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# HALL COUNTY SCHOOLS POPULAR REPORT TO THE BUDGET

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FOR THE FISCAL YEAR 2020 / SCHOOL YEAR 2019 - 2020



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# SECTION I: DISTRICT OVERVIEW

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# Who We Are

## Character. Competency. Rigor...For All.

This is the mission of Hall County Schools. With foundational philosophies of continuous improvement and leading by example, we fully commit to utilize all of our abilities to accomplish the task before us. Additionally, it will take our entire community, working together, to fully develop our most precious resource, the students of Hall County Schools. We believe that engaging young people in rigorous programs that focus on their individual strengths and interests is the way to improve achievement and enthusiasm for lifelong learning, that holding high expectations generates positive results for students, that using the courage and creativity of Hall County community members, educators, students and their families, we can work together to seek a better way to prepare citizens for the world of tomorrow, and that supporting local families on this most important journey is our primary role.

## The Most Caring Place on Earth

The Hall County School District values honesty, integrity, transparency, and putting children first. We believe that we must celebrate our students who are not only reaching their academic potential, but who are also building homes for Habitat High, participating and volunteering for the Special Olympics, or being recognized for making a difference in their community.

Our Hall County School District, in partnership with this great community, continues to strive towards becoming, “The most caring place on Earth.”



## An Innovative Approach to Learning

The Hall County School District operates 37 schools, including 20 elementary schools, eight middle schools, seven high schools, one alternative learning center, and one college & career academy. Driven by its core mission of, “Character, Competency, and Rigor For All,” and its core beliefs that students are most successful when they are involved in programs that engage and motivate them, the School District employs a combination of traditional education programs, coupled with a dynamic school choice program, that makes a highly personalized education available to all of its students.

Embedded within our School District is a commitment to providing unique, quality learning experiences that equip our students to be individuals of high character, who possess the competence and skill to succeed and exceed expectations in a modern economy, and who possess a passion for rigor that stimulates continued learning and personal development throughout their lives.

Currently, the School District offers eleven magnet schools, a college and career academy, over 50 professional and technical career pathways, a rigorous work-based learning and internship program, and eighteen competitive programs of choice in an effort to bring innovative curricula to our students in a more concerted effort to meet their individual needs.



# HALL COUNTY SCHOOLS AT A GLANCE

**27,000+ Students**

**17 Programs of Choice for advanced studies in science, engineering, math, technology, foreign language, career development, industry certification, and fine arts.**



**With over 3,400+ Employees, HCSD is the 2<sup>nd</sup> Largest Employer in Hall County.**

## **37 Schools**

- 20 Elementary Schools**
- 8 Middle Schools**
- 7 High Schools**
- 1 College & Career Academy**
- 1 Alternative Learning Center**

**Over 50 professional career and technical career pathways for students.**



**12 Magnet Schools for advanced learning opportunities in science, technology, engineering, math, and the arts.**



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## SECTION II: UNDERSTANDING THE BUDGET

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# Budget Management & Development

## BUDGET DEVELOPMENT

The budget preparation process begins in February of each year when the Superintendent, principals, and department heads meet to strategically plan a balanced budget for submission to the Board of education. Once a tentative budget is prepared, the Superintendent will normally submit the budget to the Board of Education in May, at which time the budget becomes available for public review. Budget sessions and forums for public comment and input will then be conducted. Following the public forums, the Board of Education will adopt the tentative budget at the regularly scheduled Board meeting in June.

Once approved by the Board of Education, the Georgia Department of Education will normally approve the school district's adopted budget the following November, but the District is allowed to expend funds on a conditional basis until the budget is approved by the Department of Education.

## BUDGET MANAGEMENT

The annual budget is a complete financial plan for the School District's fiscal year and serves as the basis for the District's operating and instructional plans and assists in the control and financial stability of the School District. The budget is developed with set goals, priorities, and objectives each fiscal year, as a measure to further the School District's stated mission of, "Character, Competency, and Rigor for All." The School District's fiscal year (FY) begins on July 1<sup>st</sup> and ends on June 30<sup>th</sup>, corresponding with the annual school year.

The budget is prepared on what is known as a modified accrual basis, whereby revenues are recognized when they are measurable and available, and expenditures are recognized when a related fund liability is incurred. The School District is required to pass a balanced budget for each budgeted fund, meaning that budgeted expenditures may not exceed the school district's combined budgeted revenues and available fund balance. All unexpended budgeted funds lapse at fiscal year-end, except for those within the capital projects and debt service funds.

Because the budget is an estimated and not a fixed revenue or spending plan, the Board may legally amend the budget at any time during the year. However, approval from the Georgia Department of Education is required for any amendment that exceeds the original budgeted amount submitted to the Department of Education by five percent at the functional level.





## Hall County Schools Fiscal Year 2020 Budget Adoption Calendar

*Character. Competency. Rigor...For All*

Date	Time	Event Description
February 4	5:00 P.M.	<b>Work Session.</b> The Board of Education will consider the budget adoption calendar for the upcoming fiscal year 2020.
May 20	5:00 P.M.	<b>Work Session.</b> The Board of Education will consider and approve the tentative budget for the upcoming fiscal year 2020.
May 30		<p><b>Public Notice.</b> The school district will publish 3 ads in the Gainesville Times regarding the budget, millage rate, and tax digest:</p> <ul style="list-style-type: none"> <li>• An ad containing a summary of the FY 2020 budget and the dates of hearings for public comment and input on the FY 2020 budget.</li> <li>• An ad showing the tax digest and tax levy for FY 2020 and the preceding five years.</li> <li>• If the school district plans to recommend a millage rate that exceeds the rollback rate, a notice of property tax increase and the dates of three hearings for public comment.</li> </ul> <p>The information will simultaneously be made available on the school district's website, and a press release will be issued to WDUN, the Gainesville Times, and any other news organization that requests a release.</p>
June 10	5:00 P.M.	<b>Work Session.</b> The Board of Education will hear the progress for the preparation of the FY 2019 budget.
	6:00 P.M.	<b>Public Meeting/Hearing.</b> A public meeting and hearing will be held by the school district for the public to provide comment and input regarding the FY 2020 budget and millage rate.
June 13		<b>Public Notice.</b> If the school district plans to recommend a millage rate that exceeds the rollback rate, the school district will publish a notice of property tax increase, and the dates of the two remaining hearings, of the three, for public comment, in the Gainesville Times.
June 19		<b>Public Notice.</b> The school district will publish an ad in the Gainesville Times, containing a summary of the FY 2020 budget and the dates of hearings for public comment and input on the FY 2020 budget. This information will continue to be available on the school district's website.
June 24	11:30 A.M.	<b>Public Meeting/Hearing.</b> A public meeting and hearing will be held by the school district for the public to provide comment and input regarding the FY 2020 budget and millage rate.
	5:00 P.M.	<b>Regular Board Meeting.</b> The Board of Education will review the budget before the final meeting for public comment and input on the FY 2020 budget.
	6:00 P.M.	<b>Public Meeting/Hearing.</b> A public meeting and hearing will be held by the school district for the public to provide comment and input regarding the FY 2020 budget and millage rate.
	6:30 P.M.	<b>Adoption of Millage Rate &amp; Budget.</b> The Board of Education tentatively plans to adopt the budget for fiscal year 2020/school year 2019-2020 after the conclusion of the third hearing/meeting for public input.
July 1		Fiscal Year 2020 Begins

# Basis of Budgeting & Accounting

## FUND BASIS ACCOUNTING

Hall County Schools uses a fund basis of accounting to record its financial transactions, to budget for its operations, and to report its financial position. Fund accounting is designed to demonstrate legal compliance and to aid the School District's administration by separating transactions meant for certain purposes or that are restricted by law. Under this method, separate funds are established to account for resources allocated for different purposes and to account for resources affected by different types of spending restrictions. The district's major operations are separated into the following funds:

- The **general fund** is the school district's primary operating fund. It is used to account for the activities associated with the District's primary goals and objectives to provide students with a modern, quality education that prepares them to be exemplary citizens for the world of tomorrow. These include direct instructional expenditures as well as those expenses necessary to provide support to students and teachers.
- **Special revenue funds** are used to account for the district's programs and activities that are considered to be part of the District's primary operations, but are required to be tracked and reported separately from the general fund. These funds primarily consist of grants, awarded by state and federal agencies, which require that the funds awarded to the district be restricted solely to the purposes for which each grant was intended. The activities budgeted and tracked within these funds include programs for special education services, vocational education, equalization of educational opportunities, and the national school lunch and breakfast programs.
- The **capital projects fund** is used to account for the resources and outflows that are restricted for capital outlay expenditures, such as the construction of schools, facilities, and other capital facilities and capital assets required for the instruction and support of students.
- The **debt service fund** accounts for financial resources that are restricted, primarily for the payment of long-term debt. Long term debt is generally used by the School District to finance the construction and equipping of its schools and facilities as part of its comprehensive facilities plan. The School District recognizes that there is a balance that must be maintained between meeting the demand for modern, safe, and effective schools while also ensuring that the amount of debt used to build and maintain those schools does not hinder the District's ability to provide quality services to our students or shift the burden for payment of these debts to future-year citizens.





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## SECTION III: THE BUDGET

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# Budget Highlights

## BUDGET IN BRIEF

The fiscal year 2020 (School year 2019 – 2020) budget includes the following major highlights:

- A reduction of the millage rate from 18.2 mills to 17.55 mills.
- An expected increase of \$7.9 million in budgeted expenditures for salaries and associated benefits to support raises of \$3,000 for each certified teaching position in the district, as announced by the Governor and the Georgia General Assembly.
- An expected increase of \$1 million in anticipated expenditures for salaries and associated benefits to support a 4% raise for classified staff.
- Funding to provide an additional \$436,000 for salaries and associated benefits for the following priorities:
  - To increase the number of paid hours for school nurses from 7.5 to 8 hours and to add a special education nursing position for medically fragile students (\$110,000).
  - To provide additional working days for data entry personnel at the beginning and end of the school year (\$30,000).
  - To provide for an hourly longevity supplement to retain experienced bus drivers and decrease bus driver turnover (\$162,000).
  - To provide for responsibility supplements for those employees who have been assigned significant additional duties and responsibilities beyond their current role (\$19,000).
  - To provide for a classification raise to retain experienced transportation mechanics and reduce turnover (\$40,000).
  - To provide for a 5% increase in the daily compensation rate for substitutes and special education substitutes to maintain market competitiveness with neighboring districts (\$75,000).
- An expected increase of \$1 million for literacy programs and initiatives across the School District.
- An expected increase of \$700,000 to accommodate 8 new teaching positions at Cherokee Bluff Middle School and Cherokee Bluff High School due to growth in student enrollment.
- An expected increase of \$9.4 million in Quality Basic Education (QBE) formula earnings from the State of Georgia to assist the District in supporting the \$3,000 raises for certified teaching positions announced by the Governor and the Georgia General Assembly.





