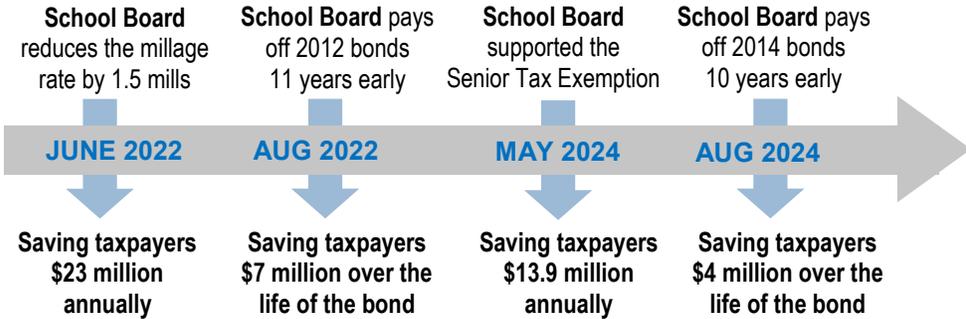


LOCAL FUNDING FOR EDUCATION

The Cherokee County School Board strives to maintain the lowest possible property tax impact while delivering the highest quality education to the 42,000 students and attracting the most talented professionals in education today.

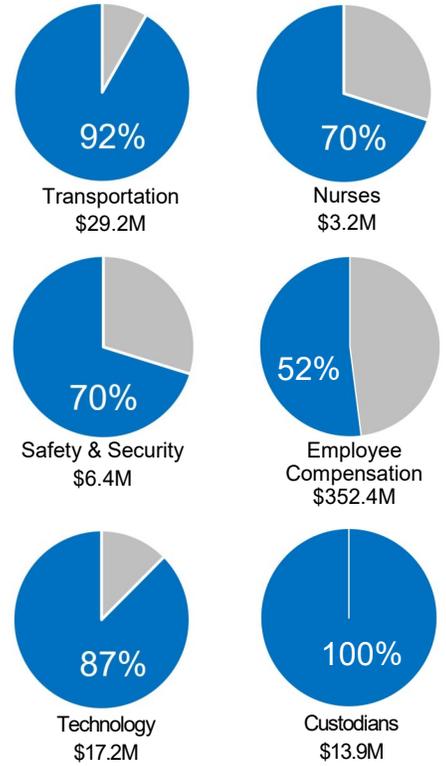
Over recent years, the School Board has made significant strides to reduce property taxes for homeowners while also reducing significantly the long-term debt of the school district.



A fiscally conservative board has facilitated a series of budget-conscious decisions over the past five years resulting in \$71 million in savings to Cherokee taxpayers and \$60 million less revenue for CCSD operations. Looking ahead, the School Board must confront the reality that doing more for students and staff with possibly shrinking revenue will require careful consideration of our path forward.

Local funds are derived primarily from property taxes and fill the gap between state formula funds for education and the actual cost of providing services to the students of Cherokee County. The pie charts included here show a few of those gaps and the local cost of providing the services in Fiscal Year (FY) 2024.

FY2024 LOCAL FUNDING OVERALL RATIOS



LOCAL \$
STATE \$



A floating exemption means individual property tax assessments cannot grow by more than the inflation rate, as measured by the Consumer Price Index (CPI) or similar method, in any given year unless the property is sold or significantly improved during the year, regardless of any increase in value arising from actual market conditions.

For Cherokee County:

- The inflation rate as measured by the CPI is 2.4% as of September 30, 2024, meaning all homesteaded properties in Cherokee County would be held to this growth on property tax assessment.
- The estimated **actual growth** in the local real estate market is 5.1%.
- The difference between CPI and actual growth would mean a loss of \$7.8 million in local revenue for Cherokee County School District in Fiscal Year 2025-26 and almost \$50 million over the next 3 years.

Now School Boards in Georgia must select an option:

1

Utilize the one-time Opt-Out mechanism allowed by conducting 3 hearings and adopting a resolution in February 2025

OR

2

Permanently reduce/eliminate services and supports by \$50 Million over the next 3 years

AND/
OR

3

Replace the revenue lost by the homestead exemption by increasing the Maintenance and Operations millage rate