Cherokee County School District

Work Session Meeting | 09/18/2025 – 5:30 PM

Dr. Frank R. Petruzielo Educational Services Facility | 1205 Bluffs Parkway, Canton, GA 30114

I. **Call to Order Work Session**

II. **Superintendent Welcome**

III. **Board Member Items**

1. Third-Party Validation of Floating Homestead Exemption Projections, STAAP LLC

IV. **Superintendent Reports**

1. Finance:
    a. Monthly Finance Report
    Kenneth Owen, Chief Financial Officer
    b. Legislative Priorities 2026 Report
    Mike McGowan, Chief of Staff
    c. Local Legislation HB 845 - Legislative Update
    Mike McGowan, Chief of Staff
2. Capital Outlay:
    a. Monthly Capital Outlay Report
    Trey Moores, Chief Support Services Officer

V. **Adjournment**

HOUSE BILL 581 DATA VALIDATION & OPT-OUT COMPLIANCE REVIEW REPORT

FOR THE CHEROKEE COUNTY SCHOOL DISTRICT

DATE: AUGUST 14, 2025

TRANSMITTAL LETTER

August 14, 2025

Superintendent and Board of Education
Cherokee County School District (CCSD)
1205 Bluffs Parkway
Canton, Georgia 30114

Subject: Transmittal of House Bill 581 Data Validation & Opt-Out Compliance Review Report

Dear Superintendent and Members of the Board,

STA PLLC, supported by Paterco, Inc. and Dickey & Associates LLC, collectively referred to as Team SPD, is pleased to submit the final report titled House Bill 581 Data Validation & Opt-Out Compliance Review Report for the Cherokee County School District.

This report presents our scope, methodology, results, and recommendations resulting from our independent analysis following the district's decision to opt out of the CPI-based assessed value cap as defined under House Bill 581.

Our analysis confirms that the district successfully met all procedural requirements associated with the opt-out process. Additionally, we performed a financial impact assessment comparing the district's current opt-out status to a hypothetical opt-in scenario, in which homestead property assessments would be limited to a 2.4% annual increase based on regional CPI data. Assuming a 6% annual growth in market value, our projections estimate that the district could generate up to $250.8 million in additional tax revenue between 2025 and 2030 under the opt-out framework. This represents a significant increase compared to the district's initial estimate of approximately $54.9 million, and highlights an opportunity to refine the original financial model.

We believe this report provides valuable insights to support the Board's fiscal planning and public communications. Accordingly, we recommend formal adoption of the revised, auditor-validated financial model presented herein.

We commend the Cherokee County School District for its proactive approach in commissioning this review and for its continued commitment to transparent financial governance and legal compliance. If you have any questions regarding the contents of this report or would like to discuss potential next steps, including implementation or advisory support, please feel free to contact us.

Sincerely,

Samson Afolabi, CPA
Principal

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1. EXECUTIVE SUMMARY

STA PLLC, supported by Paterco, Inc. and Dickey & Associates LLC, collectively referred to as Team SPD was engaged by the Cherokee County School District (CCSD or "the district") to independently validate the financial impact projections of Georgia House Bill 581 (HB 581) and to assess the district's compliance with the bill's statutory opt-out procedures.

HB 581 introduces a "floating" homestead exemption that limits annual taxable value increases for owner-occupied homes to the rate of inflation (CPI), beginning with the 2026 tax digest, unless a jurisdiction formally opts out. CCSD elected to opt out of this provision, and our engagement was designed to validate the financial implications of that decision and ensure procedural compliance.

To accomplish the objectives of our engagement, Team SPD performed a desk review between July 14 and August 14, 2025, which included the following key activities:

- Interviewed the Chief Appraiser from the Cherokee County Tax Assessors' Office to corroborate the digest data and assumptions.
- Recalculated the Net Taxable Value of Homestead Properties using baseline 2024–2025 digest data.
- Modeled net tax proceeds under both opt-in and opt-out scenarios for baseline years.
- Developed projection assumptions, including a 2.4% CPI cap for the opt-in scenario and a 6% annual market value increase for the opt-out scenario.
- Projected tax revenue impacts for both scenarios from 2026 through 2030.
- Reviewed CCSD's revenue loss model and compared it to our recalculated projections.
- Assessed the district's compliance with HB 581's opt-out requirements, including public notice, hearings, board resolutions, and state filings.

Our financial analysis indicates that, under the selected assumptions, remaining under HB 581 would have reduced CCSD's school tax revenue by approximately $250.8 million between 2025 and 2030. This figure is $195.9 million higher than the district's initial estimate of $54.9 million, primarily due to differences in baseline digest data and CPI application methodology.

Our compliance review found that CCSD substantially adhered to HB 581's procedural requirements. All required notices, hearings, board actions, and filings were appropriately executed and documented.

Based on these results, we recommend that CCSD formally adopt the revised, CPA-validated financial model developed during this engagement to support more accurate fiscal planning. We also advise strengthening data controls to enhance transparency and audit readiness. Finally, we recommend establishing annual monitoring protocols for CPI trends and digest changes to ensure continued compliance and responsiveness to future developments.

CCSD's opt-out decision preserves its ability to capture full market-based digest growth, supporting critical funding for operations, staffing, and educational programs, while minimizing reliance on millage rate increases.

2. BACKGROUND & SCOPE

House Bill 581 (HB 581) is a statewide property-tax reform package intended to moderate rapid increases in residential tax bills, improve transparency in the assessment and billing process, and give local governments tools to offset potential revenue impacts. The legislation achieves these goals through three primary mechanisms:

- Creating a floating homestead exemption that caps taxable value growth to inflation.
- Allowing local governments and school boards to opt out.
- Implementing new notice, appeals, and assessment rules statewide.

HB 581 is organized into three major parts, of which the following two apply to the school district:

Part 1 - Procedural and Transparency Reforms: This section mandates statewide administrative changes aimed at improving fairness and clarity in property taxation. Key reforms include:

- Revised assessment notices that display an estimated rollback millage rate instead of the prior year's rate.
- Guidance for implementing a minimum three-year reappraisal cycle.
- Narrowed appeal "lock" provisions to reduce long-term erosion of the tax digest.

These reforms are mandatory for all jurisdictions and cannot be opted out of.

Part 2 - Statewide Floating Homestead Exemption (Assessment Growth Cap): Beginning with the 2025 tax digest, owner-occupied residential properties in jurisdictions that do not opt out will have their taxable value growth capped annually to the state-published CPI inflation index, using 2024 as the base year. Any growth above the CPI cap is exempt from taxation until the property is sold or substantially improved.

