

Financial Report and House Bill 581 Overview

December 17, 2024

Erica Robinson, CPA
Chief Financial Officer





**NEWTON COUNTY SCHOOLS
GENERAL FUND FINANCIAL STATEMENT
REPORT FOR MONTH ENDING 11/30/2024**

	FY 2025 BUDGET	FY 2025 YTD REVENUE	FY 2025 % RECEIVED	FY 2024 YTD REVENUE	FY 2024 % RECEIVED	AMOUNT CHANGE	41.67% OF YEAR COMPLETE
BEGINNING FUND BALANCE	\$ 56,001,649	\$ 56,001,649	100%	\$ 55,796,789	100%	\$ 204,860	
Revenues							
AD VALOREM AND OTHER TAXES	\$ 97,712,340	\$ 34,198,201	35.00%	\$ 33,489,542	38.43%	\$ 708,659	
INVESTMENT INCOME	\$ 300,000	\$ 101,324	33.77%	\$ 115,018	76.68%	\$ (13,694)	
OTHER LOCAL REVENUES	\$ 1,600,000	\$ 225,380	14.09%	\$ 173,286	14.44%	\$ 52,094	
Local Sources Total	\$ 99,612,340	\$ 34,524,905	34.66%	\$ 33,777,846	38.17%	\$ 747,059	
QBE STATE EARNINGS	\$ 145,348,840	\$ 62,101,724	42.73%	\$ 56,993,959	43.21%	\$ 5,107,765	
QBE LOCAL 5 MILLS	\$ (21,416,502)	\$ (8,989,167)	41.97%	\$ (8,480,882)	44.85%	\$ (508,285)	
QBE EQUALIZATION	\$ 15,248,986	\$ 6,353,723	41.67%	\$ 6,258,324	41.67%	\$ 95,399	
OTHER GRANTS FROM GDOE	\$ 599,066	\$ 258,285	43.11%	\$ 238,310	39.42%	\$ 19,975	
State Sources Total	\$ 139,780,390	\$ 59,724,565	42.73%	\$ 55,009,711	42.77%	\$ 4,714,854	
TOTAL REVENUES	\$ 239,392,730	\$ 94,249,470	39.37%	\$ 88,787,557	40.90%	\$ 5,461,913	
TOTAL AVAILABLE SOURCES	\$ 295,394,379	\$ 150,251,119		\$ 144,584,346		\$ 5,666,773	
Expenditures							
	FY 2025 BUDGET	FY 2025 YTD EXPENSE	FY 2025 % USED	FY 2025 ENCUMBRANCES	FY 2024 YTD EXPENSE	FY 2024 % USED	AMOUNT CHANGED
INSTRUCTION	\$ 155,487,539	\$ 66,069,160	42.49%	\$ 706,749	\$ 58,305,009	39.80%	\$ 7,764,151
PUPIL SERVICES	\$ 13,789,408	\$ 5,308,621	38.50%	\$ 18,356	\$ 4,685,064	38.86%	\$ 623,557
IMPROVEMENT OF INSTRUCTIONAL SERVICES	\$ 12,865,809	\$ 4,708,775	36.60%	\$ 197,945	\$ 3,995,783	40.32%	\$ 712,992
INSTRUCTIONAL STAFF TRAINING	\$ 190,669	\$ 94,103	49.35%	\$ 3,915	\$ 60,815	30.75%	\$ 33,288
EDUCATIONAL MEDIA SERVICES	\$ 3,619,091	\$ 1,449,237	40.04%	\$ 18,090	\$ 1,325,676	40.02%	\$ 123,561
GENERAL ADMINISTRATION	\$ 2,100,848	\$ 802,880	38.22%	\$ 16,550	\$ 613,438	36.29%	\$ 189,442
SCHOOL ADMINISTRATION	\$ 17,418,580	\$ 6,944,934	39.87%	\$ 109,331	\$ 6,567,545	40.40%	\$ 377,389
SUPPORT SERVICES - BUSINESS	\$ 2,173,854	\$ 1,038,586	47.78%	\$ 28,618	\$ 858,844	46.78%	\$ 179,742
MAINTENANCE AND OPERATION OF PLANT SERVICES	\$ 22,141,211	\$ 8,693,865	39.27%	\$ 2,618,467	\$ 7,636,861	37.06%	\$ 1,057,004
STUDENT TRANSPORTATION SERVICE	\$ 14,229,228	\$ 5,843,175	41.06%	\$ 1,104,064	\$ 5,683,177	42.88%	\$ 159,998
SUPPORT SERVICES - CENTRAL	\$ 3,904,706	\$ 2,062,089	52.81%	\$ 122,847	\$ 1,887,212	45.28%	\$ 174,877
OTHER SUPPORT SERVICES	\$ 137,085	\$ 24,792	18.08%	\$ -	\$ 127,105	46.36%	\$ (102,313)
TOTAL EXPENDITURES	\$ 248,058,028	\$ 103,040,217	41.54%	\$ 4,944,932	\$ 91,746,529	39.88%	\$ 11,396,001
REVENUES OVER(UNDER) EXPENDITURES	\$ (8,665,298)	\$ (8,790,747)			\$ (2,958,972)		\$ (5,831,775)
ENDING FUND BALANCE	\$ 47,336,351	\$ 47,210,902			\$ 52,837,817		\$ (5,626,915)
TOTAL USES	\$ 295,394,379	\$ 150,251,119			\$ 144,584,346		\$ 5,666,773
BEGINNING FUND BALANCE % OF BUDGET	18.96%						
ENDING FUND BALANCE % OF BUDGET	16.02%	31.42%					