**HALL COUNTY SCHOOLS  
TENTATIVE BUDGET FOR ALL MAJOR FUNDS  
FISCAL YEAR 2020  
SCHOOL YEAR 2019 - 2020**

Character. Competency. Rigor...For All

	GENERAL FUND	SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	OTHER NON-MAJOR FUNDS	TOTAL
<b>REVENUES</b>						
<b>State Sources</b>						
Quality Basic Education Formula Earnings	\$ 162,192,323.00	\$ -	\$ -	\$ -	\$ -	\$ 162,192,323.00
State Grants	\$ 1,258,367.00	\$ 1,146,923.00	\$ 425,632.00	\$ -	\$ -	\$ 2,830,922.00
<b>Property Taxes</b>						
Ad Valorem	\$ 91,449,982.00	\$ -	\$ -	\$ -	\$ -	\$ 91,449,982.00
Title Ad Valorem Taxes (TAVT)	\$ 6,500,000.00	\$ -	\$ -	\$ -	\$ -	\$ 6,500,000.00
<b>Federal Sources</b>						
Federal Grants	\$ -	\$ 26,162,347.00	\$ -	\$ -	\$ -	\$ 26,162,347.00
Federal Flood Control Funds	\$ 288,161.00	\$ -	\$ -	\$ -	\$ -	\$ 288,161.00
Medicare Reimbursements	\$ 125,000.00	\$ -	\$ -	\$ -	\$ -	\$ 125,000.00
<b>Local Sources</b>						
Education Special Purpose Local Option Sales Tax (ESPLOST)	\$ -	\$ -	\$ 24,000,000.00	\$ -	\$ -	\$ 24,000,000.00
Intangible Tax	\$ 1,000,000.00	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000.00
Real Estate Transfer Tax	\$ 350,000.00	\$ -	\$ -	\$ -	\$ -	\$ 350,000.00
Tuition	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ 25,000.00
Investment Earnings	\$ 600,000.00	\$ -	\$ -	\$ -	\$ -	\$ 600,000.00
Indirect Cost	\$ 200,000.00	\$ -	\$ -	\$ -	\$ -	\$ 200,000.00
Railroad Car Tax	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -	\$ 35,000.00
Meal Sales	\$ -	\$ 2,279,030.00	\$ -	\$ -	\$ -	\$ 2,279,030.00
Miscellaneous	\$ 300,000.00	\$ -	\$ -	\$ -	\$ 3,157,617.00	\$ 3,000,000.00
<b>Other Sources</b>	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00
<b>TOTAL REVENUES</b>	<b>\$ 264,343,833.00</b>	<b>\$ 29,588,300.00</b>	<b>\$ 24,425,632.00</b>	<b>\$ -</b>	<b>\$ 3,157,617.00</b>	<b>\$ 318,357,765.00</b>
<b>EXPENDITURES</b>						
Instruction	\$ 184,531,963.00	\$ 7,850,170.00	\$ 4,576,000.00	\$ -	\$ 758,270.00	\$ 196,958,133.00
Pupil Support Services	\$ 11,921,875.00	\$ 1,614,500.00	\$ -	\$ -	\$ 41,857.00	\$ 13,536,375.00
Improvement of Instruction	\$ 6,608,190.00	\$ 853,581.00	\$ -	\$ -	\$ 37,557.00	\$ 7,461,771.00
Instructional Staff Training	\$ 842,325.00	\$ 3,578,572.00	\$ -	\$ -	\$ 50,876.00	\$ 4,420,897.00
Educational Media Services	\$ 5,155,391.00	\$ -	\$ -	\$ -	\$ 73,264.00	\$ 5,155,391.00
Federal Grant Administration	\$ -	\$ 244,996.00	\$ -	\$ -	\$ -	\$ 244,996.00
General Administration	\$ 488,849.00	\$ 317,722.00	\$ -	\$ -	\$ -	\$ 806,571.00
School Administration	\$ 17,987,542.00	\$ -	\$ -	\$ -	\$ 704,653.00	\$ 17,987,542.00
Support Services - Business	\$ 2,392,407.00	\$ -	\$ -	\$ -	\$ -	\$ 2,392,407.00
Maintenance & Operation of District Facilities	\$ 18,103,603.00	\$ -	\$ -	\$ -	\$ 60,661.00	\$ 18,103,603.00
Student Transportation	\$ 15,614,109.00	\$ 566,740.00	\$ -	\$ -	\$ 1,326.00	\$ 16,180,849.00
Central Support Services	\$ 6,349,467.00	\$ -	\$ -	\$ -	\$ -	\$ 6,349,467.00
Other Support Services	\$ 180,000.00	\$ 116,577.00	\$ -	\$ -	\$ 117,144.00	\$ 296,577.00
School Nutrition Program	\$ -	\$ 14,417,864.00	\$ -	\$ -	\$ -	\$ 14,417,864.00
Enterprise Operations	\$ 99,107.00	\$ -	\$ -	\$ -	\$ -	\$ 99,107.00
Community Services	\$ -	\$ -	\$ -	\$ -	\$ 1,187,448.00	\$ -
Capital Outlay	\$ -	\$ -	\$ 5,189,163.00	\$ -	\$ 21,357.00	\$ 5,189,163.00
Debt Service	\$ -	\$ -	\$ -	\$ 9,509,172.00	\$ -	\$ 9,509,172.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 270,274,828.00</b>	<b>\$ 29,560,722.00</b>	<b>\$ 9,765,163.00</b>	<b>\$ 9,509,172.00</b>	<b>\$ 3,054,413.00</b>	<b>\$ 319,109,885.00</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ (5,930,995.00)</b>	<b>\$ 27,578.00</b>	<b>\$ 14,660,469.00</b>	<b>\$ (9,509,172.00)</b>	<b>\$ 103,204.00</b>	<b>\$ (752,120.00)</b>
<b>TRANSFERS, OTHER SOURCES, OTHER USES</b>						
Incoming Transfers From Other Funds	\$ 57,304.00	\$ -	\$ -	\$ 9,509,172.00	\$ -	\$ 9,566,476.00
Outgoing Transfers to Other Funds	\$ (11,500.00)	\$ -	\$ (9,554,976.00)	\$ -	\$ -	\$ (9,566,476.00)
<b>TOTAL TRANSFERS, OTHER SOURCES, &amp; OTHER USES</b>	<b>\$ 45,804.00</b>	<b>\$ -</b>	<b>\$ (9,554,976.00)</b>	<b>\$ 9,509,172.00</b>	<b>\$ -</b>	<b>\$ -</b>
<b>PROJECTED FUND BALANCE GAIN (USE)</b>	<b>\$ (5,885,191.00)</b>	<b>\$ 27,578.00</b>	<b>\$ 5,105,493.00</b>	<b>\$ -</b>	<b>\$ 103,204.00</b>	<b>\$ (752,120.00)</b>
<b>PROJECTED BEGINNING FUND BALANCE 7/1/2019</b>	<b>\$ 34,500,000.00</b>	<b>\$ 5,253,338.00</b>	<b>\$ 18,750,805.00</b>	<b>\$ 562.00</b>	<b>\$ 2,000,114.00</b>	<b>\$ 58,504,705.00</b>
<b>PROJECTED ENDING FUND BALANCE 6/30/2020</b>	<b>\$ 28,614,809.00</b>	<b>\$ 5,280,916.00</b>	<b>\$ 23,856,298.00</b>	<b>\$ 562.00</b>	<b>\$ 2,103,318.00</b>	<b>\$ 57,752,585.00</b>



**HALL COUNTY SCHOOLS  
NUMBER OF PERSONNEL  
FISCAL YEAR 2020**

Character. Competency. Rigor...For All

	<b>Fiscal Year 2020 School Year 19/20</b>
<b>INSTRUCTIONAL</b>	
<b>Teachers</b>	
Pre-Kindergarten Teachers	11
Kindergarten Teachers	92
Elementary School Teachers (Grades 1 - 5)	616
Middle School Teachers (Grades 6 - 8)	372
High School Teachers (Grades 9 - 12)	449
Special Education Teachers	254
<b>Academic Support Staff</b>	
Paraprofessionals	148
Special Education Paraprofessionals	223
Media Specialists	67
Computer Lab Assistants	30
Instructional Coaches	25
Parent Liasons	20
<b>TOTAL INSTRUCTIONAL POSITIONS</b>	<b>2,307</b>
<b>STUDENT SUPPORT SERVICES</b>	
<b>Student Health &amp; Development</b>	
Audiologist	1
Diagnosticians	7
Nurses	38
Psychologists	11
Social Workers	15
Speech Language Pathologists	16
Occupational & Physical Therapists	13
<b>Student Guidance</b>	
Counselors	51
Graduation Coaches	8
School Guidance Clerks	14
<b>TOTAL STUDENT SUPPORT POSITIONS</b>	<b>174</b>
<b>ADMINISTRATION</b>	
<b>School Administration &amp; Support Staff</b>	
Principals	40
Assistant Principals	54
School Bookkeepers, Office Clerks, and Secretaries	100
Lay Coaches	46
Work-Based Learning Coordinators	8
Academic Support	10
<b>District Administration</b>	
Superintendent	1
Assistant Superintendents	3
Executive Directors	4
Directors	10
Federal Programs Administration	6
Finance & Accounting	9
Human Resources	9
Special Education	17
Student Services	5
Teaching & Learning	30
<b>TOTAL ADMINISTRATIVE POSITIONS</b>	<b>352</b>
<b>OPERATIONS</b>	
<b>Technology</b>	
Computer Technicians	3
Network Engineers, Web Designers, and Coordinators	18
E-Learning	3
Data Analysts	4
Support Technicians	6
<b>Maintenance</b>	
Plumbers, Carpenters, Electricians, VOIP, & General Maintenance Staff	32
Custodians	43
Warehousing Staff	4
Project Managers, Clerks, and Dispatchers	4
<b>Student Transportation</b>	
Bus Drivers	262
Bus Monitors	30
Mechanics	12
Dispatchers, Trainers, & Support Staff	11
<b>School Nutrition</b>	
School Nutrition Managers	35
School Lunchroom Staff	165
School Lunchroom Monitors	44
School Nutrition Administrative & Support Staff	8
<b>TOTAL OPERATIONAL POSITIONS</b>	<b>684</b>
<b>TOTAL DISTRICT PERSONNEL</b>	<b>3,517</b>

# The General Fund



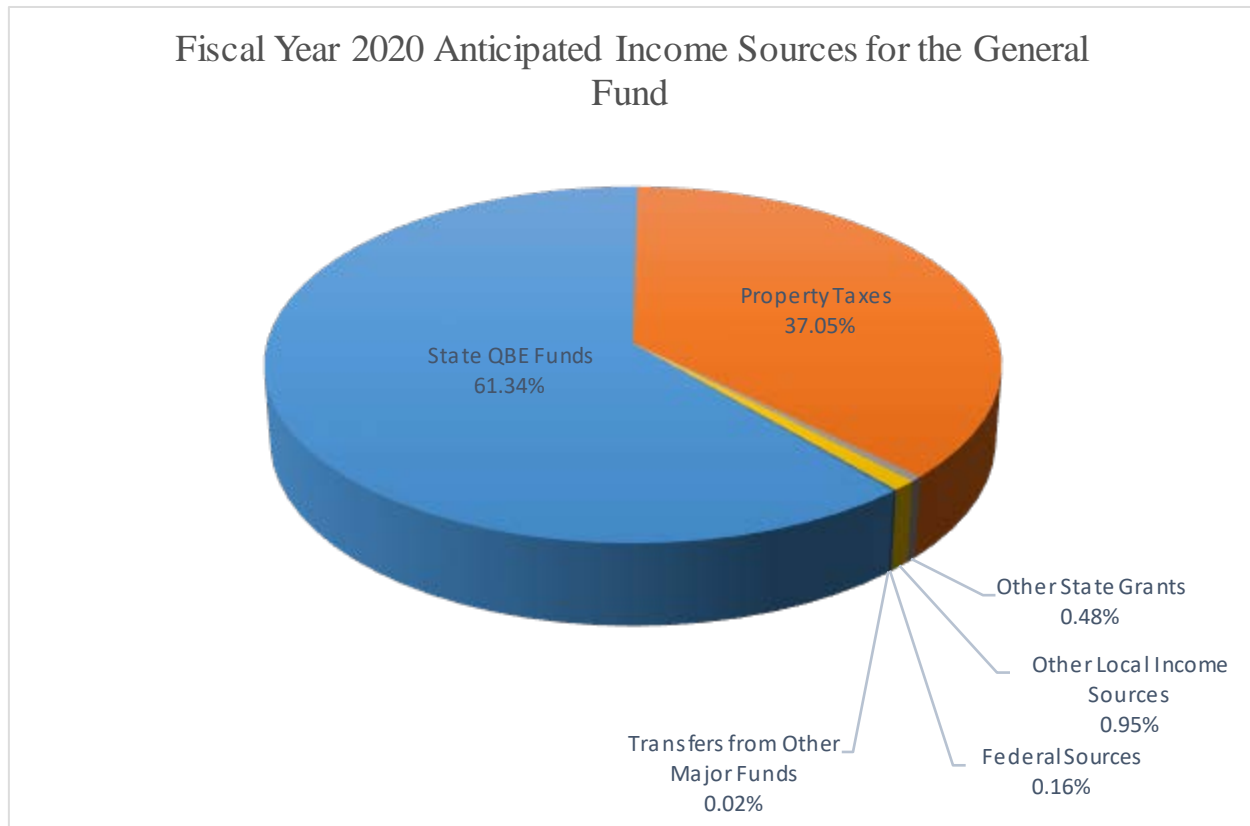
## HALL COUNTY SCHOOLS BUDGET SUMMARY FOR THE GENERAL FUND BY FUNCTION FIVE YEAR HISTORY