To opt out for the 2025 digest, jurisdictions were required to meet specific procedural requirements by March 1, 2025, including:

- Publishing public notices in a newspaper of general circulation and on the district's website prior to each of the three required public hearings, including one held between 6:00 and 7:00 p.m. on a business day.
- Issuing press releases to local media with each advertisement.
- Adopting a formal resolution pursuant to O.C.G.A. § 48-5-44.2(i).
- Filing certified documentation with the Georgia Secretary of State by the statutory deadline.

Failure to meet these requirements results in automatic inclusion under the cap, with long-term fiscal implications due to the constitutional nature of the measure.

The table below shows the key dates and triggers:

Milestone	Date / Timing	What It Means for School Districts
Bill signed by the Governor	April 18, 2024	Sets HB 581 provisions in motion, pending voter approval of constitutional amendment.
Constitutional Amendment Referendum	November 5, 2024, General Election	Voters ratified the amendment needed to activate the statewide floating homestead exemption and related provisions.
Effective Tax Year	January 1, 2025 (2025 digest)	All counties, cities, and school boards are in the new floating homestead exemption unless they later complete an opt-out (retroactive to the digest if done by the deadline).
Opt-Out Deadline	March 1, 2025 (hard deadline)	School boards choosing not to participate must advertise, hold 3 hearings (timing rules), adopt a resolution, and file with the GA Secretary of State by this date.
First Published Inflation Index	Applies to 2026 Digest Year (no index applied to 2025 base)	Year 1 (2025) taxable values are equal to the 2024 base; inflation adjustments begin with the 2026 digest.

Fiscal and Budget Planning Implications for School Districts: For school districts, remaining under HB 581 ties the growth of the homesteaded portion of the tax digest to inflation rather than market appreciation. In rapidly growing housing markets, this can significantly slow revenue growth, potentially impacting the district's ability to sustain operations, staffing, and educational programs. While school boards retain authority to adjust millage rates within statutory limits, doing so may result in higher tax bills for residents despite the exemption cap. In jurisdictions already operating under generous local homestead exemptions, HB 581 may have a limited incremental fiscal impact but introduces added administrative complexity in tracking and compliance.

Given these considerations, the Cherokee County School District (CCSD) opted out of the homestead exemption cap and sought independent assurance to validate its financial modeling and confirm procedural compliance. To support this effort, Team SPD, comprising STA PLLC, Paterco, Inc., and Dickey & Associates LLC, was engaged to provide CPA-certified analysis and verification.

The scope of this engagement included four key objectives:

- Validate Data Integrity: Confirm the accuracy and completeness of the digest data used in CCSD's financial model.
- Certify Revenue Projections: Independently calculate the multi-year revenue impact of the homestead exemption cap under HB 581.
- Assess Methodologies: Evaluate the assumptions, formulas, and calculation methods employed by the district to ensure they align with best practices.
- Verify Compliance: Review CCSD's opt-out process to ensure full adherence to statutory and procedural requirements, including public notices, hearings, board resolutions, and state filings.

3. METHODOLOGY

To achieve the objectives of this engagement, Team SPD conducted a structured desk review from July 14 to August 14, 2025, integrating financial modeling, data validation, and statutory compliance verification. Our approach consisted of five interrelated phases:

Phase 1: Planning: We initiated the engagement with a kickoff meeting involving CCSD leadership, including Kenneth Owen, Chief Financial Officer, to confirm scope, objectives, deliverables, and timelines. During this phase, we reviewed the full statutory text of HB 581 and related provisions of Georgia property tax law. Assessed relevant local tax ordinances and historical digest data to understand baseline conditions. Developed a detailed work plan and Data Request List tailored to CCSD and the requirements of HB 581.

Phase 2: Data Collection and Reconciliation: We obtained raw property tax digest data for tax years 2024 and 2025 from Steve Swindell, Chief Appraiser, Cherokee County Tax Assessors' Office. This dataset included parcel identifiers, homestead exemption status, current values, and applicable millage rates. Our reconciliation process involved:

- Cross-checking the parcel-level data against official county tax digest summaries to confirm completeness and accuracy.
- Interviewing the Chief Appraiser to validate the reliability of the data and confirm the methodologies for calculating net taxable values for 2024 and 2025.
- Reconciling discrepancies between parcel-level records and aggregate digest totals to establish a fully verified baseline dataset for modeling.

Phase 3: Assessment & Revenue Impact Validation: Using the validated baseline dataset, we independently modeled the financial impact of HB 581 under two scenarios:

- Opt-In – Annual taxable value growth for homesteaded properties capped at CPI.
- Opt-Out – Market value growth applied without the CPI limitation.

We applied statutory formulas, inflation caps, and projected market growth rates based on the following assumptions:

CPI Rate (Inflation Index)

- Local CPI data: The U.S. Bureau of Labor Statistics (BLS) publishes a bi-monthly Consumer Price Index (CPI) for the Atlanta-Sandy Springs-Roswell area. In its June 2025 release, the BLS noted that the Atlanta CPI increased 1.8 percent over the 12 months ending June 2025, and that the index for "all items less food and energy" rose 2.4 percent over the same period. The report explains that the Atlanta-area CPI covers the core-based statistical area that includes Cherokee County.
- HB 581 inflation cap: House Bill 581 uses a statewide inflation index based on the CPI to cap annual assessment growth for homesteaded property. Gwinnett County Public Schools' HB 581-page notes that "The inflation rate as measured by the CPI is 2.4 % as of September

30, 2024," meaning homesteaded properties would be limited to that growth rate. Gwinnett's page also states that actual local property market growth is closer to 6 %.

- **Assumption for CCSD:** Since Cherokee County lies within the same CPI region, and no county-specific CPI is published as of the date of this report, the 2.4 % rate cited above provides a reasonable estimate for the inflation index to be used under HB 581 projections. Therefore, for projecting digest values from 2026 onward, we have used 2.4% as the annual CPI-driven cap. (HB 581 sets the base year at 2024; there is no inflation index for 2025.)