NEWTON COUNTY SCHOOLS
COMBINED FINANCIAL STATEMENT
MONTH ENDING 11/30/2024

YTD REVENUES				YTD EXPENDITURES				YTD FUND BALANCE		
FUND	BEGINNING BALANCE 7/1/2024	FY 2025 BUDGET	ACTUAL RECEIVED	BALANCE OUTSTANDING	FY 2025 BUDGET	ACTUAL EXPENDED	BALANCE NOT SPENT	PROJECTED ENDING 6/30/2025	CURRENT	OVER(UNDER) BUDGET
GENERAL FUND	\$ 56,001,649	\$ 239,392,730	\$ 94,249,470	\$ 145,143,260	\$ 248,058,028	\$ 103,040,217	\$ 145,017,811	\$ 47,336,351	\$ 47,210,902	\$ (125,449)
CAPITAL PROJECTS FUND	\$ 1,598,960	\$ 24,070,000	\$ 8,425,593	\$ 15,644,407	\$ 24,070,000	\$ 8,113,346	\$ 15,956,654	\$ 1,598,960	\$ 1,911,208	\$ 312,248
DEBT SERVICE FUND	\$ 5,565,733	\$ 6,796,236	\$ 1,314,345	\$ 5,481,891	\$ 11,680,969	\$ 1,214,485	\$ 10,466,484	\$ 681,000	\$ 5,665,593	\$ 4,984,593
ESSER III (ARP)	\$ -	\$ 2,000,000	\$ 2,986,110	\$ (986,110)	\$ 2,000,000	\$ 2,986,110	\$ (986,110)	\$ -	\$ -	\$ -
L4GA	\$ -	\$ 3,029,431	\$ 17,953	\$ 3,011,478	\$ 3,029,431	\$ 284,309	\$ 2,745,122	\$ -	\$ (266,356)	\$ (266,356)
TITLE I	\$ -	\$ 8,244,854	\$ 1,529,494	\$ 6,715,360	\$ 8,244,854	\$ 2,072,551	\$ 6,172,303	\$ -	\$ (543,057)	\$ (543,057)
TITLE VIB	\$ -	\$ 4,566,812	\$ 8,358	\$ 4,558,454	\$ 4,566,812	\$ 1,581,819	\$ 2,984,993	\$ -	\$ (1,573,461)	\$ (1,573,461)
TITLE IIA	\$ -	\$ 1,411,184	\$ 175,763	\$ 1,235,421	\$ 1,411,184	\$ 184,848	\$ 1,226,337	\$ -	\$ (9,085)	\$ (9,085)
TITLE III-LEP	\$ -	\$ 142,325	\$ 9,991	\$ 132,334	\$ 142,325	\$ 29,860	\$ 112,465	\$ -	\$ (19,869)	\$ (19,869)
TITLE IV	\$ -	\$ 608,608	\$ 189,423	\$ 419,185	\$ 608,608	\$ 215,409	\$ 393,199	\$ -	\$ (25,986)	\$ (25,986)
VOCATIONAL GRANTS	\$ -	\$ 253,110	\$ -	\$ 253,110	\$ 253,110	\$ 7,726	\$ 245,384	\$ -	\$ (7,726)	\$ (7,726)
STATE PRESCHOOL	\$ -	\$ 632,257	\$ 167,116	\$ 465,141	\$ 632,257	\$ 223,289	\$ 408,968	\$ -	\$ (56,173)	\$ (56,173)
