

**Statewide Floating Homestead Exemption
CCSD Impact Report
School Board Public Hearings
February 5 and 13, 2025**

Goals for Public Hearings

1. Inform constituents relative to the Statewide Floating Homestead Exemptions and how CCSD may be impacted.
2. Reassure Seniors that the recent expansion of the Local Senior Exemption is NOT impacted if the School Board opts out of the State's Floating Exemption.
3. Describe current and ongoing actions the School Board has taken to mitigate impact on taxpayers.
4. Educate citizens regarding how CCSD uses critically needed local funds to provide the best possible education for students, including competitive teacher compensation.
5. Obtain feedback from the public through public participation.

What is a Floating Homestead Exemption?

Voters passed a statewide referendum in November 2024 that amended the State Constitution that placed a floating homestead exemption on all eligible residential properties, significantly changing the local authority of School Boards, City Councils and Boards of Commissioners, beginning with the 2025 property digest, impacting Cherokee County School District's 2025-26 school/fiscal year.

“Shall the Constitution of Georgia be amended so as to authorize the General Assembly to provide by general law for a state-wide homestead exemption that serves to limit increases in the assessed value of homesteads, but which any county, consolidated government, municipality, or local school system may opt out of upon the completion of certain procedures?”

What is a Floating Homestead Exemption?

- A floating homestead exemption means individual property tax assessments on a citizen's primary residence cannot increase by more than the inflation rate 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.
- The genesis of this measure is the sharp increases in home values in 2022 and 2023, caused by the lack of supply in the housing market and high demand both locally and nationally.
- Housing prices and assessed values increased locally by more than 20% in each of those years.
- For 2024 the growth assessed values has settled back to a more reasonable level of just over 6%.
- Historically, the net digest value of all property in Cherokee County has increased annually an average of 7.85% since 1995.

Taxing Authorities in Georgia must select an option:

1

Utilize the one-time Opt-Out mechanism provided for in the Amendment

OR

2

Permanent reduction or elimination of services and/or supports by at least \$58 Million over the next 3 years

AND/
OR

3

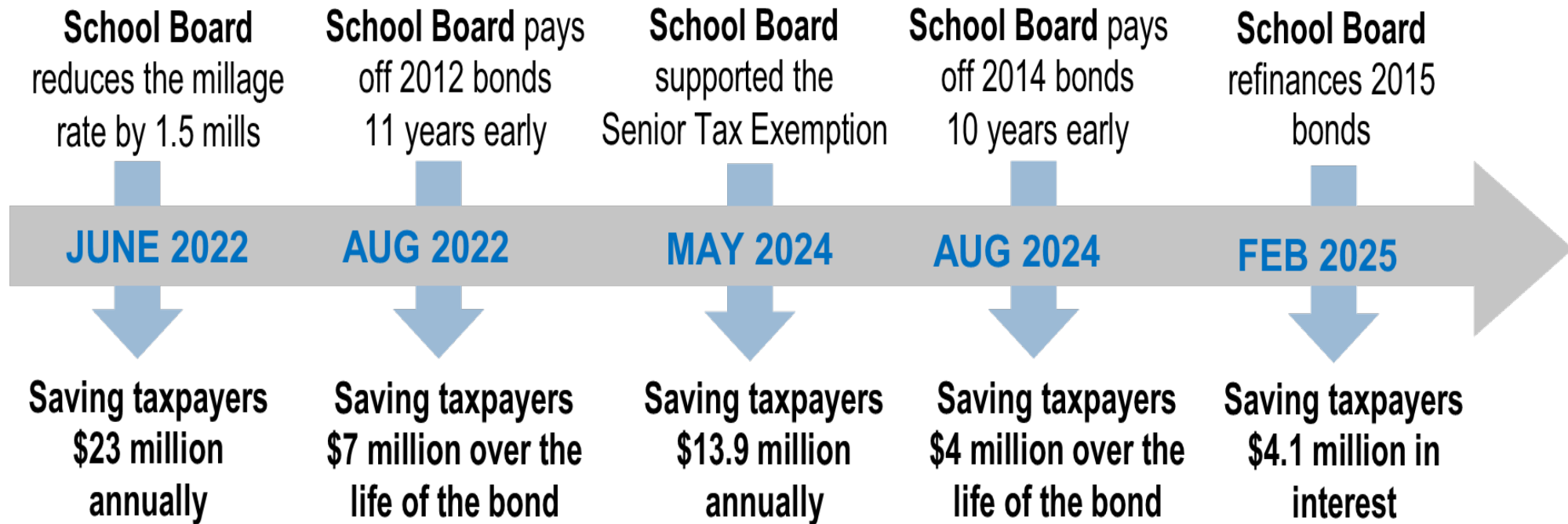
Replace the revenue lost by the homestead exemption by increasing the Maintenance and Operations millage rate.

