Georgia Budget & Policy Institute
Claire Suggs, Senior Education Policy Analyst
November 11, 2013
Who We Are

- State policy think tank
- Nonprofit
- Non-partisan
- Founded in 2004
Our Policy Area Focus

- Taxes
- Budget
- Education
- Health Care
- Economic Security
- Economic Development
Our work isn’t about the numbers…

It’s telling the story of people using numbers.
Since 2002 in Cobb County:

- State funding per student has declined 16.9 percent
- The number of students has grown 11 percent
- The percent of economically disadvantaged students has grown more than 21 percentage points
Shifting responsibility for K-12 funding: Georgia

Source: Georgia Department of Education and GBPI research
Shifting responsibility for K-12 funding: Cobb

Cobb County:
Funding sources for K-12 education, FY2002

- State: 50%
- Local: 47%
- Federal: 3%

Cobb County:
Funding sources for K-12 education, FY2012

- State: 45%
- Local: 49%
- Federal: 6%

SOURCE: Georgia Department of Education and GBPI research
K-12 Formula Underfunded by $1 Billion
Austerity Cuts in Cobb County

- QBE austerity cut is $65,900,761 for fiscal year 2014.
- QBE austerity cut per student is $599.
- Cumulative austerity cut is $491,296,767 since 2002.
Between 2008 and 2012 in Cobb County:

- Tax digest fell 17.8 percent between 2008 and 2012.
- Local revenue per student fell by 12.3 percent.
Impact of Funding Losses

- Cut the school calendar to 175 days
- Increase class size
- Eliminate 1,380 teaching positions since 2009
- Eliminate 113 instructional support positions since 2009
- Cut central office staff
- Rely on reserve funds
Revenues Return to 2007 Levels

General and Motor Fuel Funds 2007-2014 Fiscal Years

FY 2007: $18.8 billion
FY 2008: $18.7 billion
FY 2009: $16.8 billion
FY 2010: $15.2 billion
FY 2011: $16.6 billion
FY 2012: $17.3 billion
FY 2013*: $18.3 billion
FY 2014**: $18.8 billion
Drivers of Budget Growth

- K-12 and University System Formula Growth: $210 Million
- Medicaid and PeachCare Growth: $109 Million
- Teacher and Employees Retirement: $127 Million
- Systems Contributions Debt Services: $42 Million
- K-12 Education Equalization: $38 Million
- Department of Justice Settlement Agreement: $35 Million
Most Georgia Spending is for Education

Georgia’s Fiscal Year 2014 Budget: $18.8 Billion
Health Care is 2nd Largest Budget Expense

Georgia’s Fiscal Year 2014 Budget: $18.8 Billion
Many Services in Smaller Category “Other”

Georgia’s Fiscal Year 2014 Budget: $18.8 Billion
State Spending for “Other” Services

- Public Safety: 9.2%
- Debt Services: 6.4%
- Transportation: 4.3%
- General Gov: 3.9%
- Human Services: 2.6%
- Judicial Branch: 0.9%
- Legislative Branch: 0.4%
State Savings Depleted During Recession

- **2002**: $723 M ($723 million), 18 days of reserves
- **2008**: $1.54 B ($1.54 billion), 29 days of reserves
- **2010**: $103 M ($103 million), 2 days of reserves
- **2013**: 7.6 days of reserves, $378 M ($378 million)

Days of reserves:
- 2002: 18
- 2008: 29
- 2013: 7.6
- 2010: 2
LET’S STAY CONNECTED

Please sign up for our electronic email alerts on our website, like us on Facebook and follow us on Twitter.

Claire Suggs, Senior Policy Analyst
csuggs@gbpi.org

www.gbpi.org