LOTTERY PRE-K	\$ -	\$ 3,500,000	\$ 1,845,971	\$ 1,654,029	\$ 3,500,000	\$ 1,427,436	\$ 2,072,564	\$ -	\$ 418,535	\$ 418,535
FFA/FHA CAMP	\$ -	\$ 601,211	\$ 118,728	\$ 482,483	\$ 601,211	\$ 190,374	\$ 410,837	\$ -	\$ (71,646)	\$ (71,646)
STATE PROFESSIONAL LEARNING	\$ -	\$ 441,938	\$ 197,860	\$ 244,078	\$ 441,938	\$ 131,514	\$ 310,424	\$ -	\$ 66,346	\$ 66,346
21ST CENTURY GRANT	\$ -	\$ 1,518,340	\$ 290,260	\$ 1,228,080	\$ 1,518,340	\$ 435,087	\$ 1,083,253	\$ -	\$ (144,827)	\$ (144,827)
AFTER SCHOOL PROGRAM	\$ 108,693	\$ 1,200,000	\$ 434,380	\$ 765,620	\$ 1,200,000	\$ 483,634	\$ 716,366	\$ 108,693	\$ 59,439	\$ (49,254)
SCHOOL FOOD SERVICE	\$ 3,122,801	\$ 14,325,000	\$ 6,373,104	\$ 7,951,896	\$ 17,026,500	\$ 6,201,699	\$ 10,824,801	\$ 421,301	\$ 3,294,206	\$ 2,872,905
BOARD/ADMIN ACTIVITIES	\$ 12,867	\$ -	\$ 8,299	\$ (8,299)	\$ -	\$ 4,315	\$ (4,315)	\$ 12,867	\$ 16,850	\$ 3,984
TRANSPORTATION GRANT	\$ -	\$ -	\$ 264,330	\$ (264,330)	\$ -	\$ 264,330	\$ (264,330)	\$ -	\$ -	\$ -
TOTAL	\$ 66,410,702	\$ 312,734,036	\$ 118,606,550	\$ 194,127,486	\$ 328,985,567	\$ 129,092,359	\$ 199,893,208	\$ 50,159,171	\$ 55,924,893	\$ 5,765,722

In the November 2024 general election, the following proposed constitutional amendment was put forth to voters:

Provides for a general law state-wide homestead exemption that may differentiate among political subdivisions.

House Resolution No. 1022

Ga. L. 2024, p. 1191

"Shall the Constitution of Georgia be amended so as to authorize the General Assembly to provide by general law for a state-wide homestead exemption that serves to limit increases in the assessed value of homesteads, but which any county, consolidated government, municipality, or local school system may opt out of upon the completion of certain procedures?"

