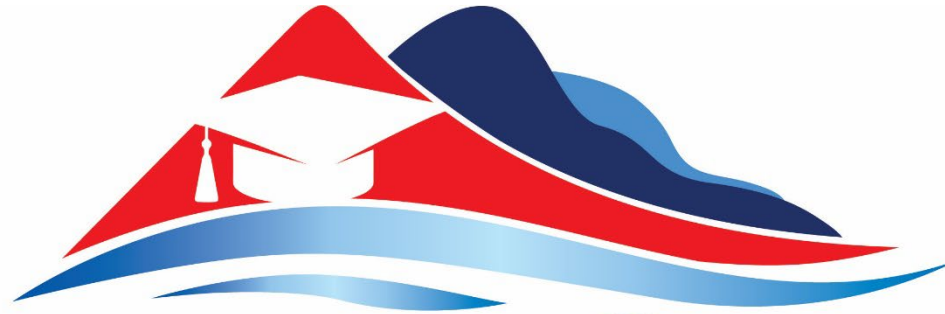


Spring 2024 Superintendent's ACE Team

*Welcome*





*Catoosa County*

A GEORGIA CHARTER SYSTEM

*Public Schools*

ACE TEAM MEETING  
EDUCATION FINANCE

March 22nd, 2024



# Oversight

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- Everything we do is monitored and reviewed by the Georgia Department of Education
  - ▣ Dept of Financial Review
- We are audited annually by the Georgia Department of Audits & Accounts
  - ▣ 6 to 8 week process
  - ▣ Categorized as “low risk” by the Dept of Audits for the 4<sup>th</sup> year in a row



# How is CCPS Funded?

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- Local – Property taxes
- State – Quality Basic Education (QBE) formula
- Grants – Title I, IDEA, etc.



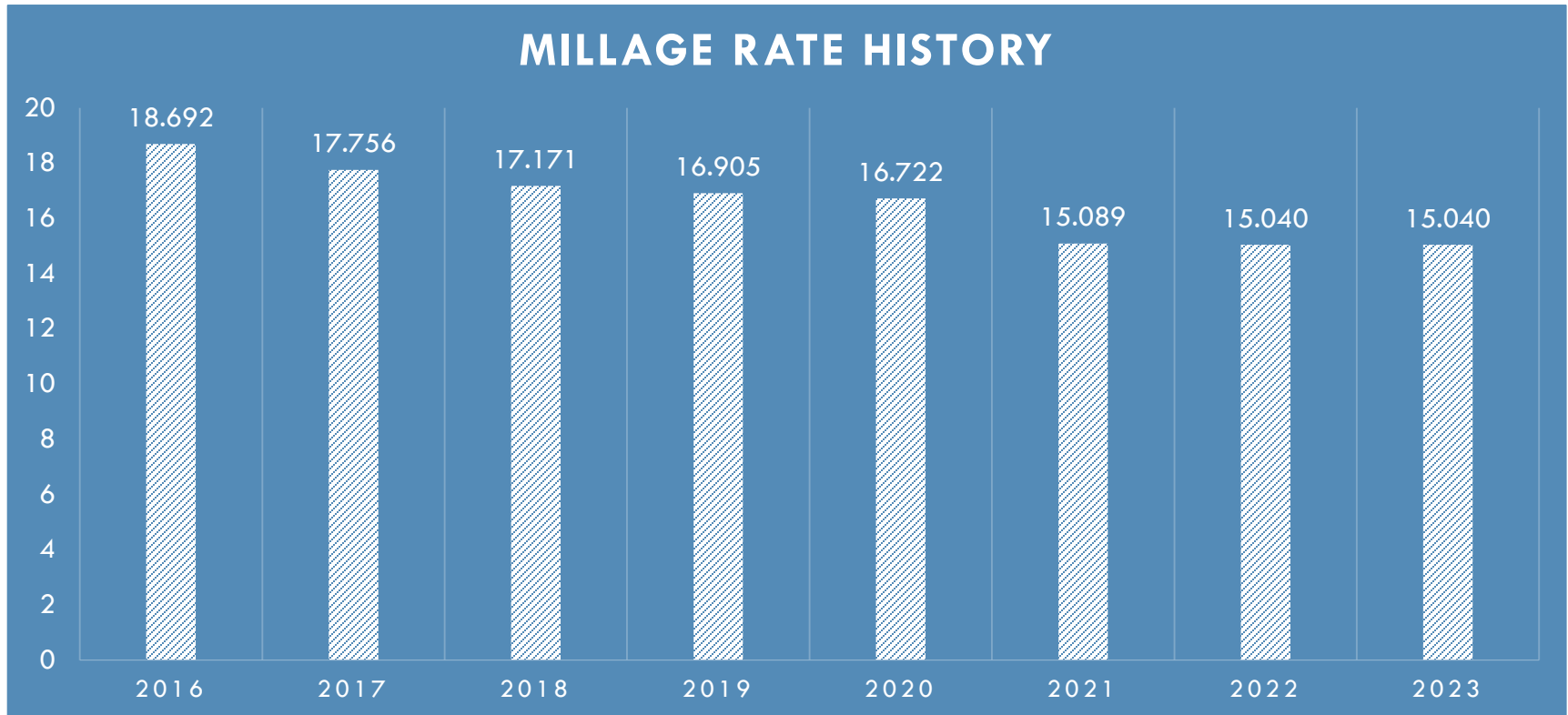
# Local Funding

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- What does CCPS have control over?
  - ▣ School millage rate
- What does CCPS not have control over?
  - ▣ State funding mechanisms
  - ▣ Property tax process
  - ▣ State sanctioned regulations and expenses
  - ▣ Assessed value of taxpayer property

# Local Funding

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- ❑ The current millage rate of 15.040 is the lowest it has been since 2001.
- ❑ Took the rollback every year from 2016 - 2022.
- ❑ CCBOE kept rate the same in 23-24 at 15.040.