What is the Impact for the Cherokee County School District?

- The current inflation rate in Georgia as measured by the Consumer Price Index is 2.9% as of December 31, 2024, an increase of a half percent since September.
- However, the Georgia Department of Revenue, recently stated that no inflation index rate will be used for digest year 2025, meaning assessed value on homesteaded property will not change from 2024 to 2025
- The estimated **actual growth** in the local real estate market is 5.6%.
- The difference between the inflation factor selected by DOR and actual growth would mean \$10.6M less in local revenue for Cherokee County School District in Fiscal Year 2025-26 and over \$58.2M over the next 3 years, assuming a 2.4% inflation factor and a 5.6% actual growth factor

Fiscal Year	Projected Growth @5.6%	Capped Growth	Difference
2026	\$ 289,361,002	\$ 278,698,829	\$ (10,662,173)
2027	\$ 305,565,218	\$ 286,403,769	\$ (19,161,449)
2028	\$ 322,676,870	\$ 294,276,344	\$ (28,400,526)
Cumulative Impact			\$ (58,224,148)

What Actions Has the School Board Taken Recently for Taxpayers?



Difference between Local Expansion of Senior Exemption and the Statewide Floating Homestead Exemption

Local Expansion of Senior Exemption

- The local homestead exemption provided for Senior citizens (age 62 and older) was expanded by a local Cherokee County referendum in March 2024 to remove the cap on assessed property value, previously established at \$502,000 and adjusted annually by the Social Security Cost of Living Adjustment.
- The School Board supported this expansion that permanently eliminates the School M&O taxes for Seniors.
- This expansion comes at an estimated cost to the School District of \$13.9M in FY2026, a cost the School Board was aware of and planned accordingly in their 5-year budget projections.
- With the most comprehensive Senior Exemptions in the State, it can be expected that the number of qualified homesteads will continue to grow significantly in Cherokee County.

Statewide Floating Homestead Exemption

- The Statewide Floating Homestead Exemption is separate and different. It has been authorized with an opt-out option following passage of HB581 in April 2024 and a Constitutional Amendment on the November 2024 ballot.
- The combined impact of the Floating Homestead Exemption and the expansion of the Senior Exemption is almost \$25M, or about 1.5 mills in property tax.
- This Statewide Floating Homestead Exemption Opt Out process has no bearing on the expanded local Senior property tax exemption.

What is the Impact for the Cherokee County School District?

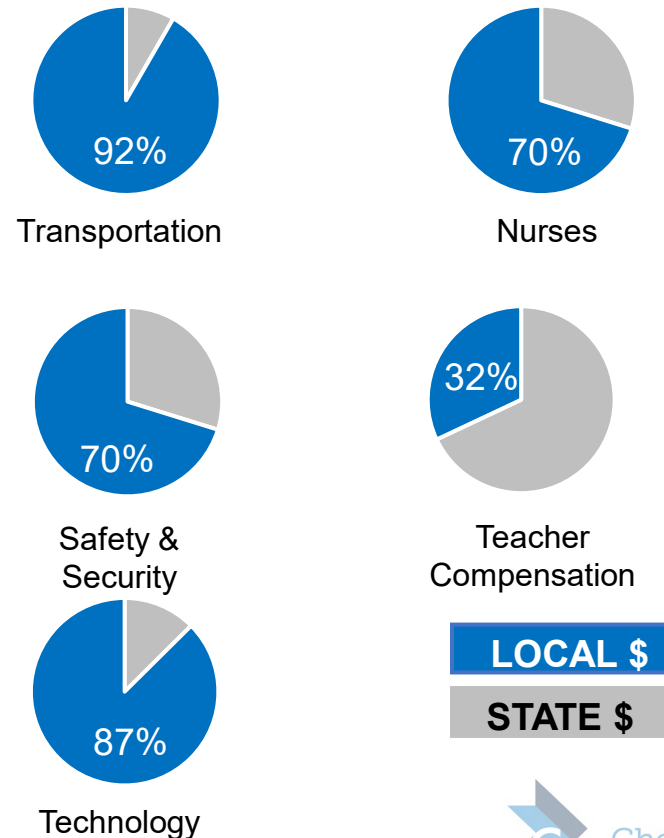
	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5
Fair Market Value	465,000	491,040	522,958	556,950	593,152	631,706
Adjusted Base Year Value		465,000	476,160	487,588	499,290	511,273
Assessed Value	186,000	196,416	209,183	222,780	237,261	252,683
Base Year Assessed Value	186,000	186,000	190,464	195,035	199,716	204,509
Standard Homestead Exemption	2,000	2,000	2,000	2,000	2,000	2,000
Floating Homestead Exemption	-	10,416	18,719	27,745	37,545	48,173
Net Taxable Value	184,000	184,000	188,464	193,035	197,716	202,509
M&O Tax Obligation	\$ 3,027	\$ 3,027	\$ 3,100	\$ 3,175	\$ 3,252	\$ 3,331
M&O Tax Obligation w/out Floating Exemption	\$ 3,027	\$ 3,198	\$ 3,408	\$ 3,632	\$ 3,870	\$ 4,124
Difference for the Average Homeowner		\$ 171	\$ 308	\$ 456	\$ 618	\$ 792
Potential Impact of Floating Exemption		\$ 10,662,173	\$ 19,161,449	\$ 28,400,526	\$ 38,431,990	\$ 49,311,950
Expansion of Senior Exemption		\$ 13,911,137	\$ 14,620,605	\$ 15,366,256	\$ 16,149,935	\$ 16,973,582
Total Impact on CCSD		\$ 24,573,310	\$ 33,782,054	\$ 43,766,782	\$ 54,581,925	\$ 66,285,531

