurance benefits for retirees are paid through two Other Post Employment Benefit (OPEB) Funds. At the end of fiscal year 2021, the State OPEB Fund was 88% funded. By contrast, the School OPEB Fund was only 6% funded

because surpluses in the Teachers and School Employees Plans have been significantly smaller than those in the State Employees Plan.



Over the past few years, Plan expenditures have outpaced revenues, resulting in an increasing amount of state funds to cover teachers' and school employees' healthcare costs.

- While total Plan expenditures increased by approximately 28% between fiscal years 2018 and 2022, revenues increased by only 3%.
- Revenue for the Teachers and School Employees Plans has not been sufficient to cover members' healthcare expenditures over the past few years. In fiscal year 2022, for example, SHBP expenditures for the Teachers Plan and School Employees Plan exceeded revenue by \$251 million and \$213 million, respectively. This difference was paid by the state.
- The revenue gap for the Teachers and School Employees Plans can be attributed to employer contribution rate differences. For the State Employees Plan, employers pay 29.454% of salaries for all state employees (regardless of enrollment in SHBP) annually. For the Teachers and School Employees Plans, employers pay \$11,340 annually (\$945/month) per covered employee, which—particularly for teachers—can result in a lower effective contribution rate.

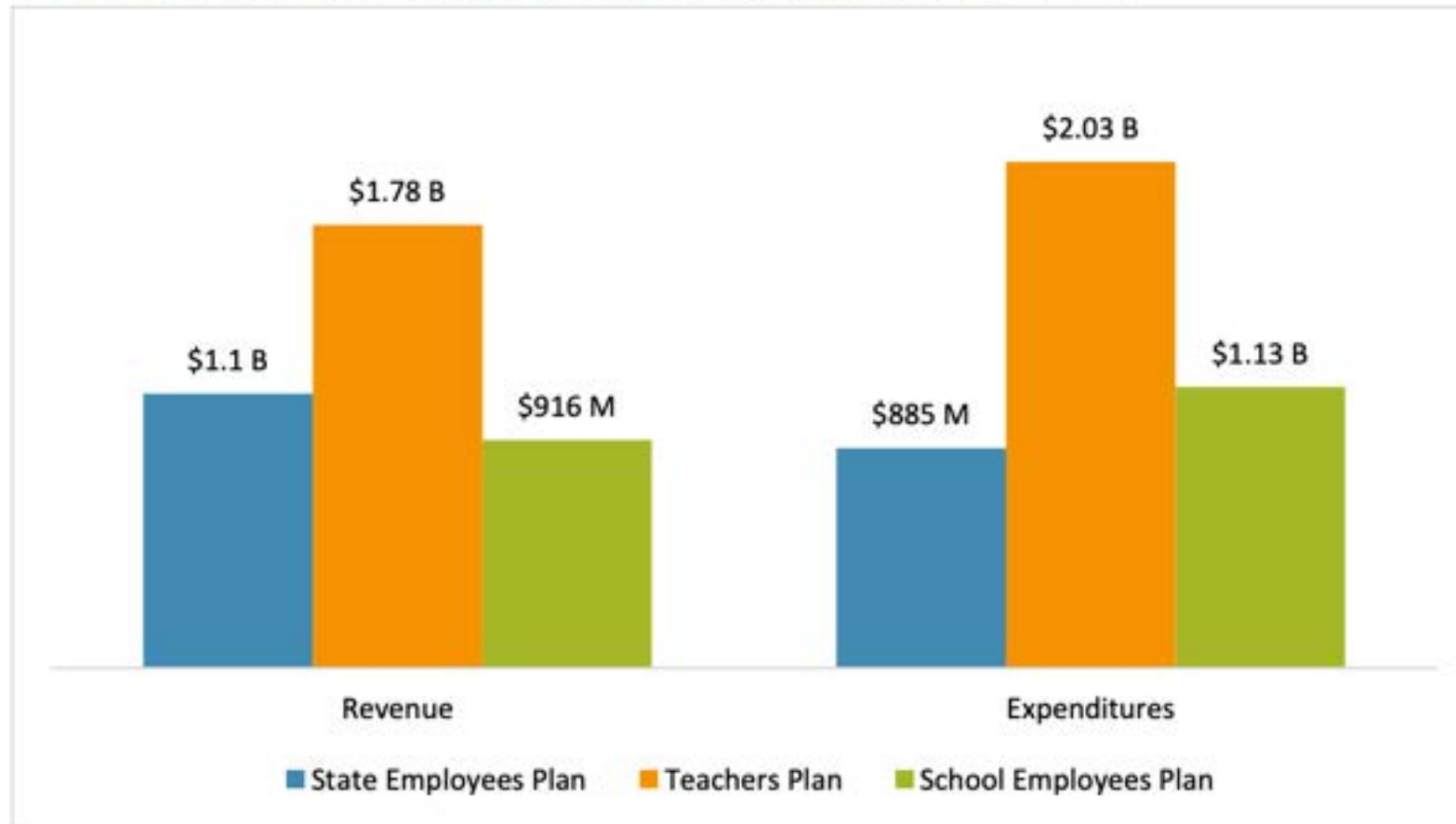
Actuarial revenue and expense projections have been accurate.