ELECTION RESULTS		
	YES	NO
Newton County	59.98%	40.02%
Statewide	62.92%	37.08%

Georgia House Bill 581, known as the "Save Our Homes Act," was passed to address issues related to local property taxes. The bill will become effective January 1, 2025, due to the passage of a constitutional amendment in November 2024.

The bill includes several key components:

**Ad Valorem
Tax Procedural
Changes**

**Sales Tax
Revisions**

**Floating
Homestead
Exemption**

Floating Homestead Exemption

- Designed to offset or reduce increases in assessed home values
- Increase in base year value will be limited to the rate of inflation each year as determined by the State Revenue Commissioner
- 2025 base year value will be equal to the 2024 assessed value for homes first receiving the exemption in 2025
- Floating homestead exemption is in addition to any non-floating homestead exemptions
- Opt-out provision included as part of the bill; deadline to opt-out is March 1, 2025
- Decision to opt-out or not opt-out is **PERMANENT**

Floating Homestead Exemption

Fiscal Year	2021	2022	2023	2024	2025	2026	2027	2028	2029
Total Number of Residential Properties	45,865	45,775	46,213	46,687	ASSUMPTIONS FOR FISCAL YEAR 2026-2029 • Constant inflation rate of 2% • Slow growth digest model at 10% • Millage rate remains constant at 15.750				
% Change	0.65%	-0.20%	0.96%	1.03%					
Homestead Properties	16,272	16,114	16,126	16,036					
% Change	-0.71%	-0.97%	0.07%	-0.56%					
Assessed Value of all Residential Properties	\$ 2,368,104,643	\$ 2,769,060,050	\$ 3,366,702,372	\$ 4,261,730,883					
% Change	8.30%	16.93%	21.58%	26.58%					
Average Assessed Value	\$ 51,632	\$ 60,493	\$ 72,852	\$ 91,283					
Estimated Assessed Value of Homestead Properties	\$ 840,156,955	\$ 974,781,729	\$ 1,174,808,873	\$ 1,463,814,690					
Est. CPI Rate					2.00%	2.00%	2.00%	2.00%	2.00%
Est. Actual Growth Rate					10%	10%	10%	10%	10%
Value @ CPI					\$ 1,493,090,984	\$ 1,522,952,804	\$ 1,553,411,860	\$ 1,584,480,097	\$ 1,616,169,699
Value @ Actual					\$ 1,610,196,159	\$ 1,771,215,775	\$ 1,948,337,353	\$ 2,143,171,088	\$ 2,357,488,197
Difference					\$ 117,105,175	\$ 248,262,971	\$ 394,925,493	\$ 558,690,991	\$ 741,318,498
Millage Rate						15.750	15.750	15.750	15.750
Potential Revenue Loss						\$ 3,910,142	\$ 6,220,077	\$ 8,799,383	\$ 11,675,766

House Bill 581 will have a significant impact across the district's budget:

FISCAL YEAR	POTENTIAL REVENUE LOSS
2026	\$3,910,142
2027	\$6,220,077
2028	\$8,799,383
2029	\$11,675,766
TOTAL	\$30,605,368