How Does Cherokee County School District Use Local Property Tax Revenue?

Local funds are derived primarily from property taxes and fill the gap between the Quality Basic Education (QBE) formula funds provided by the State and the actual cost of providing services above and beyond the basics to the students of Cherokee County. The table below shows a few of those gaps between what is considered basic by the State and the cost in local funds to provide excellence to our students and community in FY24.

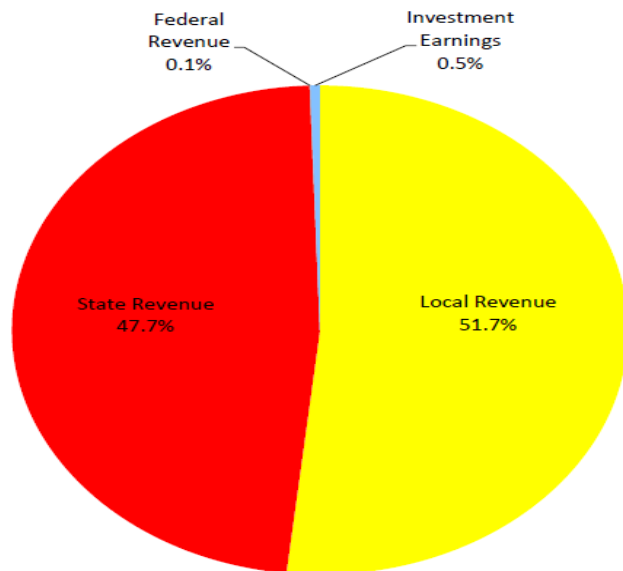
CATEGORY	STATE FUNDS	LOCAL FUNDS	TOTAL
Student Transportation	\$2,483,834	\$27,274,581	\$29,758,415
School Nurses	967,825	2,277,879	3,245,704
Safety and Security	1,914,477	4,511,758	6,426,235
Teacher Compensation	134,836,242	63,452,349	198,288,591
Kindergarten Paraprofessionals	2,180,627	1,648,715	3,829,342
Pre-K	2,765,597	3,847,965	6,613,562
Benefits	81,377,566	67,600,423	148,977,989
Special Education	48,220,967	28,241,339	76,462,306
Technology/Hardware/Software	2,166,898	15,071,647	17,238,545
TOTALS	\$276,914,033	\$213,926,656	\$490,840,689

FY24 FUNDING RATIOS



What Does a Basic Education Look Like Compared to an Excellent Education?

- The Quality Basic Education (QBE) formula accounts for slightly less than 47% of the total General Fund budget of Cherokee County School District.
- Local funds derived from Property Tax and other sources (real estate transfer tax, Title Ad Valorem Tax, Intangible Tax, etc.) account for almost 52% of the total General Fund budget.