Character. Competency. Rigor...For All

	Fiscal Year 2016 School Year 15/16 (Actual)	Fiscal Year 2017 School Year 16/17 (Actual)	Fiscal Year 2018 School Year 17/18 (Actual)	Fiscal Year 2019 School Year 18/19 (Budgeted)	Fiscal Year 2020 School Year 19/20 (Budgeted)
<b>REVENUES</b>					
<b>State Sources</b>					
Quality Basic Education Formula Earnings	\$ 136,027,383.57	\$ 137,264,198.28	\$ 146,659,625.41	\$ 151,381,185.00	\$ 162,192,323.00
State Grants	\$ 1,354,405.42	\$ 1,733,607.65	\$ 1,729,862.17	\$ 2,662,549.35	\$ 1,258,367.00
<b>Property Taxes</b>					
Ad Valorem	\$ 75,603,211.64	\$ 78,617,356.57	\$ 82,079,766.57	\$ 87,547,461.00	\$ 91,449,982.00
Title Ad Valorem Taxes (TAVT)	\$ 5,239,089.43	\$ 6,018,295.01	\$ 6,784,343.58	\$ 5,800,000.00	\$ 6,500,000.00
<b>Federal Sources</b>					
Federal Flood Control Funds	\$ 318,862.57	\$ -	\$ 340,547.54	\$ 288,161.00	\$ 288,161.00
Fuel Tax Credit Refunds	\$ 93,171.00	\$ 133,703.00	\$ 40,070.05	\$ -	\$ -
Medicare Reimbursements	\$ -	\$ -	\$ -	\$ 125,000.00	\$ 125,000.00
<b>Local Sources</b>					
Intangible Tax	\$ 1,666,195.02	\$ 724,941.43	\$ 1,748,402.92	\$ 1,000,000.00	\$ 1,000,000.00
Real Estate Transfer Tax	\$ 577,242.24	\$ 1,949,723.09	\$ 692,767.20	\$ 350,000.00	\$ 350,000.00
Tuition	\$ 110,540.00	\$ 206,101.44	\$ 129,796.38	\$ 25,000.00	\$ 25,000.00
Investment Earnings	\$ 28,613.52	\$ 33,369.54	\$ 37,124.86	\$ 15,000.00	\$ 600,000.00
Indirect Cost	\$ 221,890.95	\$ 250,758.89	\$ 301,141.00	\$ 200,000.00	\$ 200,000.00
Railroad Car Tax	\$ 46,920.54	\$ 48,111.79	\$ 58,642.43	\$ 35,000.00	\$ 35,000.00
Miscellaneous	\$ 442,438.49	\$ 607,383.26	\$ 537,275.53	\$ 300,000.00	\$ 300,000.00
<b>Other Sources</b>	\$ 55,457.22	\$ 136,771.26	\$ 125,736.81	\$ 20,000.00	\$ 20,000.00
<b>TOTAL REVENUES</b>	<b>\$ 221,785,421.61</b>	<b>\$ 227,724,321.21</b>	<b>\$ 241,265,102.45</b>	<b>\$ 249,749,356.35</b>	<b>\$ 264,343,833.00</b>
<b>EXPENDITURES</b>					
Instruction	\$ 149,514,935.26	\$ 153,936,801.12	\$ 162,701,093.66	\$ 174,772,640.86	\$ 184,531,963.00
Pupil Support Services	\$ 7,980,331.70	\$ 9,141,988.50	\$ 9,910,725.83	\$ 11,134,400.00	\$ 11,921,875.00
Improvement of Instruction	\$ 5,645,304.97	\$ 5,859,395.44	\$ 5,812,090.59	\$ 6,109,893.00	\$ 6,608,190.00
Instructional Staff Training	\$ -	\$ -	\$ 412,601.72	\$ 598,573.00	\$ 842,325.00
Educational Media Services	\$ 3,986,780.36	\$ 4,423,631.60	\$ 4,435,740.80	\$ 4,930,117.00	\$ 5,155,391.00
General Administration	\$ 548,022.91	\$ 496,573.79	\$ 522,702.18	\$ 543,000.00	\$ 488,849.00
School Administration	\$ 13,348,770.75	\$ 14,106,169.46	\$ 15,444,839.69	\$ 17,610,195.00	\$ 17,987,542.00
Support Services - Business	\$ 1,205,435.15	\$ 1,333,356.20	\$ 1,409,448.01	\$ 2,567,231.36	\$ 2,392,407.00
Maintenance & Operation of District Facilities	\$ 14,757,281.57	\$ 15,384,362.53	\$ 15,631,677.98	\$ 18,199,651.30	\$ 18,103,603.00
Student Transportation	\$ 12,752,924.11	\$ 13,062,971.69	\$ 14,829,970.13	\$ 16,293,604.00	\$ 15,614,109.00
Central Support Services	\$ 4,934,281.05	\$ 5,251,572.81	\$ 5,704,270.63	\$ 6,002,795.00	\$ 6,349,467.00
Other Support Services	\$ 749,552.37	\$ 83,333.89	\$ 181,347.55	\$ 160,000.00	\$ 180,000.00
Enterprise Operations	\$ 214,953.97	\$ 203,746.88	\$ 138,263.77	\$ 108,315.00	\$ 99,107.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 215,638,574.17</b>	<b>\$ 223,283,903.91</b>	<b>\$ 237,134,772.54</b>	<b>\$ 259,030,415.52</b>	<b>\$ 270,274,828.00</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 6,146,847.44</b>	<b>\$ 4,440,417.30</b>	<b>\$ 4,130,329.91</b>	<b>\$ (9,281,059.17)</b>	<b>\$ (5,930,995.00)</b>
<b>TRANSFERS, OTHER SOURCES, OTHER USES</b>					
Incoming Transfers From Other Funds	\$ -	\$ 5,472,855.44	\$ 3,339.85	\$ 553,140.00	\$ 57,304.00
Outgoing Transfers to Other Funds	\$ 46,063.12	\$ (6,729,306.40)	\$ (1,587,389.99)	\$ (11,500.00)	\$ (11,500.00)
<b>TOTAL TRANSFERS, OTHER SOURCES, &amp; OTHER USES</b>	<b>\$ 46,063.12</b>	<b>\$ (1,256,450.96)</b>	<b>\$ (1,584,050.14)</b>	<b>\$ 541,640.00</b>	<b>\$ 45,804.00</b>
<b>FUND BALANCE GAIN (USE)</b>	<b>\$ 6,192,910.56</b>	<b>\$ 3,183,966.34</b>	<b>\$ 2,546,279.77</b>	<b>\$ (8,739,419.17)</b>	<b>\$ (5,885,191.00)</b>
<b>BEGINNING FUND BALANCE JULY 1</b>	<b>\$ 22,982,053.55</b>	<b>\$ 29,174,964.11</b>	<b>\$ 32,358,930.45</b>	<b>\$ 34,905,210.22</b>	<b>\$ 34,500,000.00</b>
<b>ENDING FUND BALANCE JUNE 30</b>	<b>\$ 29,174,964.11</b>	<b>\$ 32,358,930.45</b>	<b>\$ 34,905,210.22</b>	<b>\$ 26,165,791.05</b>	<b>\$ 28,614,809.00</b>

## GENERAL FUND REVENUES

The School District's primary operations, contained within the General Fund, are supported by revenues from four primary sources: property taxes, other local sources, State sources (Primarily consisting of Quality Basic Education formula earnings), and Federal sources. The majority of the School District's resources within the general fund are sourced from State funds and property taxes.



## REVENUE SOURCES FROM THE STATE OF GEORGIA

### QUALITY BASIC EDUCATION (QBE) FORMULA EARNINGS

The School District receives 61.34% of its resources in the general fund from the State of Georgia through the Quality Basic Education (QBE) funding formula. The Quality Basic Education formula is the primary means by which the State of Georgia allocates funding to school districts within the State. The State of Georgia allocates these funds based on the following formula:

$$(\text{FTE COUNT} \times \text{PROGRAM WEIGHT} \times \text{BASE AMOUNT} \times \text{TRAINING \& EXPERIENCE FACTOR})$$

- LOCAL FIVE MILL SHARE

**FTE Count:** QBE is primarily driven by a measure known as the Full-Time Equivalent (FTE) count, which is a measure of enrollment and the educational services provided by a school district. To calculate an FTE, each school day is divided into six equal instructional segments, and a student is counted as an FTE for each set of six instructional segments in which they are enrolled in an instructional program. A student enrolled in instructional programs at their school for a full school day (Six segments) would be considered one FTE. A student enrolled in instructional programs at their school for half (Three segments) of a school day would be considered one half of an FTE. QBE funding is allotted for 19

instructional programs by the State. Programs or classes that do not fall within these program definitions are not counted toward FTE and are not included in the formula earnings for the school district. These programs are shown in the table of QBE program weights below.

**Program Weight:** Since different programs vary in cost of operation, each of the 19 instructional programs is assigned a different program weight. The high school general education instructional program for grades 9 - 12 is declared to be the base program against which the cost of all other instructional programs is compared and funded. The program weights for fiscal year 2020 are as follows:

General Education Programs	Weight	Special Programs	Weight
Kindergarten	1.6715	Remedial Education 9 – 12	1.3570
Primary Grades 1 – 3	1.2944	Special Education Category I	2.4104
Upper Elementary Grades 4 – 5	1.0389	Special Education Category II	2.8379
Middle Grades Program 6 – 8	1.0314	Special Education Category III	3.6158
High School Grades 9 – 12	1.0000	Special Education Category IV	5.8658
Middle School Program 6 – 8	1.1377	Special Education Category V	2.4727
High School Grades 9 – 12, Vocational	1.1833	Special Education Category VI	1.6786
		English for Speakers of Other Languages	2.5870
		Alternative Education	1.4874
		Kindergarten Early Intervention	2.0664
		Grades 1 – 3 Early Intervention	1.8169
		Grades 4 – 5 Early Intervention	1.8114

**Base Amount:** The base program cost is the standard cost per student, established by the Georgia General Assembly each year through the General Appropriations Act. For fiscal year 2020, the State based amount is assigned as \$2,783.67.

**Training & Experience (T&E) Factor:** To adjust for varying levels of training, experience, and responsibility, a percentage factor is added for each school system to adjust the base cost amount.

**Local Five Mill Share:** The local fair share is the amount of the total cost of QBE for the School District that must be supported with local funds. The local fair share for the School District is equal to the amount that can be raised by levying five mills on the 40 percent equalized property tax digest.

In addition to the funds allocated by the QBE funding formula, the State of Georgia also allocates categorical grants, for activities such as nursing and student transportation, to the District through QBE.