- Plan revenue and expenditure projections are calculated based on historic trends and updated regularly.
- The projections—which are sent to the Governor's Office of Planning and Budget to assist in setting rates—have been accurate over the past five years (less than 3.5% difference from actual revenues and less than 2.0% difference from actual expenditures).

Appendix D: Revenue and Expenditures by Plan

Exhibit D-1

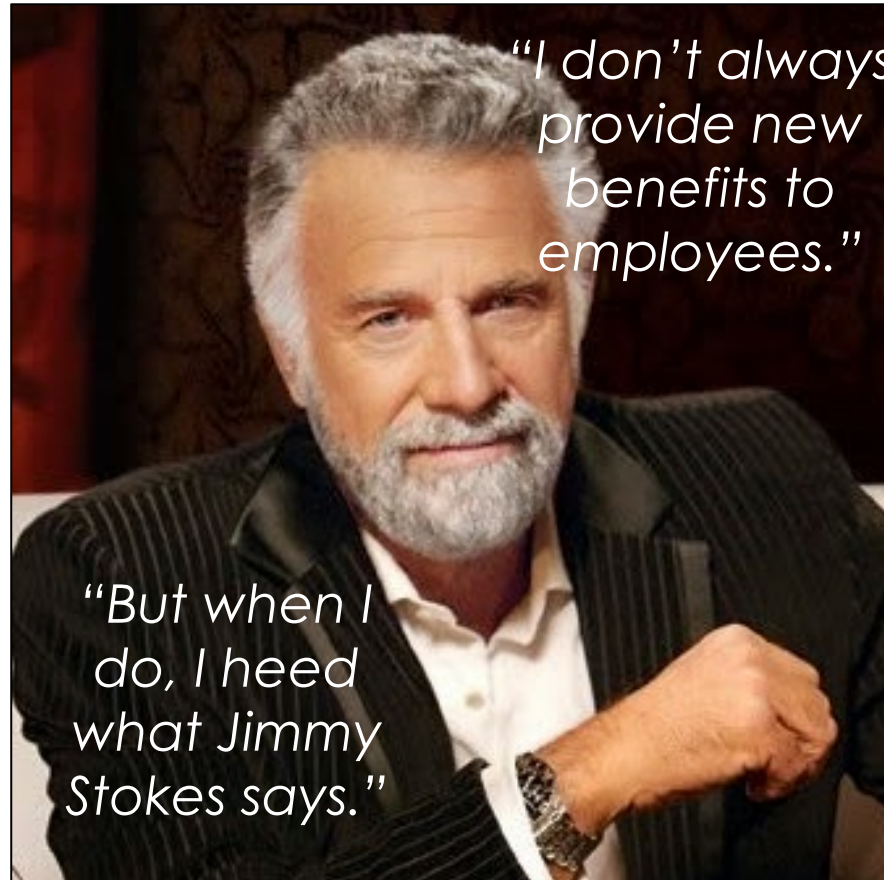
Revenue and Expenditures by Plan, Fiscal Year 2022¹



¹ Expenditures include healthcare and administrative expenses allocated to each plan.

Source: TeamWorks Financials

The Big Picture - Benefits



The Big Picture - Benefits

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

Jimmy Stokes, Former GAEL President



Privilege vs. Right

1. Pay early in November? In December?
2. Payroll deduct PAGE/GAE dues?
3. Dismiss early on the last day of each semester?
4. Pay for extended day (other than Ag)?
5. Leave as soon as buses load on Fridays?
6. Allow teachers to work in rooms on PD days?
7. Pay coaches who drive for athletic events?
8. Pay one week early in January?
9. Employee Education Plan
10. Buy Sick Days from Classified Staff Not in TRS?
11. Match 457(b) or 453(b)?
12. TOTY Rewards?
13. Others?

Wrap-Up / Conclusion

▶ Any questions?

▶ My contact info:

Dr. Steve J. Smith, Exec. Director

Heart of Georgia RESA

717 Smith Street

Dublin, GA 31021

Cell: 478-230-4198

Email: ssmith@hgresa.org