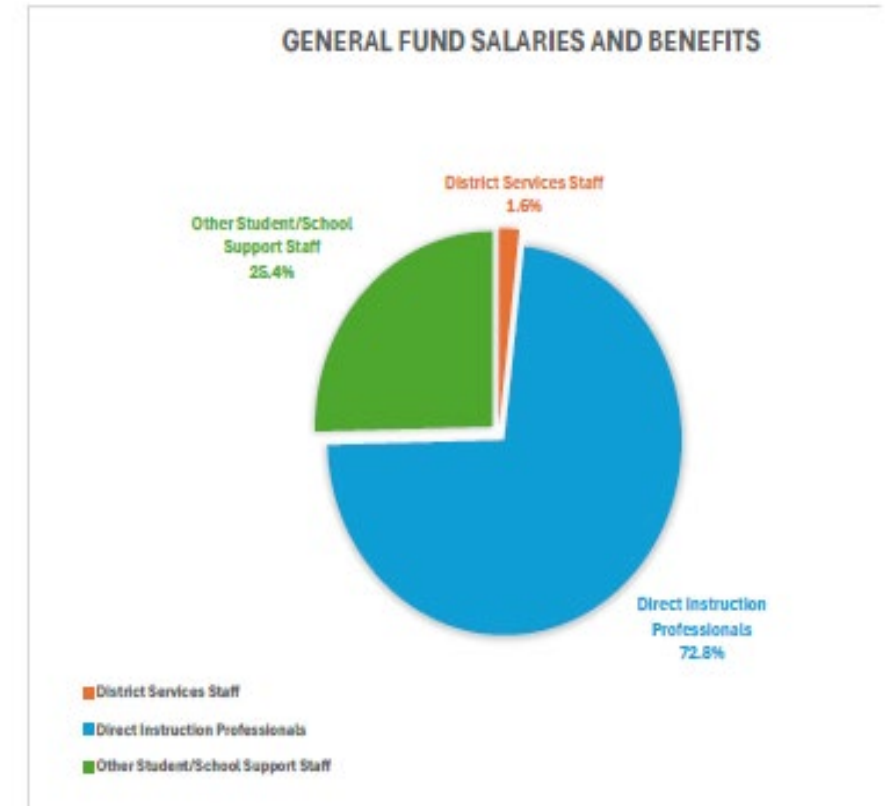
	Basic	Excellent
<u>Workforce</u>		
• Starting Teacher Pay	\$43,952	\$56,000
• Mid-Career Teacher Pay	\$63,476	\$77,505
• *Paraprofessional Pay	\$11.80/Hour	\$18.20/Hour
• *Clerical Pay	\$14,449	\$32,095
• *Bus Drivers	\$15.03/Hour	\$22.73/Hour
• School Police	\$-0-	\$51,181
<u>Academics</u>		
• Classroom Technology	\$-0-	\$6,405,000
• Educational Software	\$-0-	\$3,218,401
• Classroom Consumables	\$3,685,605	\$6,884,742
<u>Athletics and Fine Arts</u>		
• Art, Music and PE	\$-0-	\$14,268,485
• Athletic Supplements	\$-0-	\$2,823,129
<u>Facilities, Security and Services</u>		
• Facilities Maint/Operations	\$9,896,941	\$65,422,541
• Safety and Security	\$-0-	\$3,335,024
• School Nutrition	\$-0-	\$23,341,007
• Student Transportation	\$10,996,881	\$32,323,494

*Basic values do not change; Excellent values represent the beginning of the pay range

CCSD Investments in Excellence

Excellent Workforce

- \$528.8M in Salaries and Benefits
(90% of the Total General Fund Budget)
- **Direct Classroom Instructional Staff: 72.8%**
Teachers, Counselors, Paraprofessional
- **Student & School Support Staff: 25.4%**
Nurses, School Police Officers, Psychologists, Social Workers, Therapists, Media Specialists, Technology Specialists, Custodians, Principals, Assistant Principals, Clerical Staff, Maintenance Technicians, Bus Drivers, Mechanics and Supervisors
- **District Services: 1.6%**
Business and Staffing Services, Administrative Services



CCSD Investments in Excellence

Despite ongoing improvements made to teacher salaries over the past several years, CCSD is still far behind neighboring Districts. Relative to Teacher Salary Scales, it would take:

- \$30.0M to match Cobb County
- \$12.9M to match Fulton County
- \$8.0M to match Bartow County
- \$3.0M to match Paulding County
- \$0.5M to match Forsyth County

Each of these competing school districts are hosting hearings to opt out of the Floating Homestead Exemption, meaning they may have the capacity to continue to out-pay Cherokee County and putting CCSD at a major disadvantage when it comes to meeting the Key Priority of Elevating the Excellence in Academics and Achievement for all students.