Furthermore, the State recognizes that there is great variation among school systems in the amount of money they can raise per student through their local property taxes. The State provides a method to partially deal with this problem, through Equalization funding. Equalization funding is designed to supplement the amount per student that can be raised through the local property tax digest by providing funds to school districts whose tax digests cannot raise the same amount of funds per student as school districts with tax digests that can provide a greater amount of funds per student.

## OTHER STATE GRANTS

The School District may receive other State grants from State agencies, such as the Georgia Department of Education. These grants may be awarded on a formula basis or they may be awarded on a competitive application basis. Examples include Bright from the Start, Career, Technical and Agricultural Education grants, school nutrition grants, adult education, grants for at-risk or disadvantaged students, and grants for students with disabilities.

## LOCAL REVENUE SOURCES

### PROPERTY TAXES

Hall County Schools receives 37.05% of its general fund revenues through property taxes levied on all real and personal property in Hall County, with the exception of property within the city limits of the City of Buford and the City of Gainesville, whose independent school districts levy taxes within their respective jurisdictions.

The School District generates property tax revenue by applying a tax rate, called the millage rate, to all properties within its jurisdiction (The Tax Digest), with the exception of those properties that are exempt from taxes (Exemptions).

**The Tax Digest:** Each year, the Hall County Tax Assessor's Office sets the assessed values for all property in Hall County. The assessed value of a property is equal to the Fair Market Value (FMV) of a property, as of January 1<sup>st</sup>, multiplied by 40 percent. Fair Market Value is the price at which a buyer would buy a home or piece of property if it were for sale on the market.

Hall's economy and tax digest have grown steadily since fiscal year 2014, as property values and economic conditions have improved since the Great Recession. The net tax digest for tax year 2019 (FY 2020) totals \$5.344 billion, a \$389.84 million, or 7.87%, increase over the prior year.

Growth in the tax digest is comprised of two components: property reassessments and new economic growth. Growth through property reassessments is considered to be less stable in the long term than new economic growth, due to the fact that property values rise and fall according to economic conditions and other external factors. New economic, or "true" growth, is growth resulting from the opening of new businesses or the attraction of new residents to Hall County, which adds additional sources of revenue to the tax digest.

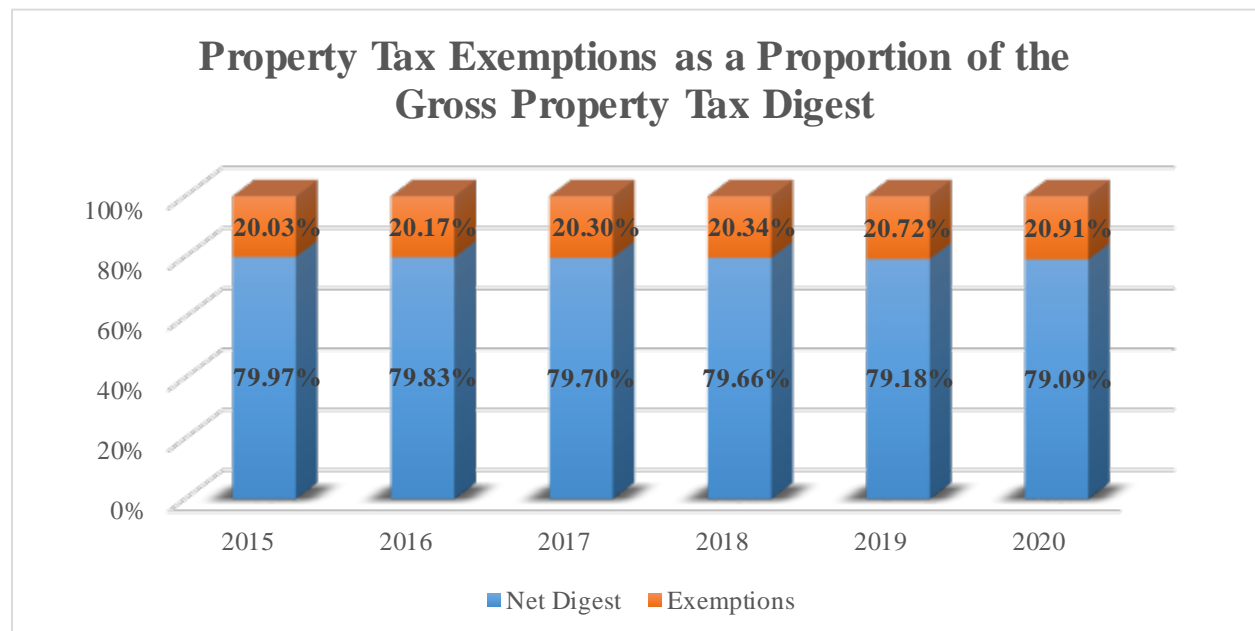
For the fiscal year 2020, the net digest grew by \$389,837,929. Reassessments composed 66.45% of growth in the gross tax digest and 86.66% of growth in the net tax digest.

Consolidated Tax Digest by Component						
Tax Year	2014	2015	2016	2017	2018	2019
Fiscal Year	2015	2016	2017	2018	2019	2020
Real & Personal Property	4,876,208,089	5,085,593,143	5,236,070,487	5,590,111,864	6,107,321,367	6,634,500,389
Motor Vehicles	337,324,420	251,493,070	192,256,450	147,273,440	116,916,780	97,286,170
Mobile Homes	23,494,614	23,271,175	23,077,320	23,112,920	23,134,776	23,944,507
Timber	685,972	390,370	190,596	471,608	173,531	378,224
Heavy Equipment	53,669	74,988	343,629	315,569	503,733	365,754
<b>Gross Digest</b>	<b>5,237,766,764</b>	<b>5,360,822,746</b>	<b>5,451,938,482</b>	<b>5,761,285,401</b>	<b>6,248,050,187</b>	<b>6,756,475,044</b>
Less: Property Exemptions	1,049,073,612	1,081,311,442	1,106,323,411	1,171,851,847	1,294,363,360	1,412,950,288
<b>Net Digest</b>	<b>4,188,693,152</b>	<b>4,279,511,304</b>	<b>4,345,615,071</b>	<b>4,589,433,554</b>	<b>4,953,686,827</b>	<b>5,343,524,756</b>

**Property Tax Exemptions:** Property tax exemptions are the portion of the tax digest that are exempt from taxation by the school district. Exemptions are applied to the 40% assessed value of a property. Certain exemptions are available to property owners through Georgia law. These include the Standard Homestead Exemption, exemptions for disabled veterans, firefighters, peace officers or their surviving spouse, a partial tax exemption for citizens 65 years or older, and an exemption for individuals 62 or older from property taxes for school districts, provided they meet certain income requirements. Other exemptions, such as the Total School Tax Exemption for property owners over the age of 70, are

authorized under Georgia law, but are enacted or removed from the tax digest by a vote of the citizens in Hall County.

Property tax exemptions have trended upward in recent years. The portion of the property tax digest that is exempt from school property taxes has grown by 34.69% since the fiscal year 2015, compared to growth of 27.57% in the gross tax digest over the same period. The portion of the fiscal year 2020 gross digest that is exempt from school property taxes is 20.91%, a \$363,876,676.00, or 0.88%, increase since 2015.

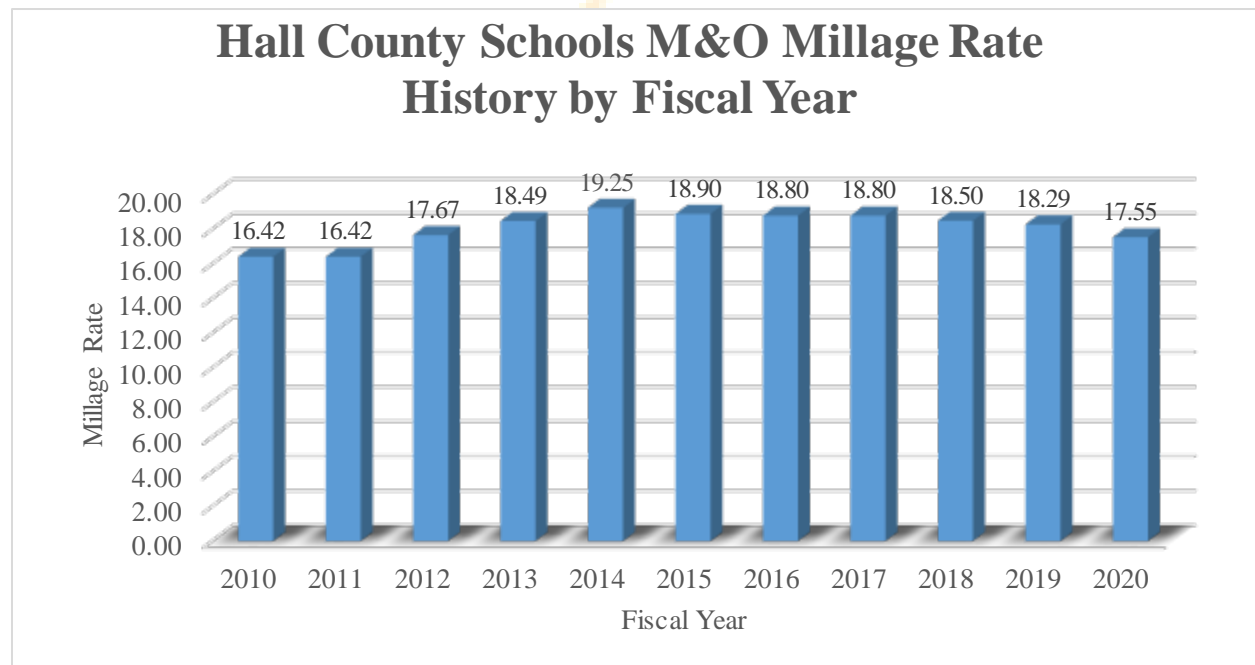


Of the exemptions in the tax digest, the Total School Tax Exemption accounted for 62.68%, or \$885,568,450.00, at the 40% assessed value, of all property tax exemptions contained in the School District's tax digest, up from 50.35% in fiscal year 2015. The five year cumulative impact to the School District's revenues during this period has been an income reduction of \$58,916,993.90.

Senior Total Tax Exemption					
	Fiscal Year				
	2015	2016	2017	2018	2019
Exempt Property	\$1,320,485,627.50	\$1,398,785,312.50	\$1,510,454,235.00	\$1,702,046,112.50	\$1,976,694,905.00
Assessment Ratio	40.00%	40.00%	40.00%	40.00%	40.00%
Assessed Value	\$528,194,251.00	\$559,514,125.00	\$604,181,694.00	\$680,818,445.00	\$790,677,962.00
Millage Rate (M&O)	18.90	18.80	18.80	18.50	18.29
Dollar Impact to District Revenues	\$9,982,871.35	\$10,518,865.55	\$11,358,615.85	\$12,595,141.24	\$14,461,499.92
<b>Five Year Cumulative Impact</b>	<b>(\$58,916,993.90)</b>				

**Millage Rate:** The millage rate is the rate of tax levied by the School District on properties in Hall County. One mill is equal to a tax levy of \$1 for every \$1,000 of assessed value on a home. The Board of Education is responsible for setting the millage rate every year, and typically does so at its regular board meeting in June. Hall County Schools is dedicated toward maintaining a healthy balance between the need to minimize the taxes levied and the need to provide programs and services of quality for the boys and girls of Hall County.

The Board of Education is authorized to levy two different type of millage rates: A millage rate for maintenance and operations (M&O) and a millage rate to service debt issued by the District. Hall County Schools has not levied a millage rate for debt service since fiscal year 1997. The maintenance and operations (M&O) millage rate has trended downward from a high of 19.25 mills in fiscal year 2014 to a millage rate of 17.55 mills for fiscal year 2020. The School District was greatly affected by the Great Recession, with direct effects lasting from fiscal year 2007 through fiscal year 2014. During the Recession, declining property values compelled the School District to increase the M&O millage rate to ensure the continuity of services to students. Since the end of the Recession, the School District has begun to reduce the millage rate while continuing to ensure that it maintains a quality level of service for its students and the community at large.