Estimated Growth Rate

- Property value growth:
  - The Federal Housing Finance Agency (FHFA) publishes a House Price Index (HPI) for the Atlanta-Sandy Springs-Alpharetta MSA, which includes Cherokee County. According to the FHFA's data (available through the St. Louis Federal Reserve's FRED database), the index value rose from 361.17 in Q4 2023 to 376.30 in Q4 2024, a 4.2 % year-over-year increase. This index measures changes in single-family home prices based on repeat sales and appraisal data.
  - Based on the published 30-year tax digest (1995 to 2024) analysis, the recommended Growth Rate is approximately 7.8%, representing the convergence of multiple measurement methodologies as depicted below:

Method	Rate	Definition
Net Value Compound Annual Growth Rate (CAGR)	7.62%	Reflects net change after deductions or exemptions
Gross Value Compound Annual Growth Rate (CAGR)	8.24%	Represents gross growth in digest values
Average (Digest Table)	7.76%	Average based on the digest table reported values
Trimmed Means	7.92% - 8.13%	Average excluding outliers
Recommended Growth	7.8%	Used for our assumptions

  - Gwinnett County Public Schools' HB 581-page states that actual local property market growth is closer to 6 %.
- **Assumption for CCSD:** The recommended Growth Rate is approximately 6.0%, representing the convergence of the three measurement sources as depicted below:

Source	Rate
FHFA's data	4.2%
30-year tax digest	7.8%
Gwinnett County Public Schools	6.0%
Recommended Growth Rate (calculated as an Average of all 3 sources)	6.0%

To reflect potential continued growth yet remain conservative, a 6% annual growth rate was used for projections through 2030.

Summary of Assumptions:

Year	CPI/Inflation Rate Assumption	Growth Rate Assumption
2025	0 % (HB 581 base year) Year 1 (2025) taxable values are equal to the 2024 base	Actual 2025 digest
2026 onward (2026–2030)	2.4 % per year	6 % per year

Below, we have summarized our step-by-step approach used to calculate the estimated revenue loss under HB 581 for CCSD.

Step	Action	Formula / Method
1	Determined CPI and Actual Growth Rates. These were used to determine capped (opt-in) vs. full value growth (opt-out).	CPI = 2.4%; Est. Growth Rate = 6%
2	Calculated the Actual Net Taxable Value of Homestead Properties for 2024 and 2025	Calculated as a difference between the assessed value of the Homestead Properties and the exemptions as provided by the county appraiser.
3	Calculated the 2025 Net Taxable Value of Homestead Properties with CPI cap (2025 HB 581 opt In Value)	2024 Net Taxable Value of Homestead Properties × (1 + CPI Rate (0)).
4	Calculated the Net Proceed under the opt-in and opt-out scenarios for 2025 (Net Proceeds at CPI) and (Net Proceeds at Market)	Net Taxable Value of Homestead Properties × Millage Rate / 1,000 (opt in and opt out).
5	Calculated Potential Revenue Loss Avoided	Net Proceeds at Market Minus Net Proceeds at CPI
6	Project our Calculation for Future Years (2026 to 2030) using assumptions in step 1	CPI and growth assumptions are applied to the Market Value of All Homestead Properties, and the growth rate is applied to exemptions, and then the process is repeated from steps 2 to 5.

Phase 4: Compliance Review: We examined CCSD's public notice advertisements, hearing records, Board resolution, press releases, and filing confirmations to verify adherence to the statutory requirements of O.C.G.A. § 48-5-44.2(i). This included confirming:

- Notices met format, timing, and publication requirements.
- All three public hearings were properly scheduled, advertised, and conducted.
- The resolution was duly adopted and filed with the Georgia Secretary of State before the March 1, 2025, deadline.

Phase 5: Reporting: We prepared a CPA-certified report with supporting schedules, developed a slide presentation, and conducted a briefing with CCSD leadership. We also provided advisory input regarding future compliance and strategic fiscal planning under HB 581.

4. RESULTS

4.1. Revenue Impact Analysis

Our independent financial modeling, based on validated 2024 and 2025 tax digest data and the assumptions described in the methodology, produced the following results:

- Total Estimated Revenue Loss Avoided (2025–2030) under the unrestricted market growth scenario (Opt-Out) was $250.8 million compared to the HB 581 (Opt-In Scenario).
- CCSD's Original Estimate: $54.9 million for the same period.
- Variance: $195.9 million higher than CCSD's projection, driven primarily by:
  - Baseline Data Differences: Our analysis used reconciled parcel-level data confirmed with the Chief Appraiser, which showed a higher market value base than in CCSD's original model.
  - CPI Cap Application: We strictly applied the statutory 2.4% CPI limit from 2026 forward, which produced a more pronounced divergence between market growth and capped growth over time.
  - Exemptions Growth: We assumed that the exemptions would grow year after year by the same market growth rate of 6%, which was not taken into consideration in the CCSD model.

The table below summarizes the modeled annual and cumulative revenue differences for Cherokee County School District between 2025 and 2030:

Year	Opt-Out Net Proceeds (Market Growth)	Opt-In Net Proceeds (CPI Cap)	Annual Loss	Cumulative Loss
2025	$115,726,644	$121,034,914	($5,308,270)	($5,308,270)
2026	$122,670,242	$91,830,023	$30,840,219	$25,531,949
2027	$130,030,457	$89,768,904	$40,261,553	$65,793,502
2028	$137,832,284	$87,402,416	$50,429,869	$116,223,371
2029	$146,102,221	$84,707,875	$61,394,346	$177,617,717
2030	$154,868,355	$81,661,133	$73,207,221	$250,824,939

In 2025, the first year under HB 581, the Opt-In scenario showed a temporary advantage over the Opt-Out scenario, exceeding it by approximately $5.3 million. This occurred because HB 581 designates 2024 as the base year for the exemption and applies a 0% CPI in the first digest year (2025). Under these conditions, the capped (Opt-In) taxable value in 2025 reflected a lower exemption amount than what would have resulted from applying the actual market-driven exemption growth rate in the Opt-Out scenario.

From 2026 onward, the picture reverses sharply. The 2.4% CPI cap, well below the assumed 6% market growth rate, consistently constrains taxable digest growth in the Opt-In scenario. Over time, this results in a progressive widening gap between the Opt-In and Opt-Out taxable values.

By 2030, the cumulative revenue loss under the Opt-In scenario is projected to reach approximately $250.8 million, with annual shortfalls increasing each year. This widening deficit demonstrates the compounding effect of growth caps set below actual market performance. The outcome is a steadily escalating reduction in available school tax revenues, even when millage rates remain constant, placing increasing pressure on the district's budgetary capacity to sustain programs and services.