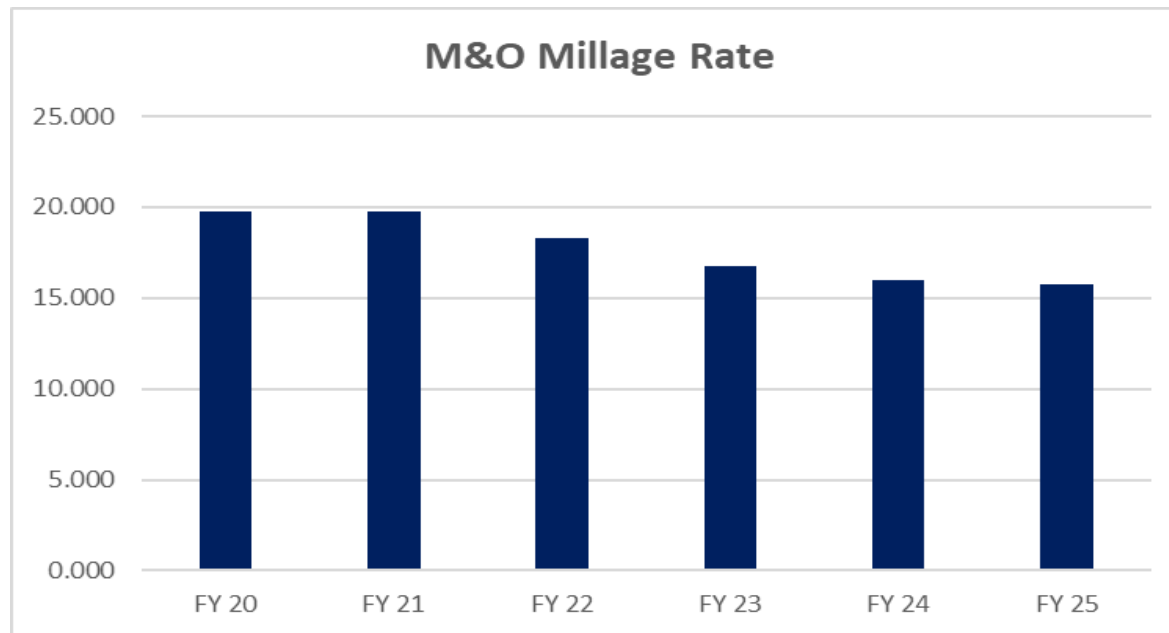
- **Difficulty achieving competitive pay structure resulting in lower retention rate**
- **Reduction in staff and services:**
fewer teachers and support staff; larger class sizes
fewer safety personnel and resources;
deteriorating facilities
- **Limited strategic plan initiatives**
- **Upward pressure on the millage rate**

ELIMINATION OF DEBT SERVICE MILLAGE RATE

- The debt service millage rate was reduced to 0 mills in fiscal year 2016

CONSISTENT REDUCTION OF M&O MILLAGE RATE

- The M&O millage rate has decreased by 4.038 mills over the past five years



SENIOR HOMESTEAD EXEMPTION

- Increase in senior homestead exemption from \$30,000 of assessed value to \$50,000 of assessed value effective beginning with FY 25

QUESTIONS



Achieves

FISCAL YEAR 2026 BUDGET DEVELOPMENT PROCESS

Erica Robinson, CPA
Chief Financial Officer



Board Policy DC – Annual Operating Budget states in part: The Superintendent shall annually prepare and submit to the Board of Education an estimated budget of the receipts from all sources and its proposed expenditures for the next year. The budget shall be according to a process established by the State Board of Education.

FY26 BUDGET DEVELOPMENT

GENERAL FUND

Accounts for the daily operations of the district. The primary funding sources are Quality Basic Education (QBE) and local property tax funds

SPECIAL REVENUE FUND

Accounts for state and federal grants which are to be used for designated purposes (i.e. Lottery Pre-K, Title I, 21st Century, etc.) and enterprise activities of the district (i.e. School Nutrition and ASP)

CAPITAL PROJECTS FUND

Accounts for E-SPLOST revenues and capital outlay expenditures in accordance with the board and voter approved E-SPLOST referendum