For the fiscal year 2020, the School District plans to adopt a millage rate of 17.55 mills. For a homeowner whose home is valued at \$225,000, and who has not applied for any exemptions, their taxes would be calculated as follows:

Tax Bill Calculation for Fiscal Year 2020		Amount (\$)
Fair Market Value of Property 1/1/2019		\$225,000.00
Assessment Rate		40%
Assessed Value of Property		\$90,000.00
Less: Exemptions		-
Assessed Taxable Value of Property		\$90,000.00
Millage Rate (Multiply by 18.00 mills and divide by 1,000)		17.55
Total Assessed Taxes		<u>\$1,579.50</u>

## **OTHER LOCAL REVENUE SOURCES**

### *Title Ad Valorem Taxes*

The Title Ad Valorem Tax (TAVT) is a one-time property tax that is imposed on the fair market value of a vehicle at the time of a vehicle's sale. TAVT taxes collected are split, according to state law, amongst the State, local cities and counties, and school districts. TAVT is further split among the Gainesville City, Buford City, and Hall County school districts according to formula.

### *Real Estate Transfer & Intangible Taxes*

The real estate transfer tax is an excise tax levied during the sale of real property, where the title to a property is transferred between a buyer and a seller. The School District receives a portion of these taxes from the Superior Court. Furthermore, every lender of a long-term note secured by real estate (Mortgage) pays a tax, called the intangible tax, to record and secure the note. The School District receives a portion of these taxes from the Superior Court.

### *Federal Indirect Cost Reimbursement*

The School District is authorized, each year, to recoup from the Federal grants awarded to it, a portion of the grants recognized as indirect costs. Indirect costs represent the expenses of doing business that are not readily identified with a particular Federal grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs.

### *Other Local Revenues*

Additional other local revenues consist primarily of donations, out-of-district tuition, jury duty refunds, income from rental of District facilities, interest earned on investments, and other miscellaneous sources.



## **FEDERAL REVENUE SOURCES**

### **FEDERAL FLOOD CONTROL**

The Army Corps of Engineers leases property within Hall County for the purposes of flood control and maintenance of waterways. The School District receives annual payments from the Department of Defense, to offset the revenues that the School District would otherwise receive through property taxes, if the property was not under lease by the government.

### **MEDICAID CHILDREN'S INTERVENTION SCHOOL SERVICES**

The School District receives reimbursements for health care services provided through the Children's Intervention School Services (CISS) program. Through this program, the School District provides rehabilitative services for special education students who are eligible for Federal assistance through the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program, a federal Medicaid program.

### **TRANSFERS FROM OTHER FUNDS**

Interfund transfers constitute inflows and outflows of resources to and from major funds, but do not constitute revenues or expenditures. A comparable analogy would be when a person moves funds between their personal bank accounts. The person's overall financial position has not changed, but one bank account now has additional resources available and the other has fewer resources available. Normally, an individual performs this action to re-allocate their personal funds for a different purpose. In the same manner, when the District transfers funds between its major funds, its financial position does not change, but funds have now been moved between accounts to address a different need.

## GENERAL FUND EXPENDITURES

Expenditures made from the general fund are those that support the School District's primary operations, organized to provide the boys and girls of Hall County with quality educational and support services. The School District uses several different methods of classification to measure and track its expenditures, for the purposes of managing and minimizing its costs, gaining the maximum use from its funds, and maintaining responsible stewardship over public funds. The two primary methods of classification the District uses to measure its expenditures within its major funds are functional classification, which details how funds are being used, and classification by object, which details what types of items or services are being purchased.

## HOW SCHOOL DISTRICT GENERAL FUNDS ARE USED

Functional classification is a type of expenditure classification that identifies the primary purpose for which expenditures are made, or, how funds are being spent. For example, the District may expend funds to pay a teacher's salary and the associated benefits, but the fundamental goal for providing the salary to the teacher is to provide classroom instructional services for students. The School District's expenditures consist of several major functions designed to provide students with quality educational services and support.

The majority of the School District's planned general fund expenditures for fiscal year 2020 are budgeted for direct instructional expenditures, as well as plans for training instructional staff (0.31%), and improving the District's curriculum and delivery methods (2.44%). In all, these instructional services make up (71.03%) of budgeted expenditures for fiscal year 2020.



School District operational services make up the second highest grouping of general fund expenditures (14.82%), consisting of maintenance activities, student transportation, and other support services that are essential to ensuring students are able to come to school and learn in a quality environment, but are not necessarily part of the District's primary mission of instruction.

Administrative services make up 7.72% of the District's general fund expenditures. School administration makes up the vast bulk of the District's administrative costs (6.65%), consistent with its goals to minimize spending at the Board, or District, administrative level and to augment spending at the school and classroom level.

Student support services are services that augment classroom instruction and are meant to provide students with additional opportunities and well-being. Together, these categories make up 6.32% of the School District's expenditures within the general fund.

## INSTRUCTIONAL SERVICES

**Instruction:** The instructional category includes spending activities associated directly with the District's primary mission of educational instruction. Instruction is the largest spending category for the district and the category is primarily composed of expenditures for teacher salaries and associated benefits, as well as classroom supplies. Naturally, the majority (68.27%) of the School District's planned expenditures for fiscal year 2020 are budgeted to be spent on direct instructional classroom.

**Improvement of Instructional Services:** Activities associated with the improvement of instructional services are those that provide for assisting instructional staff in planning, developing, and evaluating learning experiences for students. Accreditation costs, curriculum development costs, and salaries & benefits of graduation coaches are some of the examples of expenditures paid through this category.

**Training for Instructional Staff:** Instructional training for staff consists entirely of expenditures associated with the professional development of teachers and instructional personnel. Contracted training services, training stipends, professional learning resources & supplies, and registration costs for training seminars make up the majority of costs in this category.

## **STUDENT SUPPORT SERVICES**

**Pupil Services:** Pupil services are expenditures designed to assess and improve the well-being of students. Counseling services, testing, school nursing services, and social services are some of the expenditures paid out of this category. Expenditures for certain types of school safety activities, such as crossing guards and school resource officers, are paid from this category, as well as stipends for student extracurricular activities.

**Media Services:** Expenditures for school media centers, their associated media collections, and school media specialists are paid from this category.

## **ADMINISTRATIVE SERVICES**

**General Administration:** General administrative activities of the District are those that are concerned with the establishment and administration of policy at the overall District level. Expenditures directly attributable to the members of the Board of Education (Such as training), the Superintendent's salary, legal costs for the District, and the costs of external audits are all recorded in this category.

**School Administration:** School administrative expenditures differ from general administrative expenditures in that they are directly tied to the administrative operation of schools. Salaries and benefits of principals, assistant principals, and school clerical staff are paid from this expenditure category, as well as different supplies required at the school level.



**Business Services:** The business services category consists of activities for the fiscal operation of the District, such as budgeting, payroll, inventory control, warehousing, accounting, and activities concerned with managing the District's funds. Costs for postage, general liability insurance, leases, copier maintenance, and record storage are examples of some of the expenditures paid from this category. The salaries and benefits of accounting, purchasing, and warehousing personnel are also paid through this category.

## **OPERATIONS**

**Maintenance & Operation of Plant Services:** This spending category is made up of expenditures concerned with keeping the District's schools, grounds, and facilities open, safe, and in an effective state of repair. Repair costs, pest control, custodial services, landscaping, property insurance, fire inspections, and all costs related to building safety and repair are charged to this category. Maintenance and operations

is the second largest category of expenditures (6.70%), by function, for the District, and is not surprising, given the cost to maintain fixed structures and equipment, as well as maintaining building safety.

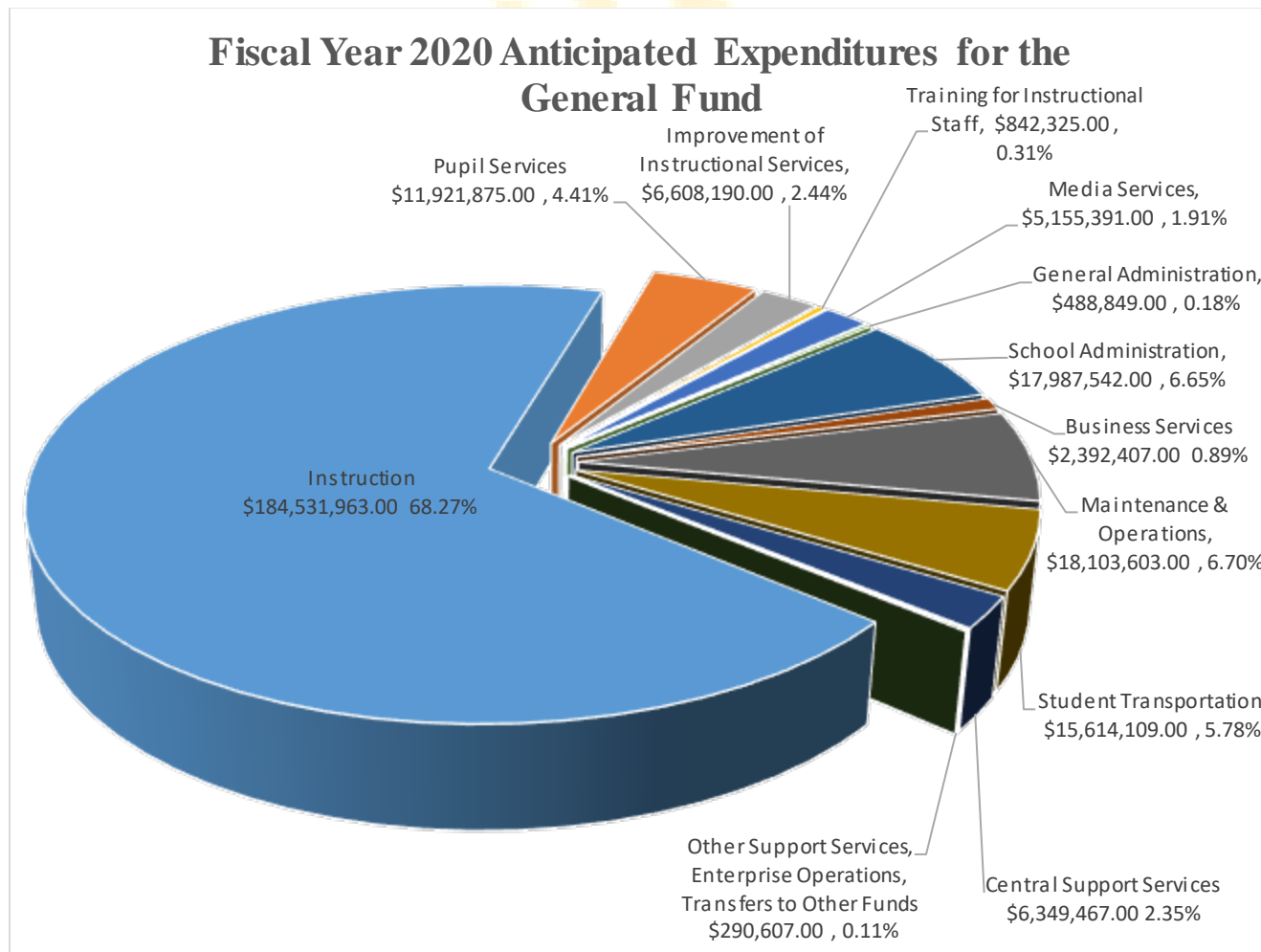
**Student Transportation:** Activities concerned with transporting students to and from school and to school activities are expended from this category. Vehicle insurance, maintenance and repair of buses, salaries and benefits of bus drivers, and fuel are the primary expenditures within this category.

