

# FINANCIAL FACTS

## 2024-25 Budget Grants Raises, Holds Tax Rate Steady

Improving employee compensation so that Cherokee County School District students and families benefit from the best professionals in public education is the focus for the Superintendent's recommended budget, which has been balanced without the need for a millage rate increase despite the loss of \$17 million in American Rescue Plan federal funding.

Superintendent of Schools Mary Elizabeth Davis at the May 16, 2024 School Board meeting presented the recommended total budget of \$923 million, which encompasses new school construction (including the replacement Cherokee High School) and debt service. The general fund (day-to-day operations) budget is \$597 million.

The School Board tabled the budget for a 30-day public review and will hold three public hearings for input, with formal adoption planned at its June 20 meeting.

**As CCSD strives to be a competitive employer in the region attracting and retaining excellent talent, the budget includes state-approved raises and an extension of those raises to eligible employees, as well as longevity step salary increases for eligible employees.**

This totals an investment of \$17.3 million to provide these raises to all teachers and certified staff and \$2.5 million to provide these raises to all support staff, such as bus drivers, School Nutrition employees, front office.

Dr. Davis at the School Board meeting also announced her Key Priorities for next school year, which are posted on the CCSD website, including a realignment of resources and a series of investment evaluations.

The recommended budget is based on sustainable investments aligned with those priorities including:

- A realigned, position-neutral organizational chart;
- American Rescue Plan (ARP) funded district positions will be ingested into this chart;
- 118 school-based, kindergarten paraprofessionals and four police officers, currently funded by ARP, will be budgeted for from the general fund. All other school-based ARP positions will be discontinued after the end of this school year; and,
- 215 school-based custodian positions have been added into the organization and budgeted from the general fund.

In addition to the loss of ARP federal funding for next school year, CCSD also faces new expenditure strains due to increasing costs for employee benefits.

The Governor's budget increased CCSD's contribution as an employer to the State Health Benefit Plan (for all 5,400 CCSD employees who participate) totaling an increase for CCSD of \$2.8 million, as well as CCSD's contribution as an employer to the Teacher Retirement System by 4% (for all 3,000 certified CCSD employees) totaling an increase for CCSD of \$2.2 million.

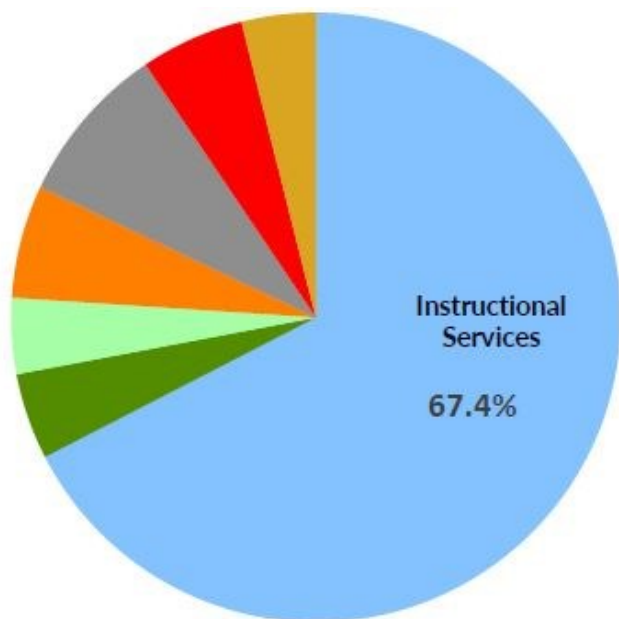
The need for a realignment of resources and a series of investment evaluations is especially pressing due to two funding strains.

State legislation was approved earlier this year to eliminate the current exemption cap for seniors in Cherokee County age 62 and older; this measure ap-

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# OPERATIONAL EXPENDITURES: FY2025

Instructional Services (67.4%)	\$ 395,034,393
Pupil Services (4.6%)	26,831,506
Imp. of Instructional Services (4.0%)	23,570,187
School Administration (6.0%)	35,164,383
Maintenance & Operation of Plant Services (8.5%)	49,894,990
Student Transportation Svcs. (5.5%)	32,323,494
Other (4.0%)	22,989,143
<b>TOTAL</b>	<b>\$ 585,808,096</b>



**Other** includes: Educational Media Services, General Admin., Support Services-Business, Support Services-Central, Instructional Staff Training, and School Nutrition Program

Based upon anticipated student enrollment of 42,116

## ANTICIPATED REVENUE FY2025

TOTAL STATE REVENUE

**\$ 289.7 MILLION**

TOTAL LOCAL REVENUE

**\$400.6 MILLION**

TOTAL FEDERAL REVENUE

**\$ 31.8 MILLION**



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

## CCSD STAFFING 2024-25

**5,530 Employees**

- 2,902 Certified teachers
- 1,413 Non-instructional support staff
- 1,010 Instructional support staff
- 205 School administrators

## School District Tax Rate: the Millage Rate Explained

MILLAGE RATE BREAKDOWN	Tentative 2024-25 Millage Rates
State of Georgia Required Local Effort Quality Basic Education	<b>4.84</b>
Assessment by County Government for Reimbursement of Tax Collection Costs (2%)	<b>0.33</b>
CCSD Maintenance & Operation	<b>11.28</b>
Debt Service	<b>1.5</b>
<b>TOTAL MILLAGE</b>	<b>17.95</b>

The millage rate, which in conjunction with the assessed value of property, determines the overall tax bill for the owner. Millage rates are set annually by each governing body in the county.