4.2. Compliance Review: Opt-Out Administration (District Oversight)

We evaluated CCSD's execution of the HB 581 opt-out process against the procedural requirements in O.C.G.A. § 48-5-44.2(i) and related administrative guidance and observed the following:

- Public Notices: Three required advertisements were published in a local newspaper of general circulation and posted on the district's website. All notices met size, placement, and timing rules, including the requirement for at least one evening hearing between 6:00 and 7:00 p.m. on a business weekday.
- Public Hearings: Three hearings were conducted in compliance with statutory spacing requirements, and sign-in sheets, agendas, and minutes were retained.
- Board Resolution: The Board adopted a formal resolution to opt out, using language consistent with the statute, by the required deadline.
- Filing with Secretary of State: Certified copies of the resolution and supporting documentation were submitted and accepted by the Georgia Secretary of State's Office on February 24, 2025, ahead of the March 1 deadline.

The table below summarizes CCSD's compliance scorecard:

Legal requirement (O.C.G.A. § 48-5-44.2(i))	What is required	Timing	Status
Advertise intent to opt-out (newspaper)	Publish "Intent to Opt Out of Homestead Exemption" in a newspaper of general circulation **one week prior to each hearing**; ad must be **≥30 sq in**, **prominent**, **not** in legal ads section; also post to website one week prior.	≥7 days before each hearing	Completed
Conduct three public hearings	Hold **3 hearings** on intent to opt-out; **at least one** must occur **between 6:00–7:00 PM on a business day**.	Before Mar 1, 2025	Completed
Issue a press release	Provide a press release to local media announcing intent and hearings.	Before or concurrent with the first notice	Completed
Adopt a resolution to opt out	Governing board adopts formal opt-out resolution after hearings.	After the final hearing, before filing	Completed
File with the Secretary of State	Submit cover letter, resolution, and **evidence of all required steps** to the SoS Elections Division **by March 1, 2025** (mail or email).	Mar 1, 2025	Completed

CCSD's opt-out process fully complied with the procedural requirements of HB 581. All notices, hearings, and filings were executed appropriately and on time. However, we recommend maintaining a compliance binder with all public notices, press releases, hearing records, and correspondence for at least five years to ensure readiness for any future state audit or challenge.

5. RECOMMENDATIONS

Based on our financial modeling, statutory compliance review, and assessment of the long-term fiscal implications of HB 581, we offer the following recommendations to the Cherokee County School District (CCSD) Board of Education:

a. Maintaining the Current Opt-Out Election:

The analysis demonstrates that remaining in the Opt-In scenario would result in an estimated $250.8 million cumulative revenue loss by 2030. This level of digest erosion would materially constrain the District's General Fund capacity, potentially affecting instructional programs, staffing levels, and facility maintenance. We recommend that CCSD maintain its Opt-Out status for the foreseeable future, revisiting the decision only if statutory changes or significant market conditions warrant re-evaluation.

b. Formalizing a Multi-Year Digest Monitoring Program

To ensure accurate forecasting and maintain transparency, CCSD should adopt a structured digest monitoring process. This program should:

- Compare actual year-over-year digest growth for homesteaded properties against projected growth under the HB 581 model.
- Track CPI trends published by the Bureau of Labor Statistics for the Atlanta region and assess variances from assumed rates.
- Identify and document any anomalies in assessment trends that may signal changes in market conditions or compliance issues.
- Ensure that the digest data used in financial projections is always the most recent official version. During our review, we noted that the digest information provided by the assessor to the district was later updated, but the revised data was not communicated to CCSD. This can materially impact revenue modeling. We recommend establishing a formal protocol with the county assessor to:
    - Receive written confirmation when digest updates occur.
    - Re-run all relevant revenue models promptly after updated data is received.
    - Maintain an audit trail of data versions used for modeling and decision-making.

c. Strengthening Compliance Documentation Protocols

While our review confirmed that CCSD substantially complied with HB 581's opt-out procedural requirements, we recommend the following enhancements:

- Maintain a centralized compliance file containing all public hearing advertisements, press releases, hearing minutes, and the certified resolution.
- Implement an internal compliance calendar to track future statutory deadlines and ensure timely filings with the Georgia Secretary of State.
- Retain all documentation for a minimum of five years to provide an auditable record in the event of state review or litigation.

d. Conducting Periodic Fiscal Impact Re-Evaluations

Because property market conditions and inflation trends are subject to change, we recommend updating the HB 581 revenue loss model at least every three years. This will allow the Board to:

- Validate whether the assumed 6% market growth rate and 2.4% CPI cap remain accurate.
- Quantify the continuing benefits of the Opt-Out status.
- Adjust budget planning to account for shifting economic conditions.

e. Engaging Stakeholders in Future Policy Decisions

Given the magnitude of revenue differences under HB 581, future decisions regarding Opt-Out status or adoption of alternative revenue measures (e.g., Floating Local Option Sales Tax) should involve transparent engagement with stakeholders. This includes:

- Public workshops explaining the revenue implications of HB 581 and potential budgetary impacts.
- Clear, plain-language summaries distributed to parents, staff, and taxpayers and published on the CCSD website.
- Opportunities for input before any reconsideration of the Opt-Out election.

APPENDIX A – SOURCES OF INFORMATION

This appendix documents statutory references, economic data, and local records relied upon in this report (accessed August 14, 2025).

Statutes & Official Guidance

1. **House Bill 581 (as passed House & Senate).** Georgia General Assembly official text. Establishes the statewide floating homestead exemption framework and opt-out procedures. C:\Pdf\229562.wpd
2. **O.C.G.A. § 48-5-44.2: Base year homestead exemption; inflation cap; opt-out procedures and HB 581 Filing Instructions:** House Bill 581 - Filing Instructions.pdf
3. **Georgia Department of Revenue: Digest Compliance.** Overview of digest submission, review, and audit processes. Digest Compliance | Department of Revenue
4. **Georgia General Assembly: HB 581 Policy Brief (House Budget & Research Office).** Summary of provisions: confirms enactment timeline (passed March 28, 2024; signed April 18, 2024). HB 581 Property Tax Reform

Inflation / CPI (used for Opt-In projections)

6. **U.S. Bureau of Labor Statistics: Atlanta-Sandy Springs-Roswell CPI (Regional News Release, July 15, 2025).** Reports 12-month "all items" +1.8% and "core" (less food & energy) +2.4% through June 2025; basis for the 2.4% inflation cap assumption. Consumer Price Index, Atlanta-Sandy Springs-Roswell — June 2025 : Southeast Information Office : U.S. Bureau of Labor Statistics

Housing Market Growth (market growth assumption)