# Local Funding

7

## □ Local

### ▣ What is the millage rate?

- The millage rate is the amount of tax dollars CCPS can levy for every \$1,000 of property's assessed value (1 mill = \$1 tax per \$1,000 of assessed value)
  - CCPS/Catoosa County/Ringgold/Fort O all set a millage rate yearly
- For example
  - Market Value = \$282,000
  - Assessed Value = \$112,800 (40% of market value)
  - Current Millage Rate = 15.040
  - Property Tax = \$1,696.51

# Local Funding

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CURRENT 2023 TAX DIGEST AND FIVE YEAR HISTORY OF LEVY

COUNTY SCHOOL	2018	2019	2020	2021	2022	ADOPTED 2023
Real and Personal	1,859,946,939	1,933,288,856	1,995,745,868	2,229,421,132	2,299,678,705	2,738,903,785
Motor Vehicles	36,160,340	30,071,900	26,394,380	22,123,490	20,680,970	20,521,040
Mobile Homes	9,253,927	9,997,409	10,200,405	10,567,174	11,715,892	12,729,195
Timber - 100%	35,826	113,811	182,166	0	281,728	290,547
Heavy Duty Equipment	5,868,430	4,977,416	4,006,084	5,131,626	3,569,643	2,810,694
Gross Digest	1,911,265,462	1,978,449,392	2,036,528,903	2,267,243,422	2,335,926,938	2,775,255,261
Less M & O Exemptions	291,966,049	302,172,842	310,037,404	348,305,034	373,740,251	452,435,306
Net M & O Digest	1,619,299,413	1,676,276,550	1,726,491,499	1,918,938,388	1,962,186,687	2,322,819,955
State of Georgia						
Forest Land Assistance Grant Value	0	0	0	0	0	0
Adjusted Net M & O Digest	1,619,299,413	1,676,276,550	1,726,491,499	1,918,938,388	1,962,186,687	2,322,819,955
Gross M & O Millage Rate	17.756	17.171	16.905	16.722	15.089	15.040
Less Millage Rate Rollbacks	0.585	0.266	0.183	1.633	0.049	2.363
Rollback Millage Rate	17.171	16.905	16.722	15.089	15.040	12.677
Proposed Millage Rate	17.171	16.905	16.722	15.089	15.040	15.040
Net M & O Millage Rate	17.171	16.905	16.722	15.089	15.040	15.040
Net Taxes Levied	27,804,990	28,337,455	28,870,391	28,954,861	29,511,288	34,935,212
Net Taxes \$ Increase	44,471	532,465	532,936	84,470	556,426	5,423,924
Net Taxes % Increase	0.16%	1.91%	1.88%	0.29%	1.92%	18.38%

- Taking the rollback from 2018-2022 kept local relatively funds flat
- By keeping the millage rate the same in 2023 there was a large increase in funding due to property values increasing





# State Funding

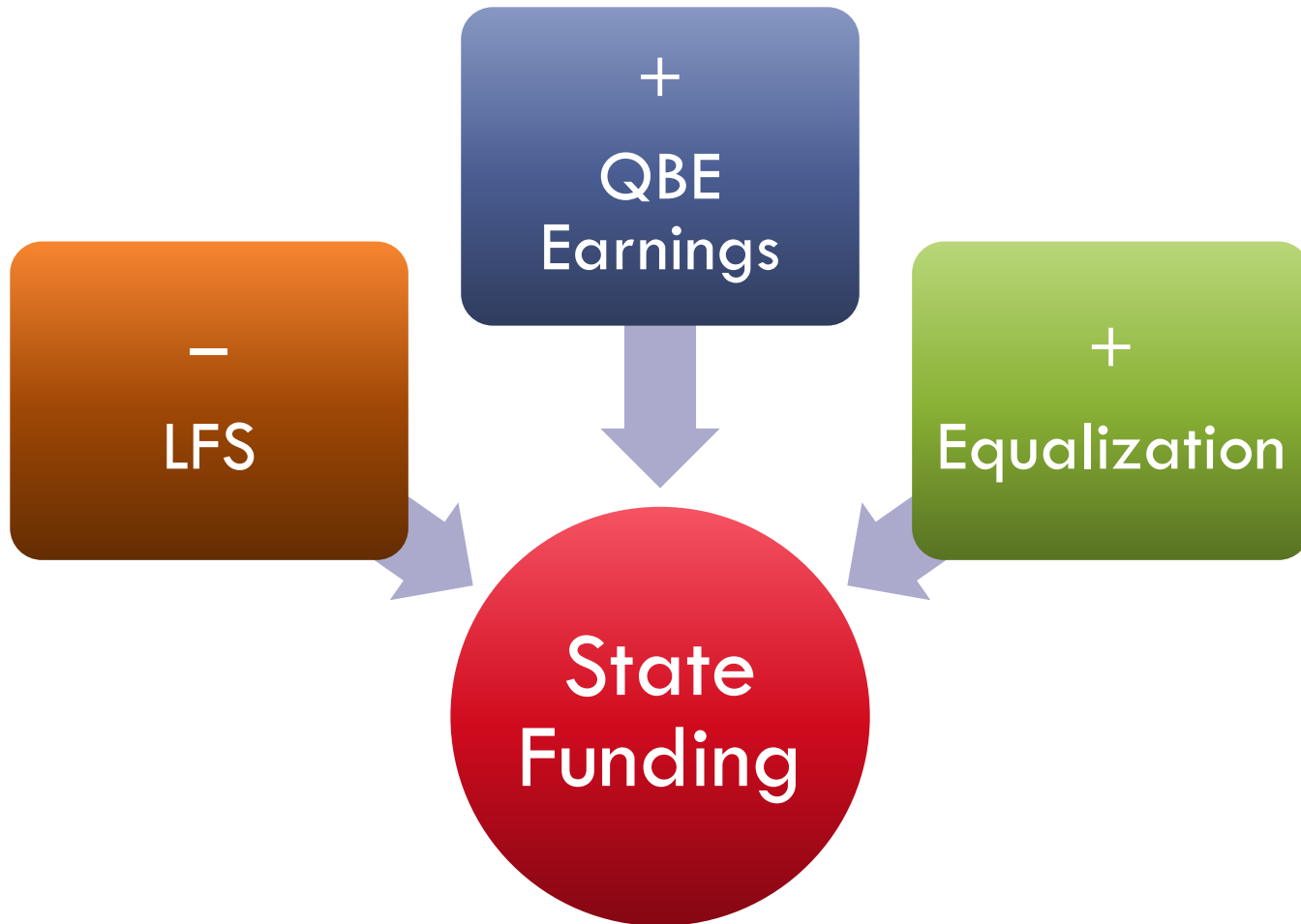
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## □ QBE formula