CCSD Investments in Excellence

Excellent Academics

- One of the highest Graduation Rates in the Metro Region at 93.5%
- One of the lowest Per Pupil Expenditures in the Metro Region at \$15,741/student (includes All Funds, FY23)
 - Average Per Pupil expenditure for the State is \$16,508/student
 - Average Per Pupil expenditures for Metro Region is \$16,482/student
- 13+ Advanced Placement courses available to students at every high school
- All 44 Career Pathways are available to CCSD students

CCSD Investments in Excellence

Excellent Athletics and Fine Arts (CCSD receives no funding from the state)

- 5,279 student-athletes compete in 23 Georgia High School Association sanctioned sports/activities
- 80 Division/Region/State Championships
- 64.9% of Students participate in fine arts programs
- 105 fine arts programs available to students across all our schools

CCSD Investments in Excellence

Excellent Facilities, Security, and Services

- 6.2M Square Feet of Educational Space
- One of only 6 School Districts in the State to have a State Certified Police Department
- 35 POST Certified Police Officers on staff
- School Nutrition Program that serves 21,000 lunches and 9,000 breakfasts every day
- Student Transportation that logs over 26,000 miles every day, transporting more than 48.8% of our students

CCSD Investments in Excellence

Excellent Stewardship of Taxpayer Resources

- Reduced the overall millage rate by 1.5 mills in 2022 saving taxpayers over \$23M annually
- Repaid long term debt early, saving taxpayers over \$15M
- Supported the expansion of the Senior Homestead Exemption, saving senior taxpayers almost \$14M annually
- Aa1 Moody's Credit Rating (Earned in 2024, Reaffirmed 2025)
- 11 Consecutive years of Unmodified audits (no findings and no questioned costs) as determined by independent auditors
- Awarded the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the last 3 consecutive years

What is the Total School Millage Rate in Cherokee County?

Net Millage Rate After Deductions for Local Fair Share and Tax Collection Fee

In order to participate in the Georgia's Quality Basic Education (QBE) Program, each school district is required to contribute a "required local effort" of 5 mills of local property tax.

For Cherokee County School District this required local effort is **\$78,351,455 in 2024-25**. Cherokee County Government also assesses a 2.0% fee (or 0.33 mills) annually to collect local taxes, which is also included in the Maintenance and Operation millage rate.

The chart below used the 2024-25 millage rates to illustrate the net impact of these requirements relative to the locally approved millage rates.

	2024-25 Millage Rates
State of Georgia Required Local Effort Quality Basic Education	5.00
Assessment by County Government for reimbursement of Tax Collection Costs (2.0%)	0.33
Net Maintenance and Operation	11.12
Debt Service	<u>1.50</u>
TOTAL MILLAGE	<u>17.95</u>