7. **FHFA / FRED: All-Transactions House Price Index for Atlanta-Sandy Springs-Alpharetta (ATNHPIUS12060Q).** Quarterly index values (Q4-2023: 361.17; Q4-2024: 376.30) used to corroborate local home-price trends. All-Transactions House Price Index for Atlanta-Sandy Springs-Alpharetta, GA (MSA) (ATNHPIUS12060Q) | FRED | St. Louis Fed

Local Digest, Millage, and Notices

8. **Cherokee County: 2025 Property Digest (Board of Commissioners Budget Presentation, June 17, 2025).** County-published digest totals and composition used to compare to the summary obtained from property data for baseline context. Cherokee County Board of Commissioners Financial Update FY2021 Q1 Results
9. **Cherokee County Tax Assessors' Office: "Understanding Your 2025 Notice of Assessment."** County explainer referencing 2025 assessment changes and administration. News and Announcements | Official Site of the Cherokee County Board of Commissioners

10. **Cherokee County Tax Assessors' Office (official site).** Office responsibilities and homestead exemption references. Tax Assessor's Office | Cherokee County, Georgia

District & Peer Public Materials (context for assumptions)

12. **Cherokee County School District: "Statewide Floating Homestead Exemption: CCSD Impact" (Opt-Out Hearings Presentation, Feb. 5, 2025).** District's public materials noting recent assessment growth (6%) and rationale. OptOutHearings02052025Final002.pdf

13. **Gwinnett County Public Schools: HB 581 Information Page.** Notes CPI of **2.4%** as of Sept. 30, 2024, and 6% local market growth; cited as a comparable peer context within the same CPI region. House Bill 581 - Gwinnett County Public Schools

Elections & Enabling References (background)

14. **Georgia Secretary of State: Statewide Constitutional Amendments & Ballot Questions Booklet (Nov. 5, 2024).** Background on the constitutional amendment enabling HB 581. Microsoft Word - 2024 booklet FINALFINALedMW2 (002)

Primary Data Received Directly (on file)

15. **Cherokee County Tax Assessors' Office: Parcel-level digest extracts and homestead/exemption data for Tax Years 2024–2025.** Provided to Team SPD between July and August 2025 (non-public working datasets, on file).

16. **CCSD Board resolution, public notices, hearing agendas/minutes, press releases, and Secretary of State filing confirmation (Feb. 24, 2025).** Provided by the District; verified during the compliance review (on file).

APPENDIX B - LIMITING CONDITIONS

- Purpose and as-of date. The analyses, findings, and conclusions in this report are valid only for the stated purpose of evaluating HB 581-related data validation, compliance, and revenue impact modeling for the Cherokee County School District (CCSD) as of the dates specifically identified in the report.
- No audit or attestation. Financial, digest, assessment, exemption, millage, and related information provided by CCSD, the Cherokee County Tax Assessors' Office, or other parties were accepted as accurate and complete except where expressly noted. Team SPD (STA PLLC, Paterco, Inc., and Dickey & Associates LLC) did not audit, review, or compile such information in accordance with AICPA or GAGAS standards and expresses no assurance, opinion, or conclusion thereon.
- Public and third-party sources. Published data (including CPI, housing price indices, county presentations, and statutes) were obtained from sources believed reliable; however, no representation is made regarding their accuracy or completeness, and no procedures were performed to independently corroborate such information beyond the limited reconciliations described in the report.
- Forecasts and modeling uncertainty. The projections and scenario analyses reflect assumptions and methods described in the report. Actual results may differ, sometimes materially, due to changes in market conditions, digest composition, exemptions, appeals, millage decisions, enrollment, economic factors, or other events not contemplated by the model.
- Law and policy changes. The analyses assume the statutes, regulations, administrative guidance, and local policies summarized in the report remain in effect and are applied as described. Any change in law, guidance, interpretation, effective dates, or implementation practices may alter the conclusions.
- Scope of procedures. The engagement consisted of a consulting analysis and compliance review procedures specified in the report. It did not include an examination of internal control over financial reporting or property assessment operations, except to the limited extent described. No per-parcel recalculation or property-level appraisal was performed.
- Reliance on aggregated data. Unless expressly stated, modeling was performed using aggregated totals, homestead counts, assessed and exempt values, and millage rates from parcel-level data. Errors or omissions in aggregated inputs will affect results.
- No legal advice. This report does not constitute legal advice and should not be relied upon as such. Determinations regarding HB 581 procedural compliance, election mechanics, ballot requirements, or filing sufficiency should be made by qualified legal counsel.
- No tax advice. This report does not provide federal, state, or local tax advice to the district, taxpayers, or any other party. Parties should consult their own tax advisors regarding tax consequences.
- No investment or rating advice. Nothing herein should be construed as investment advice, a recommendation to issue debt, or guidance for credit rating purposes.

- Distribution and permitted use. This report is for the exclusive use of CCSD for the purposes stated. It may not be used for any other purpose, nor distributed to or relied upon by any other party, without prior written consent from Team SPD. Excerpts should not be taken out of context.
- No obligation to update. Team SPD has no duty to update this report or its conclusions for events or data occurring after the report date unless separately engaged to do so in writing.
- Independence and conflicts. To the best of our knowledge, Team SPD has no financial interest in the outcomes discussed and no relationships that would impair objectivity for this engagement.
- Internal controls and compliance. Any comments on internal processes, controls, or compliance are based on procedures described in the report and do not constitute an opinion on the effectiveness of internal control or comprehensive compliance with all applicable requirements.
- Engineering, environmental, appraisal, or actuarial matters. No engineering, environmental, appraisal, title, or actuarial assessments were performed or relied upon. No opinion is expressed regarding environmental conditions, title, liens, or encumbrances affecting properties within the digest.
- Communications and community impacts. Illustrative community impact descriptions and FAQs are explanatory in nature and do not predict individual taxpayer outcomes. Individual experiences will vary based on parcel-level characteristics, exemptions, and appeals.
- Millage strategy and budget policy. Any millage scenarios presented are illustrative to show fiscal sensitivities and are not recommendations. Millage setting and budget policy decisions rest solely with the Board and authorized officials.
- Third-party reliance. No third party is entitled to rely on this report without the express written consent of Team SPD. If reliance is granted, it is subject to all limiting conditions herein.
- Testimony and further services. Team SPD is not required to provide testimony, attend hearings, or furnish additional services relating to this report unless prior arrangements are made in writing.
- Electronic models and workpapers. Spreadsheets and models, if provided, are tools to aid understanding and may contain formulas and links that are sensitive to input changes. Any modification, re-use, or distribution of these files without Team SPD's review may produce unintended results. Team SPD is not responsible for conclusions drawn from altered versions.
- Data lineage and revisions. Where the report notes digest updates, reconciliations, or corrections, the conclusions reflect the best available information at the time of analysis. Subsequent updates to official records, appeals outcomes, or reassessments may change the results.