DEBT SERVICE FUND

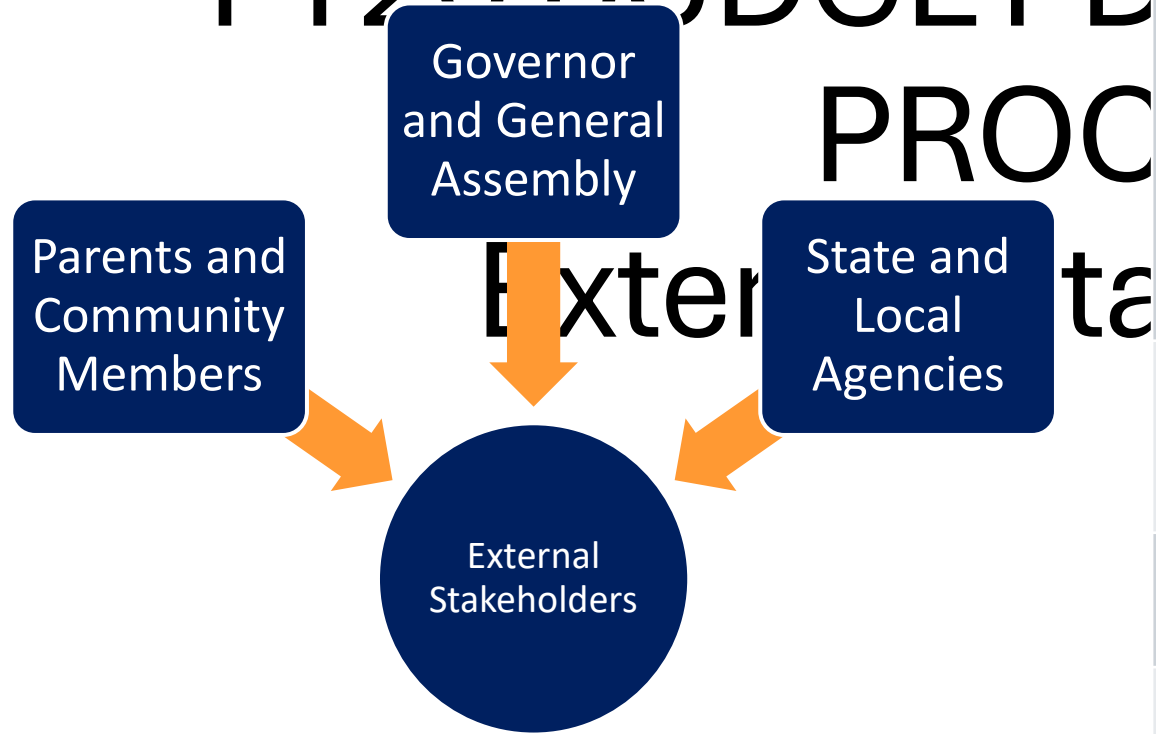
Accounts for financial resources legally restricted for the payment of general long-term debt