### ▣ Key concepts

- Full-Time Equivalent (FTE) refers to data collected for Quality Basic Education funding and is based on student enrollment and the education services provided by local school systems to students
- The Local Fair Share (LFS) is a reduction in funding from the State equal to five mills of the local tax digest
- Equalization funding is intended to equalize Georgia school systems by ranking systems according to wealth and providing additional funding to those less-wealthy systems

# State Funding



# State Funding – QBE Earnings

DIRECT INSTRUCTIONAL COST	FTE	Teacher	Subj. Spec	Couns.	Tech. Spec
Kindergarten Pgm	517	34.47		1.15	0.47
Kindergarten Early Intr Pgm	127	11.55		0.28	0.12
Primary Grade(1-3) Pgm	1,432	84.24	4.15	3.18	1.30
Primary Grd Early Intrv(1-3) Pgm	466	42.36	1.35	1.04	0.42
Upper Elementary Grd(4-5) Pgm	938	40.78	2.72	2.08	0.85
UppElem Grd Early Intrv(4-5)	270	24.55	0.78	0.80	0.25
Middle Grade(6-8) Pgm	0	0.00	0.00	0.00	0.00
Middle School(6-8) Pgm	1,729	86.45	5.01	3.84	1.57
High School Gen Educ(9-12)	1,898	82.52		4.22	1.73
CTAE(9-12) PGM	668	33.40		1.48	0.61
Students with Disab Cat I	80	10.00		0.18	0.07
Students with Disab Cat II	30	4.62		0.07	0.03
Students with Disab Cat III	565	113.00		1.28	0.51
Students with Disab Cat IV	162	54.00		0.38	0.15
Students with Disab Cat V	192	24.00		0.43	0.17
Gifted Student Category VI	670	55.83		1.49	0.61
Remedial Education Pgm	265	17.67		0.59	0.24
Alternate Education Pgm	107	7.13		0.24	0.10
Eng.Spkr.s of Other Lang.(ESOL)	26	3.71		0.08	0.02

23-24 "earned" positions according to the QBE formula

Earned Positions													
Supt.	Asst Supt	Prin.	Asst Prin.	Secty.	Accnt.	VT/SW	Psych.	Sp Ed Ldr	Media Center				
1.00	6.00			1.00	1.00	4.10	4.10	8.50					
		16.00	16.49	19.75									
1.00	6.00	16.00	16.49	20.75	1.00	4.10	4.10	8.50		17.11			
730.28	14.01	22.55	9.22	1.00	6.00	16.00	16.49	20.75	1.00	4.10	4.10	8.50	17.11