- Proprietary methods. Certain analytical techniques and formats used herein are proprietary to Team SPD and are provided for this engagement only.
- Standards context. The engagement was performed as a consulting service. It is not an audit, review, examination, compilation, or agreed-upon procedures engagement under AICPA professional standards or a Yellow Book (GAGAS) attestation.
- No unauthorized changes. No change to any item in this report shall be made by anyone other than Team SPD. Team SPD assumes no responsibility for unauthorized changes.

APPENDIX C - ABBREVIATIONS & DEFINITIONS

Abbreviations	Term	Meaning / Use in this Report	First Occurrence (page number)
Appeals	Assessment Appeals	Owner challenges to value can affect digest totals.	p. 5
AV	Assessed Value	Taxable portion of property value set by law (40% of Fair Market Value in Georgia).	p. 2
BLS	Bureau of Labor Statistics	Publishes CPI used in modeling assumptions.	p. 7
BOE	Board of Education	CCSD governing board; decision-making audience.	p. 2
CCSD	Cherokee County School District	The school district evaluated in this report.	p. 2
CPI	Consumer Price Index	Inflation measure (BLS). Used for CPI cap assumptions in modeling.	p. 2
Digest	Tax Digest	Aggregate assessed values and exemptions for the county; basis for the tax base.	p. 4
Exemption	Exempt Assessed Value	Portion of AV removed from taxation	p. 4
FHE	Floating Homestead Exemption	Framework that limits assessed value growth for continuing homesteads by CPI (when applicable under HB 581).	p. 5
FHFA	Federal Housing Finance Agency	Publishes HPI used to corroborate the market growth context.	p. 8
GF	General Fund	Primary operating fund of the district; used for % of the budget context.	p. 11
HB 581	House Bill 581	Georgia law creating a statewide floating homestead framework with CPI-based growth limits.	p. 2
Homestead	Homestead Property	Owner-occupied primary residence eligible for homestead exemptions.	p. 2
HPI	House Price Index	FHFA index used to gauge market value trends for residential property.	p. 8
Mill / Millage	Millage Rate	Tax rate per $1,000 of assessed value (1 mill = $1 per $1,000 AV).	p. 4
O.C.G.A.	Official Code of Georgia Annotated	Compilation of Georgia statutes cited (e.g., §48-5-44.2).	p. 5
Rollback Rate	Roll-Back Millage Rate	The rate that yields the same revenue on the current digest (excluding new growth).	p. 5
SoS	Georgia Secretary of State	Receives filings related to HB 581 procedures; source of filing guidance.	p. 5
Taxable Digest	Taxable Digest	Assessed value after exemptions; multiplied by millage to estimate revenue.	p. 10

Cherokee County School District

Monthly Financial Report

Work Session | 09.18.2025

Mary Elizabeth Davis, PhD
Superintendent of Schools

CHEROKEE COUNTY BOARD OF EDUCATION

Mary Elizabeth Davis PhD, Superintendent
Kenneth Owen, Chief Financial Officer

FINANCIAL REPORT
AUGUST 2025

General Fund

For the month ending August 31, 2025, the second month of the 2025-26 Fiscal Year, the School District's Operating Account (General Fund) has received $11,384,914 in revenue (year-to-date) consisting of state funds of $8,467,176 (3% of budget), $2,210,797 local revenues (1% of budget), and other funds of $706,941 (24% of budget). All operating expenditures of $66,276,958 (11% of budget) are within the Board of Education's approved 2025-26 budget.

Building Fund/Ed-SPLOST Collections

The Capital Outlay Fund balance of $116,430,489 as of August 31, 2025 reflects Special Purpose Local Option Sales Tax for Education (Ed-SPLOST) collections, proceeds of bond sales for capital outlay purposes, and transfers from the General Fund less bond refundings, bond issuance costs, transfers of Ed-SPLOST to the Debt Service Fund and capital outlay expenses paid.

Cherokee County School District received $6,125,326 for sales tax collections received in August 2025, for the month of July 2025, the 34th month of 60 monthly sales tax collections for the 2022-2027 SPLOST. Collections received were above projections for the month by $1,144,321 and above cumulative projections by $29,211,060.

Ed-SPLOST collections are accumulated within the Building Fund to be used for specified capital outlay purchases (limited pay-as-you-go) and transferred to the Debt Service Fund at the appropriate time to meet annual bond obligations (January and July). Excess Ed-SPLOST collections above projections are used to meet critical capital outlay needs and/or transferred to the Debt Service Fund as a safeguard against future negative economic conditions, assuring the School District can meet future bond payments.

Debt Service Fund

The Debt Service Fund balance as of August 31, 2025 is $35,048,566 representing funds accumulated from Ed-SPLOST collections, collections from the 1.5 mills of property tax approved by the School Board, interest earned from investments and Invested Sinking Fund earnings. The Invested Sinking Fund is attached to the Series 2010B Bond issuance and is structured to fully pay the annual debt service on the Series 2010B bonds through August 2028. Annual Debt Service payments are made in February and August of each year, according to the Debt Service Schedule published annually in the Cherokee County School District Budget Book.

Federal/State/Competitive Grants and School Nutrition Funds

The School Nutrition Fund Balance as of August 31, 2025 is $16,244,562 and represents the difference between revenues from all sources and all expenditures. This amount is held in reserve to cover potential funding shortfalls or unexpected expenses.

Federal, State and Competitive grant funds are annually awarded to the School District based on funding formulas (Federal Title Programs) and/or program applications (State and competitive grants). As funds are expended, reimbursements are sought from the various programs. Local funds are not intended to cover shortfalls within grant programs nor are grants intended to carry a fund balance.

