

Board Balances Budget with Millage Rate Reduction

At the May 19, 2022 School Board meeting, CCSD Superintendent Dr. Brian V. Hightower presented the Board of Education with a proposed total budget of \$706 Million in expenditures for the 2022-23 school year. The General Fund (day-to-day operations) budget is projected at \$471 Million.

To balance anticipated increases in property assessments, which are used to determine a homeowner's tax bill, the budget includes a reduction in the property tax rate of 1.5 mills. The budget, while offering a break in the tax rate, still provides room to increase compensation for teachers and support staff and additional teaching and student support positions (see budget highlights, p. 4)

"I believe this budget strikes a balance in providing much deserved increased compensation and supports for our teachers and staff, as well as offering taxpayers a break on their tax bills later this year," said Dr. Hightower. "We are also confident that adding support staff for students, such as additional counselors, nurses, school psychologists and behavioral and student success coaches, will help give students and families assistance where it is much needed."

The budget, which was developed over the course of six months by Chief Financial Officer Kenneth Owen and a budget ad hoc committee of staff, begins annually with School Board Members establishing funding priorities for the District. These priorities can be found on [page 13 of the budget](#).

The 2022-23 budget marks a continued approach to utilizing more of a "pay-as-you-go" approach to Education SPLOST (Special Purpose Local Option Sales Tax) funds as opposed to bonding most capital outlay expenditures. Bonds will still have to be sold for large construction projects.

The School Board tabled the budget for a 30-day public review and will hold three public hearings for input, with formal adoption at its meeting June 16.

2022 MILLAGE RATE ADJUSTMENT

	2021-22	2022-23
M&O RATE	18.20	16.45
BOND RATE	1.25	1.50
TOTAL	19.45	17.95

OVERALL 1.5 MILL **REDUCTION** IN TAX RATE

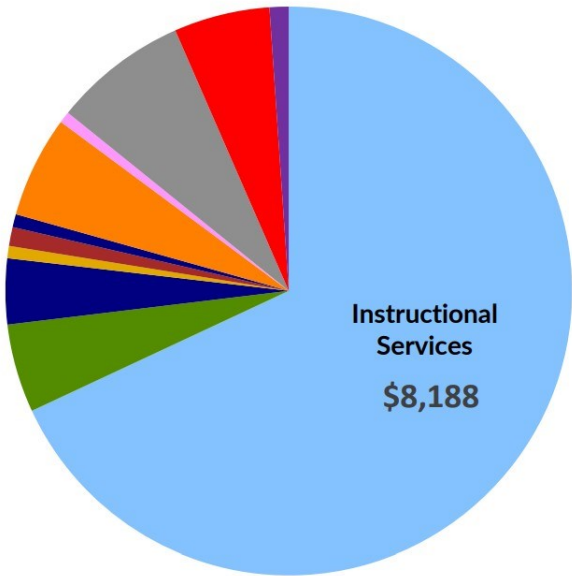
Series 2012 Bonds Paid Off Early, Saving Millions

Due to CCSD efforts over the past six years to pay down construction debt earlier and faster, the School Board in April voted to pay off bonds issued in 2012 for school construction **11 years earlier than required**, which will save taxpayers \$7.8 Million in future interest payments and reduce CCSD's construction debt by \$29.4 Million.

This early payoff, which was the first ever for CCSD, was accomplished both through previously shifting 1.25 of property tax mills from daily operating costs to debt service in small increments over several budget years, coupled with higher than projected sales tax collections. These combined actions allow the District to avoid borrowing (and the associated interest payments) and improve its credit rating.

CCSD hit another fiscal responsibility milestone in 2021 when the District no longer needed to issue a Tax Anticipation Note (TAN) in order to bridge revenues until local property taxes were received, generating more interest savings. TANs had been used annually since 1996.

OPERATIONAL EXPENDITURES PER STUDENT: FY2023



Instructional Services (68.1%)	\$ 8,188
Pupil Services (5%)	606
Improvement of Instructional Services (3.7%)	449
Instructional Staff Training (.7%)	84
Educational Media Services (1.1%)	129
General Administration (.7%)	89
School Administration (5.8%)	696
Support Services-Business (.6%)	78
Maintenance & Operation of Plant Services (7.7%)	922
Student Transportation Services (5.5%)	658
Support Services-Central (1.1%)	131
Average Cost per Student	\$ 12,030

Based upon anticipated student enrollment of 41,998

School District Tax Rate: the Millage Rate Explained

MILLAGE RATE BREAKDOWN	Tentative 2022-23 Millage Rates
State of Georgia Required Local Effort Quality Basic Education	5.3
Assessment by County Government for Reimbursement of Tax Collection Costs (2.10%)	0.35
CCSD Maintenance & Operation	10.8
Debt Service	1.5
TOTAL MILLAGE	17.95

The millage rate, which in conjunction with the assessed value of property, determines the overall tax bill for the owner, is set annually by each governing body in the county. The Cherokee County School Board this year will lower its overall millage rate.

The 5.3 mills sent to the State (“local fair share”) as part of the Quality Basic Education Act (QBE) formula funding for Cherokee County this year represents \$61.6 Million of local property tax money that will become part of the State’s “Equalization” allocation. Cherokee County is not eligible to receive equalization dollars, making CCSD one of the “donor” districts in the state.