**Other Support Services:** Other support services consists of the District's technology purchases and those of the Human Resources Department of Hall County Schools. Expenditures include the salaries and benefits of HR and technology personnel, as well as expenditures for software, internet and network service fees, technology repair, public relations, teacher recruiting, and fingerprinting and background check services, among others.

#### OTHER EXPENDITURES

**Other Expenditures:** Other expenditures consists of other miscellaneous expenditures that are not covered by the other primary expenditure categories. Charges for services provided by the University of North Georgia are included in this category.

**Community Services:** Community Service costs consist of after-school care services and the salaries and benefits of associated personnel.



**Transfer to Other Major Funds:** Interfund transfers constitute inflows and outflows of resources to and from individual funds, but do not constitute a revenue or expenditure to the School District as a whole. The School District's financial position as a whole is not increased or decreased by an interfund transfer, but the transfer represents the movement of the School District's resources between major funds. The funds are earmarked for a different purpose and moved to the appropriate fund to denote their new purpose. A comparable analogy would be the way in which many individuals move funds between their checking and savings bank accounts for different reasons.

#### WHAT IS PURCHASED WITH SCHOOL DISTRICT GENERAL FUNDS

In addition to measuring its expenditures by function, the School District also classifies its expenditures by object, which is a measure of expenditures according to the type of item purchased or the type of service obtained.

The overwhelming majority (86.91%) of the School District's expenditures are budgeted for salary and benefit expenditures of instructional personnel and support staff. To attract and retain quality instructional personnel, the starting salary for a teacher in Hall County starts at \$43,510.00 in fiscal year 2020.

In addition to salaries, the School District, by law, also contributes to Teachers' Retirement System (TRS) of Georgia, a defined benefit pension plan, on behalf of its certified (Instructional) personnel. Under the Teachers' Retirement System, the District is required to contribute a percentage amount of each qualified employee's salary, from its own funds. For fiscal year 2020, the TRS Board of Trustees has set the rate of contribution for School Districts at 21.14% of employee salaries.

The School District is also a participant in the State Health Benefit Plan. Under the plan, employers, including School Districts, are statutorily required to contribute an amount each month for every employee who participates in the plan. For fiscal year 2020, the contribution rate per employee, per month is \$945.00 per month. Over one year, this equates to \$11,340.00 per employee.

<b>Total Annual Cost to Hire a New Teacher</b>		
<b>Description</b>	<b>Rate</b>	<b>Total Annual Cost</b>
Base Salary	\$ 43,510.00	\$ 43,510.00
FICA	6.20%	\$ 2,697.62
Medicare	1.45%	\$ 630.90
State Health Benefit Plan	\$945/month	\$ 11,340.00
Teachers' Retirement System	21.14%	\$ 9,198.01
Life Insurance	\$2.85/month	\$ 34.20
<b>Total Annual Cost to the School District</b>		<b>\$ 67,410.73</b>

Anticipated contract services of \$12,622,796.00 make up the next biggest category of the District's planned purchases for fiscal year 2020, followed by utility costs \$7,276,600.00 and purchases of supplies (\$4,332,408.00), consisting of copy paper, small classroom equipment & furniture, textbooks, office supplies, and other general supplies. Repair and maintenance costs of \$2,930,268.00 are the next largest category, followed by purchases of software programs (\$2,766,336.00) and computer equipment (\$2,263,000.00) which are primarily used as instructional tools to prepare students for the modern workforce.



**HALL COUNTY SCHOOLS**  
**TENTATIVE BUDGET FOR THE GENERAL FUND**  
**FISCAL YEAR 2020**  
**SCHOOL YEAR 2019 - 2020**

Character. Competency. Rigor...For All

	<b>Fiscal Year 2019 School Year 18/19 (Budgeted)</b>	<b>Fiscal Year 2020 School Year 19/20 (Budgeted)</b>
<b>REVENUES</b>		
<b>State Sources</b>		
Quality Basic Education Formula Earnings	\$ 151,381,185.00	\$ 162,192,323.00
State Grants	\$ 2,662,549.35	\$ 1,258,367.00
<b>Property Taxes</b>		
Ad Valorem	\$ 87,547,461.00	\$ 91,449,982.00
Title Ad Valorem Taxes (TAVT)	\$ 5,800,000.00	\$ 6,500,000.00
<b>Federal Sources</b>		
Federal Grants	\$ 288,161.00	\$ 288,161.00
Federal Flood Control Funds	\$ -	\$ -
Medicare Reimbursements	\$ 125,000.00	\$ 125,000.00
<b>Local Sources</b>		
Intangible Tax	\$ 1,000,000.00	\$ 1,000,000.00
Real Estate Transfer Tax	\$ 350,000.00	\$ 350,000.00
Tuition	\$ 25,000.00	\$ 25,000.00
Investment Earnings	\$ 15,000.00	\$ 600,000.00
Indirect Cost	\$ 200,000.00	\$ 200,000.00
Railroad Car Tax	\$ 35,000.00	\$ 35,000.00
Miscellaneous	\$ 300,000.00	\$ 300,000.00
<b>Other Sources</b>	\$ 20,000.00	\$ 20,000.00
<b>TOTAL REVENUES</b>	<b>\$ 249,749,356.35</b>	<b>\$ 264,343,833.00</b>
<b>EXPENDITURES</b>		
Salaries (1xx)	\$ 152,236,896.00	\$ 160,869,763.00
Employee Benefits (2xx)	\$ 70,877,098.86	\$ 74,020,530.00
Contracted Services (3xx)	\$ 12,269,130.36	\$ 12,622,796.00
Fuel, Utilities, & Communications (410, 530, 620)	\$ 7,280,500.00	\$ 7,276,600.00
Repair & Maintenance Activities (430, 432, 44x, 490)	\$ 2,566,942.00	\$ 2,930,268.00
Insurance (520)	\$ 725,000.00	\$ 700,000.00
Employee Travel Expense Reimbursement (580, 585)	\$ 585,945.00	\$ 644,967.00
Other Purchased Services (561,569, 592, 595)	\$ 247,565.00	\$ 240,565.00
Supplies (610, 611, 615, 642)	\$ 4,982,888.30	\$ 4,332,408.00
Software (612)	\$ 1,959,105.00	\$ 2,766,336.00
Computers & Computer Equipment (616)	\$ 2,078,321.00	\$ 2,263,000.00
Textbooks (640, 641)	\$ 360,000.00	\$ 361,000.00
Purchase or Construction of Buildings, Land, & Large Equipment (7xx)	\$ 2,145,373.00	\$ 465,000.00
Other Expenditures (810, 811, 812, 880, 890)	\$ 715,651.00	\$ 781,595.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 259,030,415.52</b>	<b>\$ 270,274,828.00</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ (9,281,059.17)</b>	<b>\$ (5,930,995.00)</b>
<b>TRANSFERS, OTHER SOURCES, OTHER USES</b>		
Incoming Transfers From Other Funds	\$ 553,140.00	\$ 57,304.00
Outgoing Transfers to Other Funds	\$ (11,500.00)	\$ (11,500.00)
<b>TOTAL TRANSFERS, OTHER SOURCES, &amp; OTHER USES</b>	<b>\$ 541,640.00</b>	<b>\$ 45,804.00</b>
<b>PROJECTED FUND BALANCE GAIN (USE)</b>	<b>\$ (8,739,419.17)</b>	<b>\$ (5,885,191.00)</b>
<b>PROJECTED BEGINNING FUND BALANCE 7/1/2019</b>	<b>\$ 34,905,210.22</b>	<b>\$ 34,500,000.00</b>
<b>PROJECTED ENDING FUND BALANCE 6/30/2020</b>	<b>\$ 26,165,791.05</b>	<b>\$ 28,614,809.00</b>

# Special Revenue Funds

## GRANT PROGRAMS

Hall County Schools receives funding from the Federal government, as well as funds from the State of Georgia, for categorical grants meant to address specific student needs. Grant programs are considered to be part of the District's primary operations, but expenditures for each program are restricted by State or Federal regulations to be used only for the specific purposes for which each grant is intended. As a result, the School District accounts for each program within its own special, respective fund. The School District currently maintains special revenue funds for the following major programs, respectively:

### **Title I, Improving the Academic Achievement of the Disadvantaged & Title I-A, School**

**Improvement Programs:** Title I is a part of the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act. This Act provides federal funds, through the Georgia Department of Education, to public schools with high percentages of students in poverty to help ensure that all children meet challenging State academic content and student academic achievement standards.

**Title I-C, Migrant Education Program:** The Migrant Education Program (MEP) is a federally-funded program designed to support comprehensive educational programs for migrant children to help reduce the educational disruption and other problems that result from repeated moves.

**Title II - Improving Teacher Quality Program:** The purpose of Title II is to increase student achievement consistent with State academic standards, to improve the quality and effectiveness of teachers and school leaders, to increase the number of teachers and school leaders who are effective in improving student academic achievement, and to provide low-income and minority students greater access to effective teachers.

**Title III, Immigrant & Title III, Limited English Proficient (LEP) Programs:** Grants are awarded through Title III to help ensure that English learners, including immigrant children, attain English proficiency and develop high levels of academic achievement in English.

**Title IV - Student Support & Academic Enrichment:** Grants awarded under Title IV are intended to improve academic achievement by increasing the capacity of schools to provide students with access to a well-rounded education, improve school conditions for student learning, and improve the use of technology and digital literacy in classrooms.

**Title VI-B, Special Education Flowthrough, Title VI-B, Special Education Pre-School, & IDEA Capacity Building Grants:** Grant funds awarded through Title VI-B and the Individuals with Disabilities Education Act (IDEA) are designated to allocate funds to assist school districts in providing quality, specialized educational and related services to meet the unique needs of children with disabilities.

**Career, Technical, and Agricultural Education (CTAE) Programs:** Funds awarded through CTAE programs are designated to integrate academic knowledge with technical and occupation skills to prepare students for post-secondary education and the workforce.

**National School Breakfast & Lunch Programs:** The National School Lunch and Breakfast Programs are federally assisted meal programs operating in public schools that provide nutritionally balanced, low-cost or free breakfasts and lunches to eligible children each school day.