CHEROKEE COUNTY SCHOOL DISTRICT
FINANCIAL REPORT
AS OF AUGUST 31, 2025

BALANCE SHEET	GENERAL FUND	DEBT SERVICE FUND	BUILDING FUND	FED FUNDS/ SCHOOL NUTRITION	TOTAL
ASSETS					
Cash and Cash Equivalents	$ 105,838,297	$ 778,506	$ 122,626,920	$ 11,130,002	$ 240,373,725
Investments	-	32,761,435	-	-	32,761,435
Receivables	543,506	1,508,625	-	5,537,723	7,589,854
Inventories	1,165,002	-	-	843,069	2,008,071
TOTAL ASSETS	$ 107,546,805	$ 35,048,566	$ 122,626,920	$ 17,510,794	$ 282,733,085
LIABILITIES					
Accounts Payable	$ 536,408	$ -	$ 6,196,431	$ 962,248	$ 7,695,087
Salaries and Benefits Payable	19,048,729	-	-	303,984	19,352,713
FUND BALANCE	87,961,668	35,048,566	116,430,489	16,244,562	255,685,285
TOTAL LIABILITIES AND FUND BALANCE	$ 107,546,805	$ 35,048,566	$ 122,626,920	$ 17,510,794	$ 282,733,085
REVENUE AND EXPENSE					
REVENUE	$ 11,384,914	$ 395,560	$ 7,272,648	$ 3,949,373	$ 23,002,495
EXPENDITURES	66,276,958	28,591,189	11,522,436	4,883,734	111,274,317
EXCESS REVENUE OVER EXPENDITURES	(54,892,044)	(28,195,629)	(4,249,788)	(934,361)	(88,271,822)
OTHER FINANCING SOURCES (USES)	(111,430)	12,472,877	(12,472,877)	-	(111,430)
BEGINNING FUND BALANCE	142,965,142	50,771,318	133,153,154	17,178,923	344,068,537
ENDING FUND BALANCE	**$ 87,961,668**	**$ 35,048,566**	**$ 116,430,489**	**$ 16,244,562**	**$ 255,685,285**

CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2025 - AUGUST 31, 2025

	2025-2026 APPROVED BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	$ 326,596,116	$ 2,210,797		$ 324,385,319
State Revenue	276,810,480	8,467,176		268,343,304
Federal Revenue	217,661	-		217,661
Investment Earnings	2,715,621	706,941		2,008,680
TOTAL REVENUE	**606,339,878**	**11,384,914**		**594,954,964**
EXPENDITURES				
Instructional Services	417,147,732	38,224,538	$ 1,548,623	377,374,571
Pupil Services	29,475,078	2,626,182	24,027	26,824,869
Improvement of Instructional Services	23,956,981	5,486,927	441,053	18,029,001
Instructional Staff Training	832,126	110,483	21,018	700,625
Educational Media Services	6,583,454	544,338	48,903	5,990,213
General Administration	4,221,363	888,152	-	3,333,211
School Administration	37,429,021	6,139,508	51,943	31,237,570
Support Services-Business	4,361,108	1,070,350	80,515	3,210,243
Maintenance & Operation of Plant Services	35,785,121	5,777,064	375,973	29,632,084
School Safety and Security	4,189,555	816,178	134,356	3,239,021
Student Transportation Services	31,865,199	3,066,422	4,586,937	24,211,840
Support Services-Central	7,583,041	1,526,816	1,377	6,054,848
School Nutrition Program	213,618	-	-	213,618
TOTAL EXPENDITURES	**603,643,397**	**66,276,958**	**7,314,725**	**530,051,714**
OTHER FINANCING SOURCES (USES)				
Proceeds from Sale of Assets	492,803	13,570		479,233
Accounts Transfers Out	(2,109,217)	(125,000)		(1,984,217)
TOTAL OTHER FIN SOURCES (USES)	**(1,616,414)**	**(111,430)**		**(1,504,984)**
NET CHANGE FUND BALANCES	**$ 1,080,067**	**$ (55,003,474)**	**$ (7,314,725)**	**$ 63,398,266**

CHEROKEE COUNTY SCHOOL DISTRICT
DEBT SERVICE FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2025 - AUGUST 31, 2025

	2025-2026 APPROVED BUDGET	YEAR TO DATE	AVAILABLE BUDGET
REVENUE			
Local Revenue	$ 25,086,767	$ -	$ 25,086,767
Investment Earnings	1,606,513	144,123	1,462,390
Miscellaneous Revenue	2,548,750	251,437	2,297,313
TOTAL REVENUE	**29,242,030**	**395,560**	**28,846,470**
EXPENDITURES			
Debt Service	60,860,650	28,591,189	32,269,461
TOTAL EXPENDITURES	**60,860,650**	**28,591,189**	**32,269,461**
OTHER FINANCING SOURCES (USES)			
Accounts Transfers In	26,258,758	12,472,877	13,785,881
TOTAL OTHER FIN SOURCES (USES)	**26,258,758**	**12,472,877**	**13,785,881**
NET CHANGE FUND BALANCES	**$ (5,359,862)**	**$ (15,722,752)**	**$ 10,362,890**

CHEROKEE COUNTY SCHOOL DISTRICT
BUILDING FUND COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2025 - AUGUST 31, 2025

	2025-2026 APPROVED BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	$ 59,572,740	$ 6,126,894		$ 53,445,846
State Revenue	3,153,686	-		3,153,686
Investment Earnings	4,495,548	1,145,754		3,349,794
TOTAL REVENUE	**67,221,974**	**7,272,648**		**59,949,326**
EXPENDITURES				
Instructional Services	39,241,914	5,421,199	784,786	33,035,929
Support Services-Business	467,676	-	-	467,676
Facilities Acquisition and Construction Svs.	93,128,601	6,101,237	275,785	86,751,579
TOTAL EXPENDITURES	**132,838,191**	**11,522,436**	**1,060,571**	**120,255,184**
OTHER FINANCING SOURCES (USES)				
Bond Issuance	90,000,000	-		90,000,000
Premiums on Bonds Sold	7,830,000	-		7,830,000
Deposit with Escrow Agent	-	-		-
Accounts Transfers In	-	-		-
Accounts Transfers Out	(26,258,757)	(12,472,877)		(13,785,880)
TOTAL OTHER FIN SOURCES (USES)	**71,571,243**	**(12,472,877)**		**84,044,120**
NET CHANGE FUND BALANCES	**$ 5,955,026**	**$ (16,722,665)**	**$ (1,060,571)**	**$ 23,738,262**

CHEROKEE COUNTY SCHOOL DISTRICT
FEDERAL FUNDS AND SCHOOL NUTRITION COMPARISON OF BUDGET TO ACTUAL
JULY 1, 2025 - AUGUST 31, 2025