The 4.84 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 \$78.3 million of local property tax money that will become part of the State's "Equalization" allocation. The County Government deducts \$5.6 million to cover its costs of tax collection.

Cherokee County is not eligible to receive equalization dollars, making CCSD one of the mandated "donor" districts in the state.

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

# \$21.3 Million to Be Invested for Increased Salaries

The proposed 2024-25 budget includes:

- The \$2,500 increase, plus honoring the step associated with years of experience, for all teachers and certified staff totals \$17.3 million in the general budget;
- A 4.1% salary increase for all classified staff (including bus drivers, School Nutrition employees, front office staff, etc.) totals \$2.5 million in the general budget; and,
- Salary adjustments to honor up to 15 years of prior experience for specific classified staff total \$1.5 million in the general budget.

CCSD proposed salary schedules for 2024-25 can be found online at [www.cherokeek12.net/divisions/human-resources/2024-25-proposed-salary-schedules](http://www.cherokeek12.net/divisions/human-resources/2024-25-proposed-salary-schedules)

Cherokee County seniors (age 62+) are eligible to exempt school taxes on up to \$501,000 of market value of their home. A ballot initiative this month (May 21 Primary Election) could remove the cap completely. Visit the Tax Assessors' website [HERE](#) for details.

## FISCAL NOTES



- A starting CCSD teacher with a Bachelor's degree will make \$56,000 beginning in the 2024-25 school year.
- The Cherokee County School Board has maintained a balanced operating budget with no increase in the local tax rate during the last 15 years — and a reduced rate in FY2023.
- The last 12 CCSD external audits have been "clean" with NO findings.
- 67.4% of the General Fund/Operating Budget is appropriated directly to School Instruction. Of the remaining \$190.8 million in expenditures, \$174.8 million (91.6%) is allocated to departments having a direct impact on students, such as Pupil Services, Instructional Improvement, Instructional Staff Training, Educational Media Services, School Administration, Maintenance and Operation and Pupil Transportation.

## 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 FY2023 of \$171 per student is well below the state average of \$293 per student. CCSD also compares well on school-based administrative costs, where it sits in the bottom quarter among Georgia school districts for spending. Where does CCSD rank highly for spending? Instruction! CCSD spends more per student on Instruction than **two-thirds** of other Georgia districts, with an average of \$7,600 per student in FY2023.

### 2023 GENERAL ADMIN COSTS PER STUDENT

CHEROKEE COUNTY	\$171
CLAYTON	\$499
COBB COUNTY	\$238
DEKALB COUNTY	\$586
DOUGLAS COUNTY	\$182
FAYETTE COUNTY	\$166
FORSYTH COUNTY	\$ 88
FULTON COUNTY	\$243
GWINNETT COUNTY	\$212
HENRY COUNTY	\$153
ROCKDALE COUNTY	\$344

Source: GOSA

# Construction Update

Cherokee County voters approved an extension of the Education SPLOST penny in November 2021 to fund much needed construction and renovations for schools. The sales tax extension passed with 75% approval from voters.

## Construction projects underway in 2024-25 include:

- Cherokee HS replacement
- Free Home ES replacement school \*\*
- Creekland MS addition and HVAC improvements
- Creekview HS addition & auxiliary gym
- Woodstock HS classroom addition
- River Ridge HS auxiliary gym
- Sequoyah HS athletic facility improvements

Construction project updates are part of each School Board meeting agenda, and a Five-Year Facility Plan with timelines for all major 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 student computer purchases and technology infrastructure, replacing aging school buses, and \$16.6 million worth of maintenance and renovation throughout the District's 40 school campuses.

*\*\*Free Home ES replacement school is being built from cash reserves and will not utilize bonds or Ed SPLOST*

Up to 30 new school buses will be purchased with General Operating Funds for 2024-25, allowing CCSD to phase out its oldest vehicles.



appears on the May 21 ballot. If passed by voters, the current cap of \$501,000 will be eliminated resulting in a revenue decrease of an estimated \$14 million or more in the 2025-26 school year budget.

State legislation also was approved to cap the tax digest growth for school district revenue to the value of the Consumer Price Index (CPI), currently 3.2%, this measure will appear on the November ballot. If the cap had been in place for this school year, CCSD would have seen a decrease of \$38 million in local funding for this school year and an estimated \$10 million for the 2025-26 school year budget. If the referendum passes, school boards can hold a series of hearings to exempt the district's participation in the cap.

## A Budget Perspective

Over the last decade, CCSD took the necessary strides to restore and strengthen the district's financial infrastructure and financial future — including **reducing the long-term debt by \$94.4 million** as of today, maintaining lowest-in-region operating and central administrative costs, improving the district's bond rating to the highest school system rating attainable, **paying off over the past two years \$53.8 million in debt saving taxpayers \$12 million** over the life of the 2012 and 2014 bonds, **decreasing the millage rate by 1.5 mills** resulting in one of the lowest millage rates in the metro-Atlanta region **saving taxpayers \$19.4 million annually, and supporting the elimination of the senior tax exemption cap.**

Simultaneously, over the past decade, CCSD focused the investment of resources in ensuring that students have the best professionals in public education **by boosting the starting teacher salary from \$46,000 to \$56,000** (in the last four years alone), improving teacher pay at every step of an employee's career in CCSD, increasing the per-student general fund investment from \$7,453 in 2013 to \$12,806 in 2024, and **investing \$29.2 million, through the general fund and grants, in school safety and security** including the establishment and growth of the CCSD School Safety & Security division.