# State Funding – QBE Earnings

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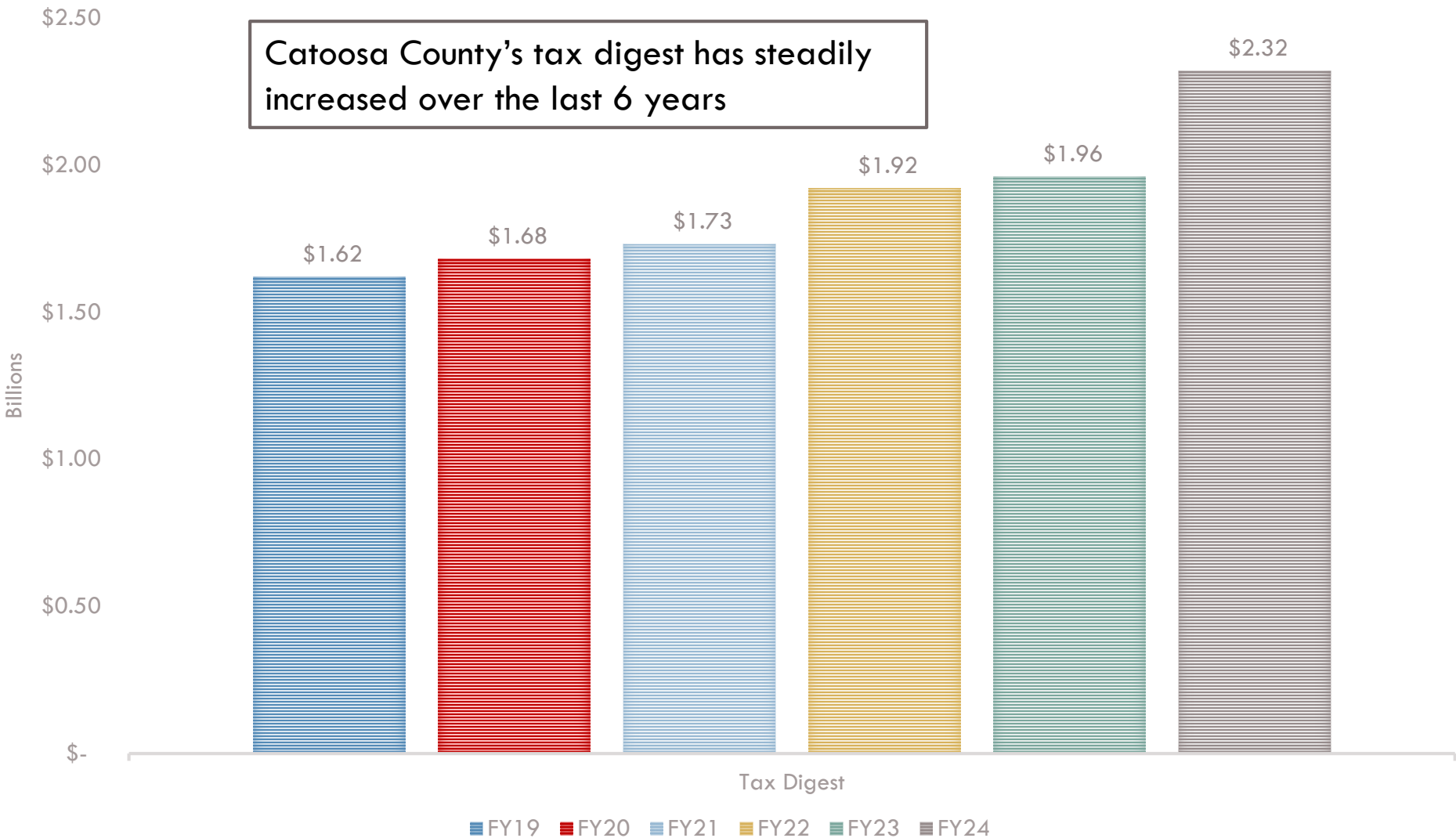
	22-23	23-24
FTE's	10,143	10,142
QBE Earnings	\$76,410,926	\$85,176,225
Local Fair Share	\$(9,710,176)	\$(11,906,560)
Equalization	\$7,016,086	\$4,153,606
Transportation	\$966,596	\$993,621
Nurses	\$230,224	\$230,992
<b>Total Earnings</b>	<b>\$77,842,286</b>	<b>\$78,647,884</b>

QBE Earnings growth 22-23 to 23-24 = \$808,598  
Local Fair Share Increase 22-23 to 23-24 = **(\$2,196,384)**  
Equalization Decrease 22-23 to 23-24 = **(\$2,862,480)**