**HALL COUNTY SCHOOLS  
BUDGET SUMMARY FOR SPECIAL REVENUE FUNDS BY PROGRAM  
FISCAL YEAR 2020**

Character. Competency. Rigor...For All

**SCHOOL YEAR 2019 - 2020**

	Title I Improving Academic Achievement		Title I-A School Improvement		Title I-C Migrant Education		Title II Improving Teacher Quality		Title III Immigrant		Title III Limited English Proficient		Title IV Student Support And Academic Enrichment	
REVENUES														
State Sources														
State Grants	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Federal Sources														
Federal Grants	\$	6,866,160.00	\$	126,000.00	\$	346,779.00	\$	701,912.00	\$	13,206.00	\$	775,366.00	\$	472,525.00
Local Sources														
Meal Sales	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
TOTAL REVENUES	\$	6,866,160.00	\$	126,000.00	\$	346,779.00	\$	701,912.00	\$	13,206.00	\$	775,366.00	\$	472,525.00
EXPENDITURES														
Instruction	\$	3,931,577.00	\$	110,000.00	\$	267,660.00	\$	-	\$	12,666.00	\$	144,234.00	\$	181,967.00
Pupil Support Services	\$	123,200.00	\$		\$	49,040.00	\$	-	\$	-	\$	68,371.00	\$	137,918.00
Improvement of Instruction	\$	-	\$	1,000.00	\$	-	\$	7,500.00	\$	-	\$	2,000.00	\$	-
Instructional Staff Training	\$	2,294,804.00	\$	15,000.00	\$	-	\$	674,130.00	\$	-	\$	519,538.00	\$	69,100.00
Educational Media Services	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Grant Administration	\$	238,836.00	\$	-	\$	-	\$	-	\$	-	\$	1,300.00	\$	4,860.00
General Administration	\$	177,843.00	\$	-	\$	9,379.00	\$	20,282.00	\$	540.00	\$	18,923.00	\$	14,280.00
School Administration	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Support Services - Business	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Maintenance & Operation of District Facilities	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Student Transportation	\$	99,900.00	\$	-	\$	20,700.00	\$	-	\$	-	\$	21,000.00	\$	64,400.00
Central Support Services	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Other Support Services	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
School Nutrition Operations	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
TOTAL EXPENDITURES	\$	6,866,160.00	\$	126,000.00	\$	346,779.00	\$	701,912.00	\$	13,206.00	\$	775,366.00	\$	472,525.00
EXCESS OF REVENUES OVER EXPENDITURES	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
BEGINNING FUND BALANCE JULY 1	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
ENDING FUND BALANCE JUNE 30	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-



**HALL COUNTY SCHOOLS  
BUDGET SUMMARY FOR SPECIAL REVENUE FUNDS BY PROGRAM CONT.  
FISCAL YEAR 2020**

Character. Competency. Rigor...For All

**SCHOOL YEAR 2019 - 2020**

	Special Education Title VI-B Flowthrough	Special Education Title VI-B Preschool	Navy Junior Reserve Officer Training Corps	Navy Junior Reserve Officer Training Corps	Pre-K Immersion And Summer Transition	Career Technical & Agricultural Education	School Nutrition
<b>REVENUES</b>							
<b>State Sources</b>							
State Grants	\$ -	\$ -	\$ -	\$ -	\$ 764,035.00	\$ -	\$ 382,888.00
<b>Federal Sources</b>							
Federal Grants	\$ 4,569,186.00	\$ 144,468.00	\$ 29,545.00	\$ 29,545.00	\$ 97,200.00	\$ 236,476.00	\$ 11,783,524.00
<b>Local Sources</b>							
Meal Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,279,030.00
<b>TOTAL REVENUES</b>	<b>\$ 4,569,186.00</b>	<b>\$ 144,468.00</b>	<b>\$ 29,545.00</b>	<b>\$ 29,545.00</b>	<b>\$ 861,235.00</b>	<b>\$ 236,476.00</b>	<b>\$ 14,445,442.00</b>
<b>EXPENDITURES</b>							
Instruction	\$ 2,019,987.00	\$ 85,010.00	\$ 29,545.00	\$ 29,545.00	\$ 842,723.00	\$ 224,801.00	\$ -
Pupil Support Services	\$ 1,176,698.00	\$ 59,273.00	\$ -	\$ -	\$ -	\$ -	\$ -
Improvement of Instruction	\$ 837,111.00	\$ -	\$ -	\$ -	\$ 5,970.00	\$ -	\$ -
Instructional Staff Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000.00	\$ -
Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
General Administration	\$ 70,615.00	\$ 185.00	\$ -	\$ -	\$ -	\$ 5,675.00	\$ -
School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services - Business	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance & Operation of District Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Student Transportation	\$ 360,740.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Central Support Services	\$ 104,035.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Support Services	\$ -	\$ -	\$ -	\$ -	\$ 12,542.00	\$ -	\$ -
School Nutrition Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,417,864.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,569,186.00</b>	<b>\$ 144,468.00</b>	<b>\$ 29,545.00</b>	<b>\$ 29,545.00</b>	<b>\$ 861,235.00</b>	<b>\$ 236,476.00</b>	<b>\$ 14,417,864.00</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,578.00</b>
<b>BEGINNING FUND BALANCE JULY 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,253,338.00</b>
<b>ENDING FUND BALANCE JUNE 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,280,916.00</b>

# Capital Projects Fund



**HALL COUNTY SCHOOLS**  
**BUDGET SUMMARY FOR THE CAPITAL PROJECTS FUND BY FUNCTION**  
**FOR THE FISCAL YEAR 2019 AND 2020**

Character. Competency. Rigor...For All

	Fiscal Year 2019 School Year 18/19 (Budgeted)	Fiscal Year 2020 School Year 19/20 (Budgeted)
<b>REVENUES</b>		
<b>State Sources</b>		
Georgia State Financing & Investment Commission (GSFIC)	\$ 1,396,220.00	\$ 425,632.00
<b>Local Sources</b>		
Education Special Purpose Local Option Sales Tax (ESPLOST)	\$ 22,800,000.00	\$ 24,000,000.00
<b>TOTAL REVENUES</b>	<b>\$ 24,196,220.00</b>	<b>\$ 24,425,632.00</b>
<b>EXPENDITURES</b>		
Instruction	\$ 4,576,000.00	\$ 4,576,000.00
Media Services	\$ 330,000.00	\$ -
Capital Outlay	\$ 9,443,000.00	\$ 5,189,163.00
<b>TOTAL EXPENDITURES</b>	<b>\$ 14,349,000.00</b>	<b>\$ 9,765,163.00</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ 9,847,220.00</b>	<b>\$ 14,660,469.00</b>
<b>TRANSFERS, OTHER SOURCES, OTHER USES</b>		
Incoming Transfers From Other Funds	\$ -	\$ -
Outgoing Transfers to Other Funds	\$ (10,396,200.00)	\$ (9,554,976.00)
<b>TOTAL TRANSFERS, OTHER SOURCES, &amp; OTHER USES</b>	<b>\$ (10,396,200.00)</b>	<b>\$ (9,554,976.00)</b>
<b>FUND BALANCE GAIN (USE)</b>	<b>\$ (548,980.00)</b>	<b>\$ 5,105,493.00</b>
<b>BEGINNING FUND BALANCE JULY 1</b>	<b>\$ 17,965,786.00</b>	<b>\$ 18,750,805.00</b>
<b>ENDING FUND BALANCE JUNE 30</b>	<b>\$ 17,416,806.00</b>	<b>\$ 23,856,298.00</b>

## CAPITAL PROJECTS

The capital projects fund accounts for resources and outflows that are restricted for capital outlay expenditures, such as the construction of schools, facilities, and other capital assets required for the instruction and support of students. The School District's capital outlay needs are primarily supported by funds generated from the Education Special Purpose Local Option Sales Tax (EPLOST), but reimbursements of some construction costs are also received through the Georgia State Financing and Investment Commission (GSFIC).

### EDUCATION SPECIAL PURPOSE LOCAL OPTION SALES TAX (ESPLOST)

The Education Special Purpose Local Option Sales Tax (ESPLOST) is a one percent sales tax imposed on all retail sales within the bounds of Hall County. In November 1996, Georgia voters approved an amendment to the Constitution of the State of Georgia allowing local boards of education to call for a referendum to approve a one percent sales tax on retail sales. The first ESPLOST referendum for Hall County was approved by the citizens of Hall County in a county-wide vote cast on June 17, 1997, with collections commencing that same year. ESPLOST resolutions are developed jointly by Hall County Schools, Gainesville City Schools, and Buford City Schools and are split between the three school districts according to Full Time Equivalent (FTE) student enrollment.



The ESPLOST tax must be renewed through a county-wide referendum every five years. Most recently, Hall County voters approved the fifth iteration of the ESPLOST sales tax in 2016, with collections commencing in November 2017.

Proceeds generated from ESPLOST collections are restricted by Georgia law and must be used solely for the construction, renovation, and purchase of land, capital equipment, and capital facilities for the District, or to repay any long term debt issued to construct or purchase those properties and facilities. Proceeds cannot be used for the general operating costs of the District, such as teacher salaries and benefits, utilities, supplies, or other day-to-day operating costs.



ESPLOST provides a significant benefit for the boys and girls of Hall County, by providing the School District with the means to build modern, effective, and safe facilities for our students, while reducing the need to divert funds from the District's primary operations to pay for the construction and renovation of those facilities.

ESPLOST also provides advantages for the citizens of Hall County, as the ESPLOST sales tax also applies to sales of those who visit, shop, and dine within Hall County, thus

spreading part of the costs to construct these facilities away from Hall County citizens, to individuals who live outside of the County. Prior to the passage of ESPLOST, the primary method available to school districts in the State of Georgia for the construction of schools and facilities was to issue general obligation bonds over 20 or 30 year periods, and to pass a separate millage rate from their general maintenance & operation millage rate, solely for the purpose of servicing those bonds. ESPLOST significantly reduces the need for school districts to rely on this method to finance construction projects, and has resulted in significant tax savings for property owners within Hall County.

## LONG TERM FACILITIES PLANNING

Hall County Schools maintains a long term facilities plan that is aligned with the District's strategic goal to provide safe, modern, and quality facilities with innovative technology to facilitate the learning process for our boys and girls. The District achieves this goal by working to make the best possible use of existing space while also periodically reviewing factors that drive the need for new construction or renovation of its facilities, including student enrollment projections, age and condition of current facilities, student safety and security, the changing technological landscape and its impact on learning, and the types of educational spaces needed to prepare students for the modern work force.

As part of its long term planning strategy, the School District has identified the following long term goals and projects, to be executed over a 10 year period, as high priority needs over the next several years:



### **To Be Completed by January 1, 2025:**

- Construction of a separate facility to house Cherokee Bluff Middle School, currently anticipated to cost approximately \$38 million.
- Construction of performing arts centers at West Hall High School and Johnson High School, estimated to cost approximately \$18 million.
- Replacement of 2 – 3 older elementary schools with two new elementary schools at an anticipated cost of approximately \$50 million.
- Construction of visitor seating at high schools, where necessary, and renovation of existing athletic fields and facilities, anticipated to cost approximately \$4 million.
- Construction of a central warehousing facility and a satellite transportation service center, estimated to cost approximately \$8 million.

### **To Be Completed by January 1, 2030:**

- Replacement of an additional 2 – 3 older elementary schools with two new elementary schools at an anticipated cost of approximately \$50 million.

To finance the construction of these facilities, the District anticipates using a combination of E-SPLOST funding and proceeds from the issuance of general obligation bonds of approximately \$170 million, to be



split between two bond issuances of approximately \$120 million and \$50 million in 2021 and 2024, respectively. The repayment of these bonds will occur over a 20 year period through a millage rate for debt service, with a planned, corresponding decrease in the maintenance and operations millage rate to offset the increase resulting from the passage of a debt service millage rate.

# Debt Service Fund



**HALL COUNTY SCHOOLS  
BUDGET SUMMARY FOR THE DEBT SERVICE FUND BY FUNCTION  
FOR THE FISCAL YEAR 2019 AND 2020**

Character. Competency. Rigor...For All

	<b>Fiscal Year 2019 School Year 18/19 (Budgeted)</b>	<b>Fiscal Year 2020 School Year 19/20 (Budgeted)</b>
<b>EXPENDITURES</b>		
Principal Payments	\$ 8,545,161.36	\$ 8,485,161.36
Interest Payments	\$ 1,309,398.64	\$ 1,024,010.64
Bank Fees	\$ -	\$ -
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,854,560.00</b>	<b>\$ 9,509,172.00</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>\$ (9,854,560.00)</b>	<b>\$ (9,509,172.00)</b>
<b>TRANSFERS, OTHER SOURCES, OTHER USES</b>		
Incoming Transfers From Other Funds	\$ 9,854,560.00	\$ 9,509,172.00
Outgoing Transfers to Other Funds	\$ -	\$ -
<b>TOTAL TRANSFERS, OTHER SOURCES, &amp; OTHER USES</b>	<b>\$ 9,854,560.00</b>	<b>\$ 9,509,172.00</b>
<b>FUND BALANCE GAIN (USE)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>BEGINNING FUND BALANCE JULY 1</b>	<b>\$ 562.00</b>	<b>\$ 562.00</b>
<b>ENDING FUND BALANCE JUNE 30</b>	<b>\$ <u>562.00</u></b>	<b>\$ <u>562.00</u></b>

## Long Term Obligations

The debt service fund accounts for financial resources that are restricted, primarily for the payment of principal and interest on the School District's long-term obligations. Hall County Schools uses long term obligations to finance the construction and equipping of its schools and facilities as part of its comprehensive facilities plan. The School District's long term obligations are primarily supported with proceeds from the Education Special Purpose Local Option Sales Tax (ESPLOST), earnings on deposits, and interest subsidies received from the Federal government. The School District recognizes that there is a balance that must be maintained between meeting the demand for modern, safe, and effective schools while also ensuring that the amount of debt used to build and maintain those schools does not hinder the District's ability to provide quality services to our students or substantially shift the burden for payment of these debts to our citizens, either now or in the future.