FY26 BUDGET DEVELOPMENT PROCESS



FY26 BUDGET DEVELOPMENT

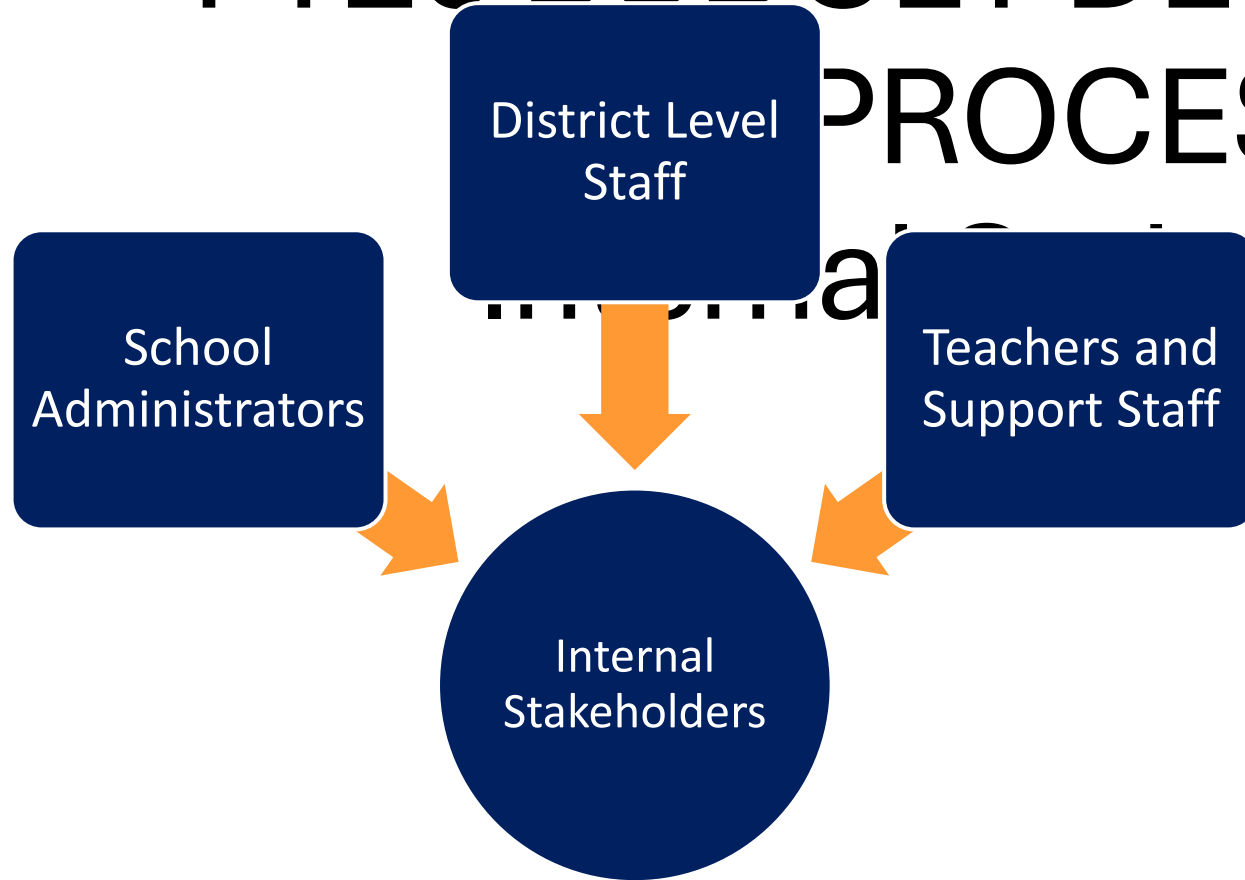
PROCESS



External Stakeholder input informs revenue projections and budget priorities

STAKEHOLDER GROUP	ACTIVITY
Governor	- Presents state-wide budget recommendations to the General Assembly - Approves or veto educational policies and funding levels
General Assembly	Determines educational policies and funding levels
Georgia Department of Education	Prepares budget allocations
Newton County Tax Assessor	Assesses property values and prepares county tax digest
Parents and Community Members	Provides feedback through surveys