# Tax Digest Trend

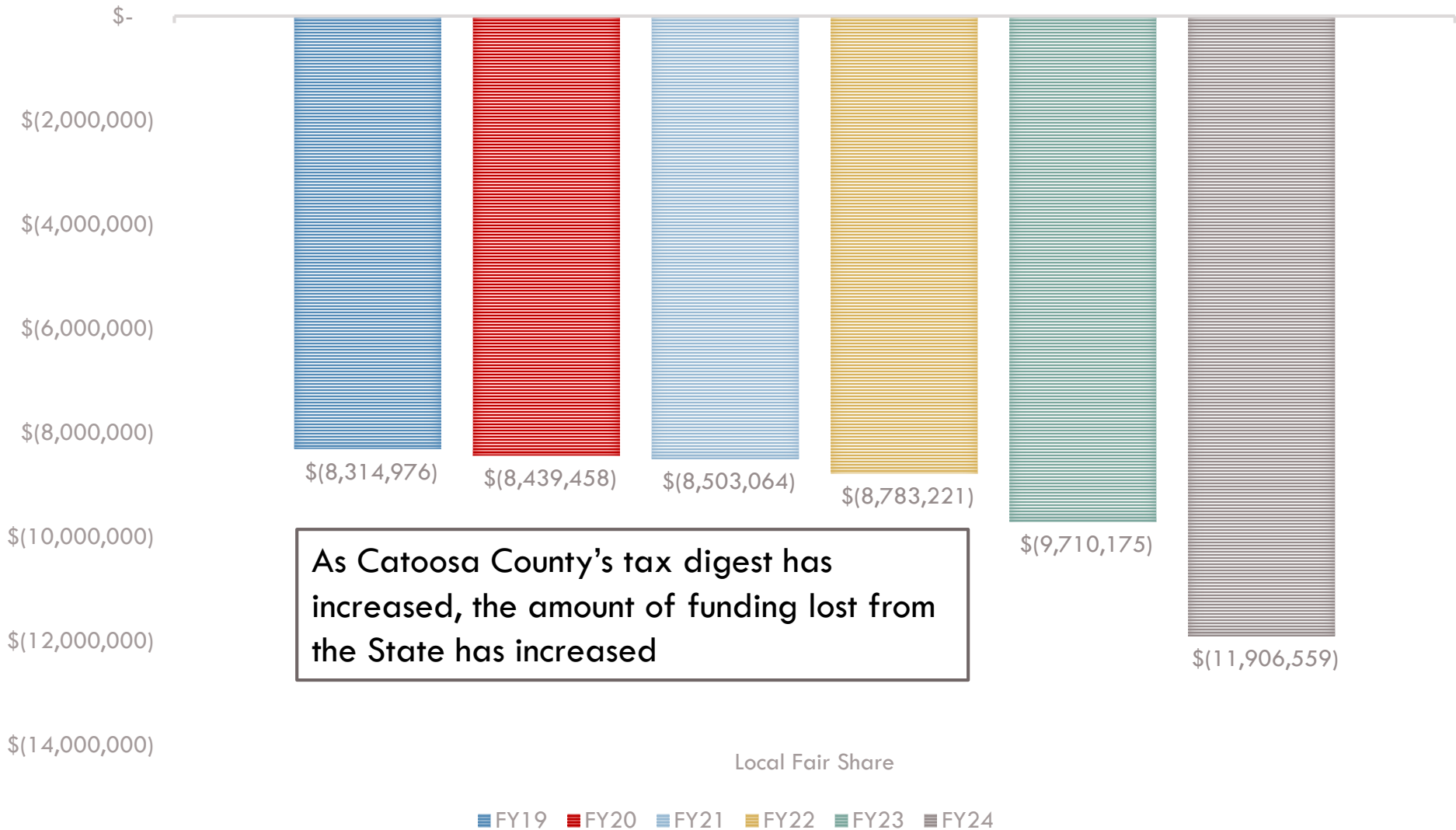
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# Local Fair Share Trend

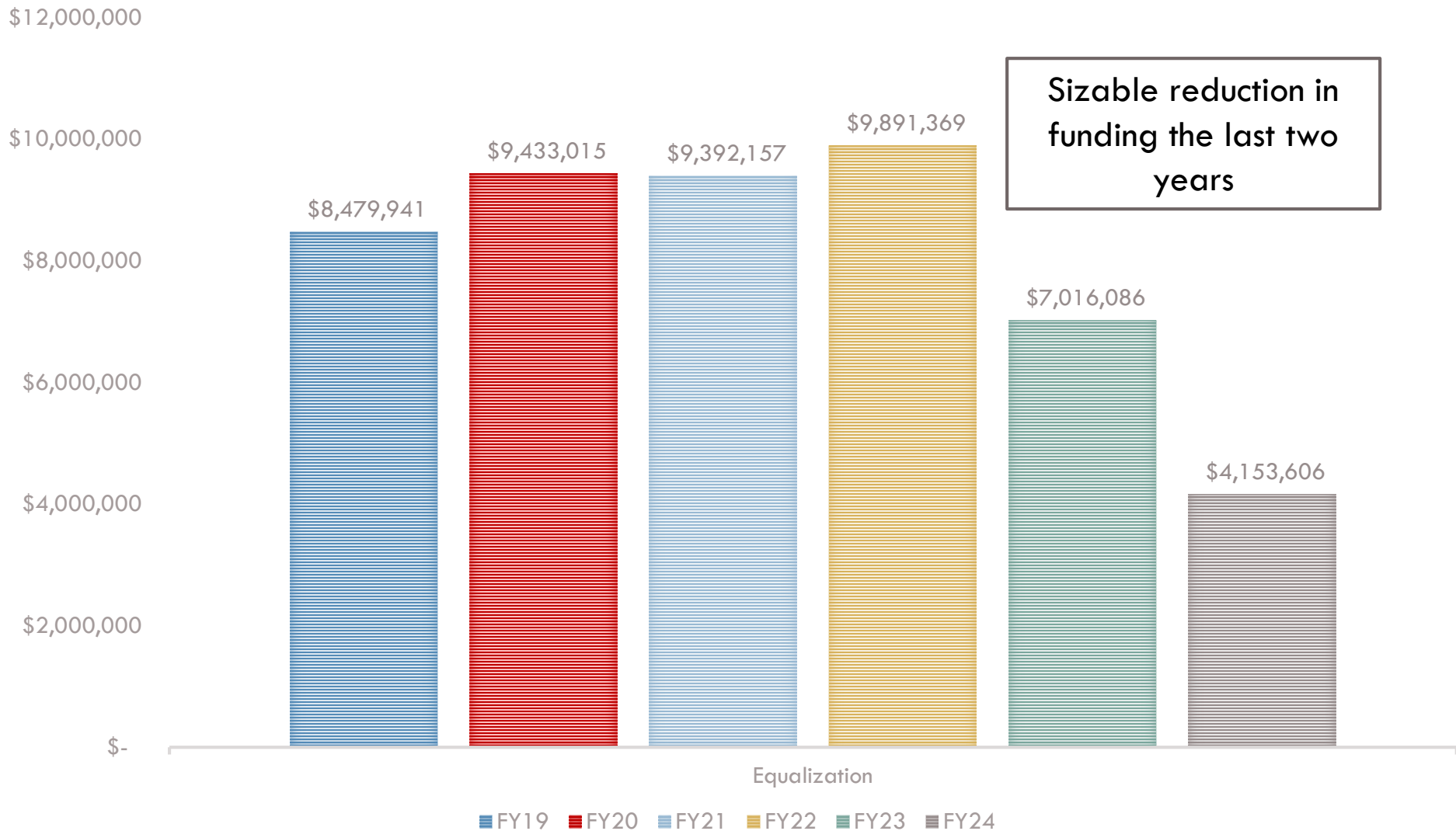
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# Equalization Funding Trend