Cherokee County School District

Comparison of Cherokee County Gross Taxable Value

Fiscal Year 2024-25

Digest Year	Gross Taxable Value (40%)*	M/O Exemptions	Net Taxable Value**	%Increase/ (Decrease)	Exemptions as % of Value	M&O Millage Rate	Bond Millage Rate	Total Millage Rate	
1995	2,289,154,497	(267,131,954)	2,022,022,543		-11.7%	18.45	.50	18.95	
1996	2,460,463,440	(276,407,358)	2,184,056,082	8.0%	-11.2%	18.45	.50	18.95	
1997	2,627,425,494	(333,601,391)	2,293,824,103	5.0%	-12.7%	18.45	.50	18.95	
1998	3,237,705,037	(418,917,997)	2,818,787,040	22.9%	-12.9%	18.45	.50	18.95	
1999	3,441,471,849	(488,702,267)	2,952,769,582	4.8%	-14.2%	18.45	.50	18.95	
2000	4,045,018,142	(594,413,203)	3,450,604,939	16.9%	-14.7%	18.45	.50	18.95	
2001	4,588,094,545	(683,642,173)	3,904,452,372	13.2%	-14.9%	18.45	.50	18.95	
2002	5,265,433,460	(795,286,475)	4,470,146,985	14.5%	-15.1%	18.45	.50	18.95	
2003	5,656,800,123	(732,347,900)	4,924,452,223	10.2%	-12.9%	18.45	.50	18.95	
2004	6,202,270,368	(792,025,490)	5,410,244,878	9.9%	-12.8%	18.45	.50	18.95	
2005	6,901,638,075	(891,539,827)	6,010,098,248	11.1%	-12.9%	18.45	.50	18.95	
2006	7,724,770,497	(1,032,031,566)	6,692,738,931	11.4%	-13.4%	18.45	.50	18.95	
2007	8,822,751,247	(1,261,068,184)	7,561,683,063	13.0%	-14.3%	18.45	.50	18.95	
2008	9,205,864,576	(1,378,141,983)	7,827,722,593	3.5%	-15.0%	18.45	.40	18.85	
2009	9,001,790,326	(1,469,174,114)	7,532,616,212	-3.8%	-16.3%	18.45	.40	18.85	
2010	8,246,552,393	(1,448,932,993)	6,797,619,400	-9.8%	-17.6%	19.45	.40	19.85	
2011	7,760,014,632	(1,439,817,130)	6,320,197,502	-7.0%	-18.6%	19.45	.40	19.85	
2012	7,196,329,256	(1,369,698,949)	5,826,630,307	-7.8%	-19.0%	19.45	.40	19.85	
2013	7,368,167,992	(1,431,414,715)	5,936,753,277	1.9%	-19.4%	19.45	.40	19.85	
2014	8,106,843,649	(1,623,570,343)	6,483,273,306	9.2%	-20.0%	19.45	0	19.45	
2015	8,709,172,122	(1,866,128,237)	6,843,043,885	5.5%	-21.4%	19.45	0	19.45	
2016	9,384,998,956	(2,070,919,374)	7,314,079,582	6.9%	-22.1%	19.45	0	19.45	
2017	10,308,589,455	(2,318,265,927)	7,990,323,528	9.2%	-22.5%	18.95	.50	19.45	
2018	11,038,459,263	(2,559,918,061)	8,478,541,202	6.1%	-23.2%	18.95	.50	19.45	
2019	12,068,972,035	(2,877,484,612)	9,191,487,423	8.4%	-23.8%	18.45	1.0	19.45	
2020	12,950,560,618	(3,169,860,065)	9,780,700,553	6.4%	-24.5%	18.45	1.0	19.45	
2021	14,286,110,243	(3,569,409,925)	10,716,700,318	9.6%	-25.0%	18.20	1.25	19.45	
2022	17,642,430,831	(4,323,459,432)	13,318,971,399	24.3%	-24.5%	16.45	1.5	17.95	
2023	21,375,329,395	(5,238,350,667)	16,136,978,728	21.2%	-24.5%	16.45	1.5	17.95	
Projected	2024	22,692,003,109	(5,578,843,460)	17,113,159,649	6.0%	-24.6%	16.45	1.5	17.95
Forecasted	2025	24,393,903,342	(6,415,669,979)	17,978,233,363	5.1%	-26.3%	16.45	1.5	17.95

*Gross Taxable Value does not reflect deduction of collection fees of 2.0% charged by County Tax Commissioner.