ANTICIPATED REVENUE FY2023

TOTAL STATE REVENUE
\$244.3 MILLION
 TOTAL LOCAL REVENUE
\$321.0 MILLION
 TOTAL FEDERAL REVENUE
\$43.5 MILLION



CCSD is GA's 9th largest school district and Cherokee County's largest employer

CCSD STAFFING 2022-23

- Includes federally funded positions*
5,205 Full-time employees
- 2,981 Certified teachers
 - 1,228 Non-instructional support staff
 - 789 Instructional support staff
 - 207 School administrators
- 1,200 Part-time employees**

Note: Detailed information about the CCSD budget and past financial audits can be reviewed on the [Open CCSD webpage](#)

CCSD Keeps Administrative Costs Among Lowest in GA

The Cherokee County School District continues to rank among the lowest 10% in the state when it comes to per pupil spending on general administrative costs. CCSD's rate for FY2021 of \$146 per student is 76% below the state average of \$257 per student and third lowest in Metro Atlanta. CCSD also compares well on school-based administrative costs, where it sits in the bottom third among Georgia school districts for spending. Where does CCSD rank highly for spending? Instruction! CCSD spends more per student on Instruction than 75% of other Georgia districts.

2021 GENERAL ADMIN COSTS PER STUDENT

CHEROKEE COUNTY	\$146
CHEROKEE CHARTER	\$454
CLAYTON	\$229
COBB COUNTY	\$195
DEKALB COUNTY	\$547
DOUGLAS COUNTY	\$156
FAYETTE COUNTY	\$175
FORSYTH COUNTY	\$ 81
FULTON COUNTY	\$256
GWINNETT COUNTY	\$202
HENRY COUNTY	\$113
ROCKDALE COUNTY	\$310

Source: GOSA

Salary Adjustments Total \$27.6 Million in 2022-23 Budget


The proposed budget includes almost \$28 Million in employee pay increases for teachers, support staff and part-time workers.

All CCSD teachers will receive the Governor's promised \$2,000 pay increase in the State portion of the salary schedule, as well as any annual step increase for which they are eligible. The salary schedule also underwent revisions and will reflect an additional \$2.5 Million in adjustments at various step levels. Non-teachers in full-time positions will receive a 2% cost of living adjustment and any annual step increase, as eligible.

In the proposed budget, CCSD makes pay increases on 14 hourly positions permanent (substitutes, ASP workers, lunchroom monitors, tutors, etc.), while making additional adjustments to the teacher salary scale.

CCSD's Human Resources Division conducts regular compensation study adjustments to ensure that CCSD salaries are competitive and enable the District to attract and retain top quality employees.

FISCAL NOTES

- A starting CCSD teacher with a Bachelor's degree will make \$49,000 annually in 2022-23. 
- The Cherokee County Board of Education has maintained a balanced operating budget with no increase in the local tax rate in the last 12 years— and a reduced rate in FY2023.
- The last nine CCSD external audits have been "clean" with NO findings.
- The FY2023 Budget will benefit from a fully funded State Education budget, with no "austerity reductions" being passed along to local school districts!
- 68% of the General Fund/Operating Budget is appropriated directly to School Instruction. 91% of the remaining funds are allocated to direct student support.
- Cherokee County seniors (age 62+) are eligible to exempt school taxes on the first \$446,700 value of their home.

Ed SPLOST Update

Thank you to Cherokee County voters who approved the extension of the Ed SPLOST penny last November to fund much needed construction and renovations for schools. The extension passed with 75% approval from voters!

Anticipated construction start dates for key projects include the following:

- Cherokee High School Replacement: Dec 2022
- Free Home ES Replacement: March 2023
- Creekland MS Addition: Nov 2022
- Creekview HS Addition/Auxiliary Gym: Nov 2022
- Etowah HS Athletic Improvements Phase II: April 2024
- River Ridge HS Auxiliary Gym: April 2025
- Oak Grove ES Renovation: Sept 2025

Construction project updates are part of each School Board meeting agenda, and a Five-Year Facility Plan with timelines for all projects can be viewed on the website under [Support Services](#).

Some of the non-construction items that will be paid for with Ed SPLOST funds— without utilizing bonds— this year include the continued replacement of existing lighting with more cost efficient LED lighting; replacing outdated “smartboards” in classrooms with interactive flat panels; construction of the aviation lab for C3 Academy; updating the Family and Consumer Science lab at Sequoyah HS; additional/replacement computers and devices for students and staff; and \$7.5 Million worth of maintenance and renovation throughout the District’s 40 school campuses.



Up to 30 new school buses will be purchased with General Operating Funds for 2022-23.



BUDGET HIGHLIGHTS

- Provide annual longevity-step increases for all eligible employees;
- In addition to the Governor’s \$2,000 per year per teacher salary increase, provide enhancements to the Teacher Salary Schedule to provide higher starting teacher pay and larger step increases in the middle years;
- Provide a 2% cost of living adjustment for all eligible classified staff;
- Allocate up to 121 additional teacher allotments to provide supplemental learning opportunities for students;
- Allocate up to 67 additional teacher allotments to address student population growth in specific areas, such as Career, Technical and Agriculture Education (CTAE), Early Intervention and English for Speakers of Other Languages (ESOL) programs;
- Allocate three additional Speech Language Pathologists to provide services to students;
- Allocate three new Behavioral Coaches, two additional School Nurses, four additional School Psychologists and one additional Social Worker to support students in need of those services;
- Allocate four new Digital Learning Curriculum Designers to develop blended learning tools and training for classroom teachers;
- Allocate six new High School Student Success Coaches to identify students in need of additional assistance and/or guidance in meeting graduation requirements;
- Allocate seven additional Middle School Counselors to assist in meeting the needs of students; and,
- Continue to strategically utilize the limited “pay-as-you-go” model for funding technology, infrastructure and other capital outlay items using current Special Purpose Local Option Sales Tax for Education (Ed-SPLOST) collections.