FY26 BUDGET DEVELOPMENT PROCESS



DATE	BUDGET ACTIVITY	RESPONSIBLE PERSON(S)
November 2024	Superintendent holds one-to-one sessions with board members to discuss budget priorities.	Superintendent Board of Education
December 2, 2024 - January 6, 2025	Student enrollment is projected for the 2025-2026 school year.	Chief of Learning and Leadership Student Services
December 2, 2024 - January 10, 2025	Chief Financial Officer holds one-to-one meetings with division Chiefs and Directors. Directors develop departmental budgets.	Chief Officers Central Office Directors
January 6-31, 2025	Personnel allotments completed by Human Resources including all Central Office input.	Chief of Human Resources
January 6-9, 2025	School budget packets and initial guaranteed school budgets are prepared.	Budget & Financial Reporting Coordinator
	**Guaranteed school budgets will be based on the following projections:	
	Elementary/Middle/High ----- \$75/student	
	Self-contained Special Ed ----- \$105/student	
	High School Vocational ----- \$105/student	
January 10, 2025	School budget packets and initial guaranteed school budgets reviewed by Chief Financial Officer.	Chief Financial Officer
January 10, 2025	Directors email completed budget to respective Chief Officer.	Chief Officers Central Office Directors
January 13, 2025	Principals receive initial guaranteed budget packets via email.	Budget & Financial Reporting Coordinator
January 13-24, 2025	Principals meet with faculty and staff to develop school budgets and compile system budget requests. Principals complete school budget documents on system forms.	Principals
January 13-15, 2025	Chief Officers review completed departmental budget packets and request clarification from Directors as needed.	Chief Officers
January 16-24, 2025	Superintendent meets with Chief Financial Officer and division Chief Officers to review departmental budgets.	Superintendent Chief Financial Officer Chief Officers
January 24, 2025	Principals email completed budgets to Budget & Financial Reporting Coordinator.	Principals
January 27, 2025 - February 21, 2025	Budget & Financial Reporting Coordinator compiles preliminary budget.	Budget & Financial Reporting Coordinator
February 1, 2025	Personnel allotments distributed to Principals and Chief Financial Officer.	Chief of Human Resources
February 24, 2025 - March 14, 2025	Superintendent holds budget review sessions with Executive Cabinet.	Superintendent
March 24 - 28, 2025	Provide 2025-2026 budget notebook to Board of Education	Chief Financial Officer
March 31 - April 4, 2025	Superintendent holds preliminary budget discussion with Board of Education.	Superintendent
April 14 - 18, 2025	Superintendent works with Executive Cabinet to finalize tentative budget.	Superintendent
*April 22, 2025	Superintendent presents tentative budget to the Board of Education.	Superintendent
*April 22, 2025	Board of Education adopts tentative budget.	Board of Education
*April 27 - May 4, 2025	Tentative budget published in the county's legal organ.	Chief Financial Officer
*April 23, 2025 - May 9, 2025	Board of Education holds work session(s) on tentative budget as necessary.	Board of Education
*May 13, 2025	Budget Hearing (1 of 2).	Board of Education Superintendent
*May 20, 2025	Budget Hearing (2 of 2).	Board of Education Superintendent
*May 20, 2025	Board of Education adopts final budget.	Board of Education
*June 29, 2025 - July 22, 2025	Required advertisements for millage rate process published in county's legal organ. Public meetings held as necessary.	Board of Education Superintendent Chief Financial Officer
July 1, 2025	Beginning of the 2025-2026 fiscal year.	
*July 2025 Regular Board Meeting	Board of Education adopts final millage rate.	Board of Education

*NOTE: Dates are subject to change based on BOE meeting dates adopted by the BOE in January and receipt of tax digest information.

**Per student allocation amounts are subject to change based on funding.

ACADEMICS

- Develop a clear and comprehensive literacy strategy, prepared for launch in 2025, coupled by the identification of essential, research-based supportive resources
- Strengthen the district's instructional core by clarifying common expectations for curriculum usage, instructional planning and delivery, academic intervention, and assessment
- Implement clear and consistent systems of support, coaching and development, and supervision for teaching and learning personnel; invest in the development of key instructional support personnel

OPERATIONS

- Strengthen staff recruitment and retention efforts
- Develop programming aimed at removing barriers to student learning, with a focus on mental health, behavioral support and intervention, and student attendance
- Develop infrastructure to support increased parent engagement and connection; streamline access to essential services and resources
- Enhance district communications efforts (both internal and external) to achieve 1) organizational transparency 2) elevated branding and marketing

CULTURE & ENGAGEMENT

- Increase opportunities for formal employee recognition across multiple divisions and at every level within the organization
- Deepen and initiate expansive professional development opportunities for NCS personnel
- Develop a more robust reporting structure for BOE meetings to ensure greater community transparency regarding organizational objectives, status, and plans

FY26 BUDGET DEVELOPMENT PROCESS Transparency

BUDGET DEVELOPMENT BOARD UPDATES

February 2025

- FY26 Budget Outlook

March 2025

- FY26 Budget Overview

April 2025

- FY26 Tentative Budget Presentation
- FY26 Tentative Budget Adoption

May 2025

- FY26 Required Budget Hearings
- FY26 Final Budget Adoption

We are on a relentless pursuit to become the

FASTEST IMPROVING

school district in the state of Georgia – organized and led by a

HIGHLY SKILLED TEACHER & LEADER WORKFORCE

working tirelessly

on behalf of children for the benefit of our community

and **PRODUCING BREAKTHROUGH RESULTS**