** Net Taxable Value is preliminary and prior to appeals and adjustments.



Cherokee County School District

Comparison of Cherokee County Gross Taxable Value

Fiscal Year 2024-25

Digest Year	Gross Taxable Value (40%)*	M/O Exemptions	Net Taxable Value**	%Increase/ (Decrease)	Exemptions as % of Value	M&O Millage Rate	Bond Millage Rate	Total Millage Rate	
1995	2,289,154,497	(267,131,954)	2,022,022,543		-11.7%	18.45	.50	18.95	
1996	2,460,463,440	(276,407,358)	2,184,056,082	8.0%	-11.2%	18.45	.50	18.95	
1997	2,627,425,494	(333,601,391)	2,293,824,103	5.0%	-12.7%	18.45	.50	18.95	
1998	3,237,705,037	(418,917,997)	2,818,787,040	22.9%	-12.9%	18.45	.50	18.95	
1999	3,441,471,849	(488,702,267)	2,952,769,582	4.8%	-14.2%	18.45	.50	18.95	
2000	4,045,018,142	(594,413,203)	3,450,604,939	16.9%	-14.7%	18.45	.50	18.95	
2001	4,588,094,545	(683,642,173)	3,904,452,372	13.2%	-14.9%	18.45	.50	18.95	
2002	5,265,433,460	(795,286,475)	4,470,146,985	14.5%	-15.1%	18.45	.50	18.95	
2003	5,656,800,123	(732,347,900)	4,924,452,223	10.2%	-12.9%	18.45	.50	18.95	
2004	6,202,270,368	(792,025,490)	5,410,244,878	9.9%	-12.8%	18.45	.50	18.95	
2005	6,901,638,075	(891,539,827)	6,010,098,248	11.1%	-12.9%	18.45	.50	18.95	
2006	7,724,770,497	(1,032,031,566)	6,692,738,931	11.4%	-13.4%	18.45	.50	18.95	
2007	8,822,751,247	(1,261,068,184)	7,561,683,063	13.0%	-14.3%	18.45	.50	18.95	
2008	9,205,864,576	(1,378,141,983)	7,827,722,593	3.5%	-15.0%	18.45	.40	18.85	
2009	9,001,790,326	(1,469,174,114)	7,532,616,212	-3.8%	-16.3%	18.45	.40	18.85	
2010	8,246,552,393	(1,448,932,993)	6,797,619,400	-9.8%	-17.6%	19.45	.40	19.85	
2011	7,760,014,632	(1,439,817,130)	6,320,197,502	-7.0%	-18.6%	19.45	.40	19.85	
2012	7,196,329,256	(1,369,698,949)	5,826,630,307	-7.8%	-19.0%	19.45	.40	19.85	
2013	7,368,167,992	(1,431,414,715)	5,936,753,277	1.9%	-19.4%	19.45	.40	19.85	
2014	8,106,843,649	(1,623,570,343)	6,483,273,306	9.2%	-20.0%	19.45	0	19.45	
2015	8,709,172,122	(1,866,128,237)	6,843,043,885	5.5%	-21.4%	19.45	0	19.45	
2016	9,384,998,956	(2,070,919,374)	7,314,079,582	6.9%	-22.1%	19.45	0	19.45	
2017	10,308,589,455	(2,318,265,927)	7,990,323,528	9.2%	-22.5%	18.95	.50	19.45	
2018	11,038,459,263	(2,559,918,061)	8,478,541,202	6.1%	-23.2%	18.95	.50	19.45	
2019	12,068,972,035	(2,877,484,612)	9,191,487,423	8.4%	-23.8%	18.45	1.0	19.45	
2020	12,950,560,618	(3,169,860,065)	9,780,700,553	6.4%	-24.5%	18.45	1.0	19.45	
2021	14,286,110,243	(3,569,409,925)	10,716,700,318	9.6%	-25.0%	18.20	1.25	19.45	
2022	17,642,430,831	(4,323,459,432)	13,318,971,399	24.3%	-24.5%	16.45	1.5	17.95	
2023	21,375,329,395	(5,238,350,667)	16,136,978,728	21.2%	-24.5%	16.45	1.5	17.95	
Projected	2024	22,692,003,109	(5,578,843,460)	17,113,159,649	6.0%	-24.6%	16.45	1.5	17.95
Forecasted	2025	24,393,903,342	(6,415,669,979)	17,978,233,363	5.1%	-26.3%	16.45	1.5	17.95