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# Funding Impacts

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- Local and State impacts on funding
  - ▣ When property values go up, Equalization funding goes down because CCPS has the ability to increase local funding
  - ▣ When property values go up, our Local Fair Share also increases reducing our State funding

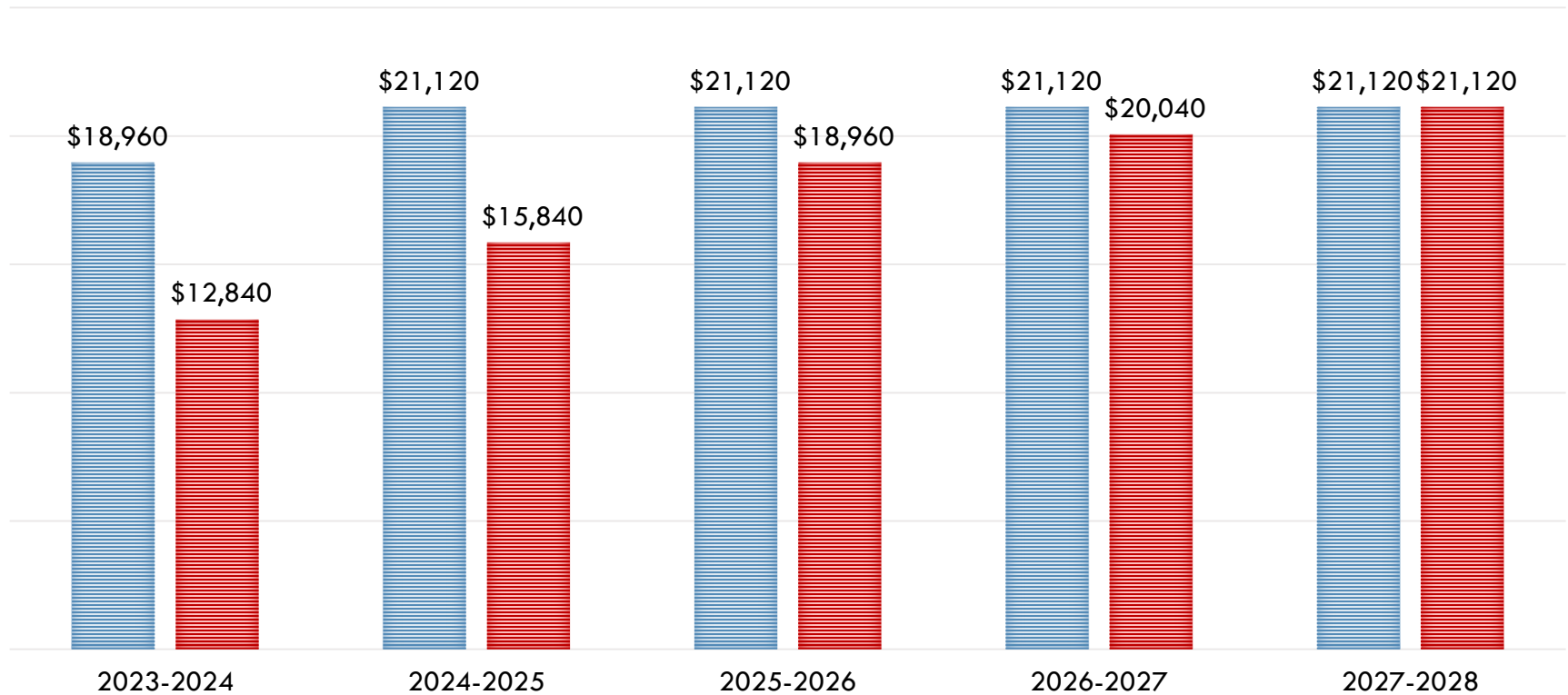




# Cost Challenges

## EMPLOYER COST FOR STATE HEALTH PLANS ANNUAL COST PER EMPLOYEE

■ Certified ■ Classified

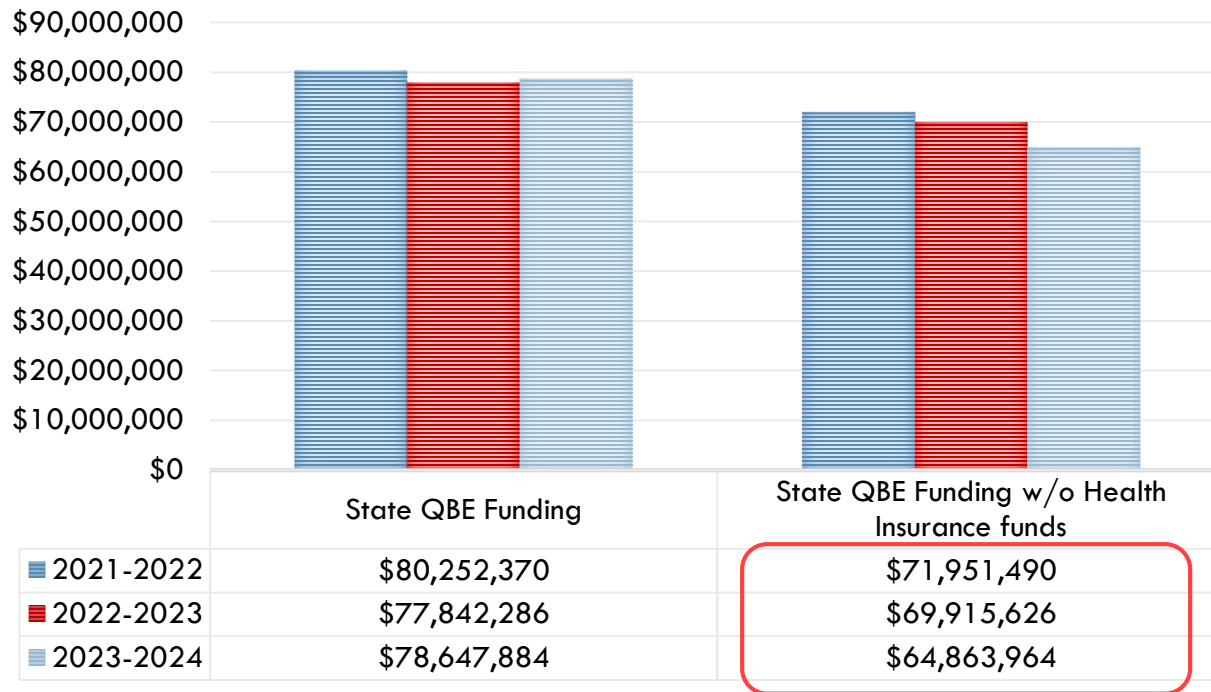


The annual cost for all employees was only \$11,700 two years ago.