Over the next several years, the School District is scheduled to make the following payments in support of its outstanding obligations:

Debt Service Payment Schedule										
Series Name:	Series 2016		Series 2017		Series 2018		QZAB		QSCB	
Fund Source:	ESPLOST V		ESPLOST V		ESPLOST V		ESPLOST V		SPLOST III, IV, V	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	1,910,000.00	117,725.00	1,910,000.00	119,110.00	4,345,000.00	775,675.00	145,995.90	-	174,165.46	156,000.00
2021	1,950,000.00	84,915.00	1,950,000.00	85,914.00	4,565,000.00	576,775.00	145,995.90	-	174,165.46	156,000.00
2022	1,990,000.00	51,425.00	1,990,000.00	52,030.00	4,745,000.00	367,875.00	145,995.90	-	174,165.46	156,000.00
2023	2,030,000.00	17,255.00	2,030,000.00	17,458.00	4,985,000.00	124,625.00	145,995.90	-	174,165.46	156,000.00
2024	-	-	-	-	-	-	-	-	174,165.46	156,000.00
2025	-	-	-	-	-	-	-	-	174,165.46	156,000.00
2026	-	-	-	-	-	-	-	-	174,165.46	156,000.00
2027	-	-	-	-	-	-	-	-	174,165.46	156,000.00
2028	-	-	-	-	-	-	-	-	174,165.46	156,000.00
<b>Total</b>	<b>7,880,000.00</b>	<b>271,320.00</b>	<b>7,880,000.00</b>	<b>274,512.00</b>	<b>18,640,000.00</b>	<b>1,844,950.00</b>	<b>583,983.60</b>	<b>-</b>	<b>1,567,489.14</b>	<b>1,404,000.00</b>

# Appendix

## GLOSSARY OF TERMS

**E-SPLOST:** The Educational Special Purpose Local Option Sales Tax is a 1% sales tax levied on all sales within Hall County. Proceeds generated from ESPLOST collections are restricted by Georgia law and must be used solely for the construction, renovation, and purchase of land, capital equipment, and capital facilities for the District, or to repay any long term debt issued to construct or purchase those properties and facilities. Funds can't be used for general operations of the district or general maintenance.

**Fiscal Year:** The 12 month period to which the annual operating budget applies and at the end of which the District determines its financial position and the results of its operations. The School District's fiscal year begins on July 1<sup>st</sup> and ends on June 30<sup>th</sup>, corresponding with the annual school year. As such, the fiscal year 2020 budget indicates the planned financial expenditures and estimated funding sources for the 2019 – 2020 school year.

**FTE:** A Full Time Equivalent is a measure of enrollment and the educational services provided by a school district. To calculate an FTE, each school day is divided into six equal instructional segments, and a student is counted as an FTE for each set of six instructional segments in which they are enrolled in an instructional program. A student enrolled in instructional programs at their school for a full school day (Six segments) would be considered one FTE. A student enrolled in instructional programs at their school for half (Three segments) of a school day would be considered one half of an FTE.

**Fund:** A fiscal and accounting entity with a self-balancing set of accounts recording certain assets, related liabilities and residual equities or balances, and changes in them, which are segregated for specific activities or to meet certain legal or administrative restrictions.

**Function:** A type of expenditure classification according to the principal purposes for which expenditures are made.

**GSFIC:** The Georgia State Financing and Investment Commission is a state organization that provides financial and construction management services to state organizations and school districts.

**Millage Rate:** Rate used in calculating taxes based upon the value of property. One mill is equal to a tax levy of \$1 for every \$1,000 of assessed value on a home.

**Object:** A type of expenditure classification according to the types of items purchased or services obtained.

**QBE:** The Quality Basic Education formula is the primary means by which the State of Georgia allocates funding to school districts within the State. The State of Georgia allocates these funds based on FTE count, program weights, a base cost per student, a training and experience factor, and a local share that school districts are expected to provide.

**SHBP:** The State Health Benefit Plan is a health insurance coverage plan offered to teachers and public school employees through the State of Georgia.

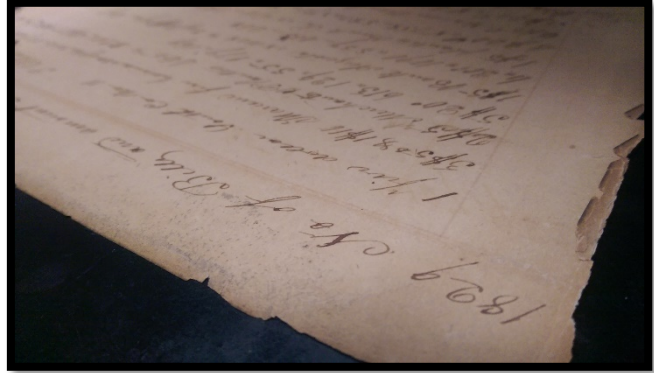
**Tax Digest:** The official list containing the legal description of each parcel of property in Hall County and its assessed valuation.

**TRS:** The Teachers Retirement System of Georgia is a defined benefit pension plan provided to all teachers and some school district support personnel within the State of Georgia.

## HISTORY OF HALL COUNTY SCHOOLS

Since the very beginning of Hall County's history, schools have played a significant role, not only by acting as centers of learning, but by bringing communities together and by serving as the focal point for many of the local traditions, stories, rivalries, gatherings, and "politickings" of the County.

The development of education in Hall County is intertwined with the development of education in the State of Georgia, and yet, throughout these years, schools in Hall County, Buford, and the City of Gainesville have all developed their own, unique identities: imprints that reflect the communities they each serve, as well as the hardy, friendly, and occasionally cantankerous folk who call the "Valleys of Hall" home.



The earliest beginnings of education in Hall County were established by the State of Georgia. The Georgia Constitution of 1777 was the first state constitution to specifically provide for a system of public education at the State's expense. Soon after the end of the Revolutionary War, the State of Georgia initially began to act on its commitment, by authorizing up to 1,000 acres of land in each county for the purpose of constructing academies of learning. These academies received limited State support through a fund known as the Academic Fund, designated by the Georgia General Assembly. As a result, the Hall County Academy of Learning was established in 1821, in Gainesville, only a few years after the creation of Hall County.

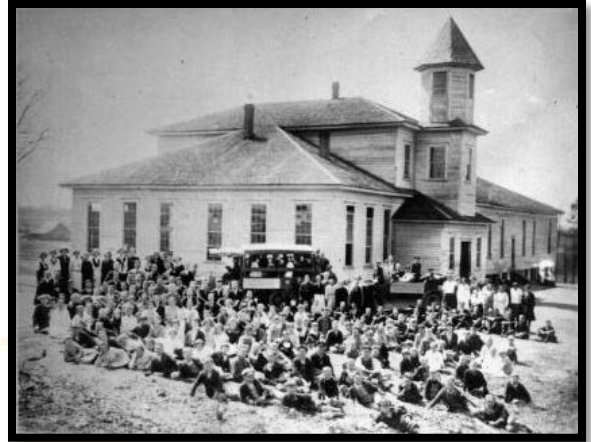
However, while the academies in each county represented a concerted effort to prioritize educational access to the public, a tuition fee was required to attend each school, a costly, out of reach expense for Georgia's poor, mainly agrarian, families, including most of the newly settled families in Hall County.

Some counties and communities responded to the lack of access for poor families by building one room schoolhouses in fallow fields. These schools eventually became known as the old field schools. In response to the disparity of access, the State created the Poor Schools Fund in 1822, meant to provide free educational services to the poor citizens in each county. With growing cries related to the disparity between the education provided by the Poor Schools Fund and the Academic Fund, the State merged the two funds into a single Common School Fund in 1837. However, support for the Common Fund collapsed in 1837, and the State reverted to the original system of education authorized under the Poor Schools Fund. The Academic Fund was not reinstated, as the academies were mainly able to support themselves through their tuition fees.

Major changes to create an institutionalized system of public education in Georgia would not occur until Reconstruction. With the rise of mill towns and manufacturing jobs during the Reconstruction era, including cotton mills in the Gainesville area, many local communities recognized the need for a formal education system to prepare students for the jobs of the day. The Georgia Constitution of 1868, therefore, included provisions for a comprehensive system of public education in Georgia. Furthermore, in 1870, several acts of the General Assembly were passed in support of education, including acts for the creation and establishment of boards of education in each county. The Hall County Board of Education was born shortly thereafter, on February 7<sup>th</sup>, 1871. Its first act establishing Mr. Moses Brian as President.

While the Board of Education was established, it did not have any great legal authority over education in Hall County. Schools in Hall County each had their own Board of Trustees, made up of members of each community, who decided which teachers to hire and their rate of pay, what textbooks were purchased, and what subjects were taught. As the State and each school district grew around the turn of the 20<sup>th</sup> century, many of the community schoolhouses began to join together into local school districts, such as the Gillsville Consolidated School District, the Tadmore Consolidated School District and the Lula-Belton Consolidated School District, to maximize resources and to allow them to build bigger, more efficient schools for the boys and girls in their communities. The Board of Trustees in each of these local districts continued to act as the main authority for each of these local districts.

Educational reform in Georgia continued, and, in 1905, the McMichael Bill was passed by the General Assembly, establishing a system of property taxes to fund education in each county and requiring that each county be divided into districts. The Hall County Board of Education, at this point, began to act primarily as a taxing authority to remit funds to schools. In 1919, the State passed the Barrett-Rogers Act, which provided funds to allow rural schools and school districts, including many in Hall County, to consolidate into larger schools and districts. This wave of consolidation culminated with the passage of the Georgia Constitution of 1945, which fully



established school district bounds as being within each county, and established that the board of education should be the central educational authority in each county, fully establishing Hall County Schools into the organization as we know it today. Independent school districts and schoolhouses already existing and operating at the time, such as consolidated districts in Gainesville and Buford, were grandfathered into the new system and were granted the authority to continue operating as independent school districts, sparking a small, friendly, competitive spirit between these districts that continues to this day.

However, while the State had now fully established a formal system for education, a large number of students in Hall County were still disenfranchised from an equal educational opportunity. Since the first days of educational development, African American students were not provided the same opportunities as other students. Prior to the Civil War, African Americans were not allowed to attend school in Georgia, and, even after the Civil War, African American students did not have the same opportunities as their white counterparts. School districts were separated in a form of disenfranchisement, known as segregation, in which African American students could not attend the same schools as white students. African American schools were not funded at the same levels as schools for white students. This would change in 1954, with the landmark decision of Brown V. Board of Education, in which segregation in public schools was deemed unconstitutional. While it would still take many years for its schools to be integrated, the Supreme Court's decision marked the beginning of the end for segregation in Hall County's schools, ensuring that all students in Hall County had access to an equal education.

Today, Hall County Schools continues to build upon the educational foundations established in those early years. A copy of the district's general ledger from 1900 shows that it has grown from 5,582 to nearly 28,000 children in the 120 years since the count was penned. In the years to come, Hall County Schools will continue to strive to be the "The Most Caring Place on Earth," through its mission of "Character. Competency, and Rigor" for all of the boys and girls of Hall County.