Gross Digest has Grown 965.6% Since 1995

Exemptions from School Tax has Grown 2,302% Since 1995

*Gross Taxable Value does not reflect deduction of collection fees of 2.0% charged by County Tax Commissioner.

** Net Taxable Value is preliminary and prior to appeals and adjustments.



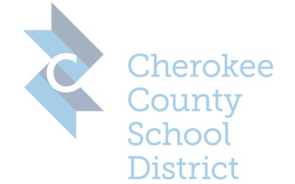
Cherokee County School District

Comparison of Cherokee County Gross Taxable Value Fiscal Year 2024-25

Digest Year	Gross Taxable Value (40%)*	M/O Exemptions	Net Taxable Value**	%Increase/ (Decrease)	Exemptions as % of Value	M&O Millage Rate	Bond Millage Rate	Total Millage Rate	
1995	2,289,154,497	(267,131,954)	2,022,022,543		-11.7%	18.45	.50	18.95	
1996	2,460,463,440	(276,407,358)	2,184,056,082	8.0%	-11.2%	18.45	.50	18.95	
1997	2,627,425,494	(333,601,391)	2,293,824,103	5.0%	-12.7%	18.45	.50	18.95	
1998	3,237,705,037	(418,917,997)	2,818,787,040	22.9%	-12.9%	18.45	.50	18.95	
1999	3,441,471,849	(488,702,267)	2,952,769,582	4.8%	-14.2%	18.45	.50	18.95	
2000	4,045,018,142	(594,413,203)	3,450,604,939	16.9%	-14.7%	18.45	.50	18.95	
2001	4,588,094,545	(683,642,173)	3,904,452,372	13.2%	-14.9%	18.45	.50	18.95	
2002	5,265,433,460	(795,286,475)	4,470,146,985	14.5%	-15.1%	18.45	.50	18.95	
2003	5,656,800,123	(732,347,900)	4,924,452,223	10.2%	-12.9%	18.45	.50	18.95	
2004	6,202,270,368	(792,025,490)	5,410,244,878	9.9%	-12.8%	18.45	.50	18.95	
2005	6,901,638,075	(891,539,827)	6,010,098,248	11.1%	-12.9%	18.45	.50	18.95	
2006	7,724,770,497	(1,032,031,566)	6,692,738,931	11.4%	-13.4%	18.45	.50	18.95	
2007	8,822,751,247	(1,261,068,184)	7,561,683,063	13.0%	-14.3%	18.45	.50	18.95	
2008	9,205,864,576	(1,378,141,983)	7,827,722,593	3.5%	-15.0%	18.45	.40	18.85	
2009	9,001,790,326	(1,469,174,114)	7,532,616,212	-3.8%	-16.3%	18.45	.40	18.85	
2010	8,246,552,393	(1,448,932,993)	6,797,619,400	-9.8%	-17.6%	19.45	.40	19.85	
2011	7,760,014,632	(1,439,817,130)	6,320,197,502	-7.0%	-18.6%	19.45	.40	19.85	
2012	7,196,329,256	(1,369,698,949)	5,826,630,307	-7.8%	-19.0%	19.45	.40	19.85	
2013	7,368,167,992	(1,431,414,715)	5,936,753,277	1.9%	-19.4%	19.45	.40	19.85	
2014	8,106,843,649	(1,623,570,343)	6,483,273,306	9.2%	-20.0%	19.45	0	19.45	
2015	8,709,172,122	(1,866,128,237)	6,843,043,885	5.5%	-21.4%	19.45	0	19.45	
2016	9,384,998,956	(2,070,919,374)	7,314,079,582	6.9%	-22.1%	19.45	0	19.45	
2017	10,308,589,455	(2,318,265,927)	7,990,323,528	9.2%	-22.5%	18.95	.50	19.45	
2018	11,038,459,263	(2,559,918,061)	8,478,541,202	6.1%	-23.2%	18.95	.50	19.45	
2019	12,068,972,035	(2,877,484,612)	9,191,487,423	8.4%	-23.8%	18.45	1.0	19.45	
2020	12,950,560,618	(3,169,860,065)	9,780,700,553	6.4%	-24.5%	18.45	1.0	19.45	
2021	14,286,110,243	(3,569,409,925)	10,716,700,318	9.6%	-25.0%	18.20	1.25	19.45	
2022	17,642,430,831	(4,323,459,432)	13,318,971,399	24.3%	-24.5%	16.45	1.5	17.95	
2023	21,375,329,395	(5,238,350,667)	16,136,978,728	21.2%	-24.5%	16.45	1.5	17.95	
Projected	2024	22,692,003,109	(5,578,843,460)	17,113,159,649	6.0%	-24.6%	16.45	1.5	17.95
Forecasted	2025	24,393,903,342	(6,415,669,979)	17,978,233,363	5.1%	-26.3%	16.45	1.5	17.95

**Highest
Millage Rate**

**Lowest
Millage Rate**



*Gross Taxable Value does not reflect deduction of collection fees of 2.0% charged by County Tax Commissioner.

** Net Taxable Value is preliminary and prior to appeals and adjustments.

CCSD's Fund Balance (Reserve)

- Moody's is now recommending that public school districts ensure healthy reserves of 25-30%.
 - Factors that contribute to a downgrade in financial rating include dipping below 18% in reserves.
- CCSD currently has \$117M (20%) in the General Fund Balance/Reserves which is less than 2.5 months of operating expenses. (One month of operating expenses equals \$48.8M.)
- For the past 25 years, Georgia State law has placed a limit on reserves at 15% to guard against unexpected drops in revenue and/or unexpected increases in expenditures. Examples of when we have had to rely on Reserves in the past:
 - Austerity Reductions in the QBE formula (over \$28M at one time)
 - Federal Sequestration whereby promised grant funds are held back **after** the grant period begins
- The State of Georgia holds \$16 billion in reserves representing over **50%** of the State budget.

In Conclusion

- The impact of the Statewide Floating Homestead Exemption on the ability of the School Board to ensure critically needed local revenue is significant and requires thoughtful evaluation.
- The Cherokee County School Board has performed an exemplary job in safeguarding the public funds entrusted to them as evaluated annually by external auditors and rating agencies.
- Locally elected officials are best positioned to make decisions relative to local investments and this statewide amendment erodes local control of delivering the expected quality of education.
- The Constitutional Amendment passed by 69.5% of the citizens of Cherokee County provides the School Board and other taxing authorities the ability to Opt-Out in order to meet the needs and expectations of the local community.
- To NOT Opt-Out would have serious implications for the approach to education in Cherokee County; and the impact on students, families, the employees of the district and overall future home values needs to be carefully considered.

What are the Next Steps?

Public Hearing Dates

- Wednesday, February 5, 2025 @ 11:30 AM
- Thursday, February 13, 2025 @ 11:30 AM
- Thursday, February 13, 2025 @ 6:30 PM

School Board Meeting

- Thursday, February 13, 2025 7:00 PM
 - **Business Item:** School Board Consideration of Resolution to Opt Out of Floating Homestead Exemption