# Cost Challenges

## HEALTH INSURANCE AND FUNDING



**\$(7.1) million difference from 21-22 to 23-24**



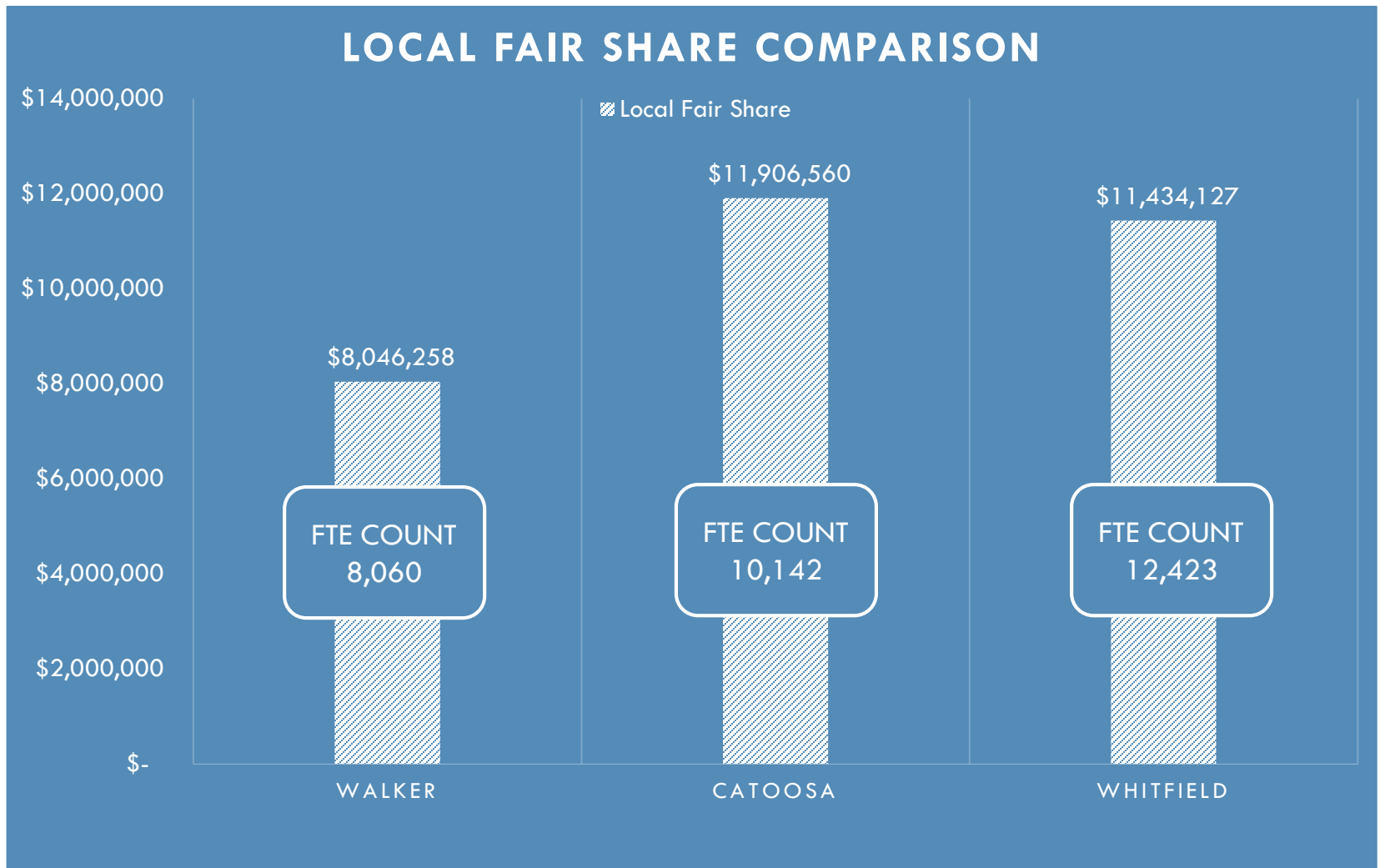
# Cost Challenges

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- Catoosa County's property is undervalued (according to the State)
  - Why is this a problem?
    - The State of Georgia's Sales Ratio Study
      - Compares local government measurements to the State's valuation
      - CCPS's Local Fair Share (LFS) is calculated based on the State's value
      - Local funds are collected at locally measured value
      - For 2024-2025, we are projected to lose \$15.8 million in State funding to the LFS calculation while only collecting \$11.65 million locally to replace it
      - According to the State's report Catoosa is the 2<sup>nd</sup> most undervalued county in the entire state
      - <https://www.audits2.ga.gov/reports/search/?search=statewide+equalized>

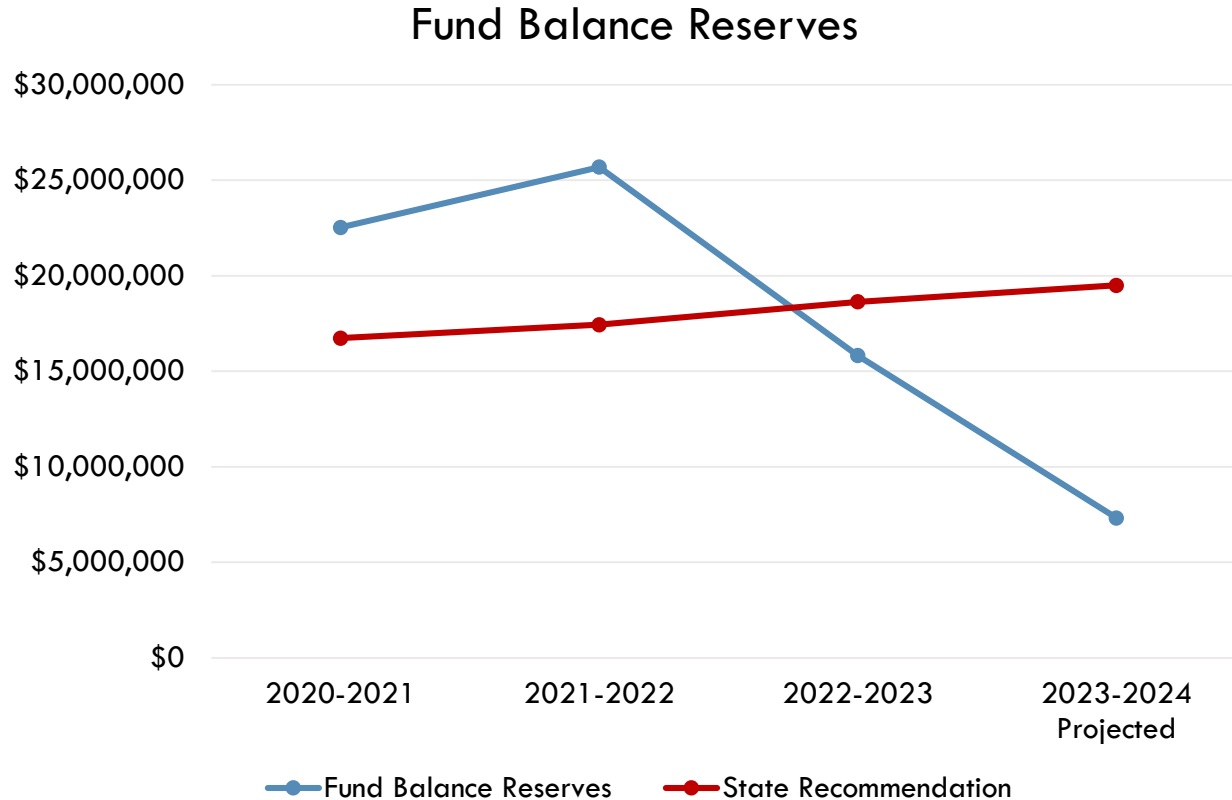


# Cost Challenges





# Cost Challenges




In recent years, CCBOE has made the conscious decision to eat into it's reserves in order to address these challenges, keep operating normally, and not increase the tax burden on Catoosa County citizens whenever possible.



# 2023-2024

30

- Proactive actions are being taken to address these challenges now
  - ▣ \$4+ million in District and School level savings by combining responsibilities and budget cutting
  - ▣ Limiting out of state travel District-wide, whenever possible
  - ▣ Aggressively pursuing alternative vendors to identify cost savings
  - ▣ Reviewing all policies and procedures to identify efficiencies



# 2024-2025 & Beyond

31

- CCPS's budget is 90% employee costs
  - ▣ Staff, not stuff
  - ▣ Can't turn enough lights off
  - ▣ Reducing headcount across the District Office and Schools via attrition and combining responsibilities
    - Aiming for \$5.5 million in savings
  - ▣ Looking closely at enrollment counts and State recommended class sizes
  - ▣ What do does our community feel is worth fighting for?