

The Schoolhouse Squeeze

State Cuts, Plunging Property Values Pinch School Districts

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Report Summary

School districts across Georgia are relentlessly pressed by ongoing cuts in state funding and simultaneous declines in property values. “The Schoolhouse Squeeze,” a new report from the Georgia Budget and Policy Institute, takes a fresh look at the convergence of shrinking state financial support and declining local tax bases that leave most of Georgia’s school districts in a money crunch.

To connect the dots:

- The report documents persistent underfunding of the state’s Quality Basic Education (QBE) formula, Georgia’s primary mechanism to provide state money to districts. If the Legislature fully funded education in line with the state QBE formula, districts would get an average of \$633 more per student during the current school year.
- It says property values dropped by an average of about 15 percent from 2008 to 2012 in districts across Georgia. To offset the decrease, 121 districts raised property tax rates during this period.

The districts are feeling the brunt of the financial squeeze as they implement new strategies to strengthen instruction and improve student learning. Meanwhile, the proportion of economically disadvantaged students in Georgia has reached 60 percent, an increase of 15 percent since 2002. Disadvantaged students typically need more resources to achieve academic success.

The following summaries of three districts sampled from the 180 in the report illustrate the financial fallout documented in “The Schoolhouse Squeeze,” as well as report a few ways districts are coping.

- Charlton County serves 1,591 students. About 79 percent of students are economically disadvantaged. Fully funding the state’s QBE formula would send \$685 more per student to Charlton this year. The value of taxable property fell by almost 10 percent in Charlton from 2002 to 2012. Charlton is coping with the squeeze through increased class sizes, a shortened school calendar and reduced programs for struggling students.
- Hall County serves 27,351 children. Sixty-one percent are economically disadvantaged. Fully funding the state’s QBE formula would send \$644 more per student to Hall this year. The value of taxable property fell nearly 17 percent in Hall from 2008 to 2012. The squeeze prompted Hall schools this year to furlough teachers, increase class sizes and cut the school calendar to 176 days from the standard 180.
- Whitfield County serves 13,443 students. Seventy-two percent are economically disadvantaged. Fully funding the state’s QBE formula would send \$728 more per student to Whitfield this year. The value of taxable property fell by over 18 percent in Whitfield from 2008 to 2012. The squeeze prompted Whitfield schools to increase class sizes, furlough teachers and cut the school calendar to 175 days instead of the 180 standard.

Detailed financial data is available for each Georgia school district at www.gbpi.org