	2025-2026 APPROVED BUDGET	YEAR TO DATE	ENCUMBRANCES	AVAILABLE BUDGET
REVENUE				
Local Revenue	$ 8,519,957	$ 840,874		$ 7,679,083
State Revenue	1,912,725	285,993		1,626,732
Federal Revenue	31,593,978	2,732,432		28,861,546
Investment Earnings	650,240	90,074		560,166
TOTAL REVENUE	**42,676,900**	**3,949,373**		**38,727,527**
EXPENDITURES				
Instructional Services	10,966,490	1,149,075	$ 5,869	9,811,546
Pupil Services	5,447,173	523,301	28,366	4,895,506
Improvement of Instructional Services	783,910	80,397	-	703,513
Instructional Staff Training	2,025,555	91,187	30	1,934,338
Maintenance & Operation of Plant Services	-	-		-
Student Transportation Services	522,735	12,777		509,958
Support Services-Central	179,051	54,638		124,413
School Nutrition Program	24,257,392	2,972,359	122,536	21,162,497
TOTAL EXPENDITURES	**44,182,306**	**4,883,734**	**156,801**	**39,141,771**
OTHER FINANCING SOURCES (USES)				
Accounts Transfers In	1,505,406	-		1,505,406
TOTAL OTHER FIN SOURCES (USES)	**1,505,406**	**-**		**1,505,406**
NET CHANGE FUND BALANCES	**$ -**	**$ (934,361)**	**$ (156,801)**	**$ 1,091,162**

CHEROKEE COUNTY SCHOOL DISTRICT
SPECIAL PURPOSE LOCAL OPTION SALES TAX (2022-2027)
COMPARISON OF COLLECTIONS
THROUGH AUGUST 31, 2025

REPORTING MONTH	60 MONTH COLLECTION MONTH	PERIOD	PROJECTED COLLECTIONS	ACTUAL COLLECTIONS	DIFFERENCE ACTUAL AND PROJECTED COLLECTIONS
November 2022	**October 2022**	**1**	$ 4,636,009	$ 5,328,786	$ 692,777
December 2022	**November 2022**	**2**	4,807,242	5,405,654	598,412
January 2023	**December 2022**	**3**	5,104,524	6,617,076	1,512,552
February 2023	**January 2023**	**4**	4,824,820	4,852,679	27,859
March 2023	**February 2023**	**5**	4,062,238	4,697,475	635,237
April 2023	**March 2023**	**6**	4,325,376	5,419,587	1,094,211
May 2023	**April 2023**	**7**	4,448,443	5,296,122	847,679
June 2023	**May 2023**	**8**	4,604,100	5,494,145	890,045
July 2023	**June 2023**	**9**	4,818,522	5,509,360	690,838
August 2023	**July 2023**	**10**	4,787,586	5,922,789	1,135,203
September 2023	**August 2023**	**11**	4,848,609	5,339,709	491,100
October 2023	**September 2023**	**12**	4,619,404	5,276,069	656,665
November 2023	**October 2023**	**13**	4,766,013	5,652,592	886,579
December 2023	**November 2023**	**14**	4,899,541	5,628,151	728,610
January 2024	**December 2023**	**15**	5,403,573	6,715,254	1,311,681
February 2024	**January 2024**	**16**	4,921,317	5,110,321	189,004
March 2024	**February 2024**	**17**	4,143,483	5,309,129	1,165,646
April 2024	**March 2024**	**18**	4,411,884	5,502,215	1,090,331
May 2024	**April 2024**	**19**	4,537,412	5,471,342	933,930
June 2024	**May 2024**	**20**	4,696,182	5,810,715	1,114,533
July 2024	**June 2024**	**21**	4,914,893	5,612,665	697,772
August 2024	**July 2024**	**22**	4,883,338	5,864,797	981,459
September 2024	**August 2024**	**23**	4,945,582	5,789,651	844,069
October 2024	**September 2024**	**24**	4,711,792	5,345,738	633,946
November 2024	**October 2024**	**25**	4,861,333	5,514,947	653,614
December 2024	**November 2024**	**26**	4,997,532	5,796,564	799,032
January 2025	**December 2024**	**27**	5,511,645	6,812,555	1,300,910
February 2025	**January 2025**	**28**	5,019,743	5,147,797	128,054
March 2025	**February 2025**	**29**	4,226,353	5,157,129	930,776
April 2025	**March 2025**	**30**	4,500,122	5,678,527	1,178,405
May 2025	**April 2025**	**31**	4,628,160	5,902,762	1,274,602
June 2025	**May 2025**	**32**	4,790,105	5,887,018	1,096,913
July 2025	**June 2025**	**33**	5,013,191	5,867,483	854,292
August 2025	**July 2025**	**34**	4,981,005	6,125,326	1,144,321
			$ 161,651,069	$ 190,862,129	$ 29,211,060

2022-2027 Ed-SPLOST Projected Collections

	2022	2023	2024	2025	2026	2027	TOTAL
January	-	4,824,820	4,921,317	5,019,743	5,120,138	5,222,541	25,108,558
February	-	4,062,238	4,143,483	4,226,353	4,310,880	4,397,097	21,140,052
March	-	4,325,376	4,411,884	4,500,122	4,590,124	4,681,927	22,509,432
April	-	4,448,443	4,537,412	4,628,160	4,720,723	4,815,138	23,149,876
May	-	4,604,100	4,696,182	4,790,105	4,885,907	4,983,625	23,959,919
June	-	4,818,522	4,914,893	5,013,191	5,113,455	5,215,724	25,075,784
July	-	4,787,586	4,883,338	4,981,005	5,080,625	5,182,237	24,914,790
August	-	4,848,609	4,945,582	5,044,493	5,145,383	5,248,291	25,232,358
September	-	4,619,404	4,711,792	4,806,027	4,902,148	5,000,191	24,039,561
October	4,636,009	4,766,013	4,861,333	4,958,560	5,057,731	-	24,279,647
November	4,807,242	4,899,541	4,997,532	5,097,482	5,199,432	-	25,001,229
December	5,104,524	5,403,573	5,511,645	5,621,878	5,734,315	-	27,375,934
TOTALS	**$ 14,547,775**	**$ 56,408,226**	**$ 57,536,391**	**$ 58,687,118**	**$ 59,860,861**	**$ 44,746,770**	**$ 291,787,141**

Cherokee County School District

SUPERINTENDENT REPORTS

- Legislative Priorities 2026 Report
  Mike McGowan, Chief of Staff

  In anticipation of the 2026 Legislative Session, School Board Members have begun to discuss issues and priorities aimed at advancing quality public schools and improved accountability for student learning. This Board Report will be provided to prompt discussion of the School Board that will serve as the basis from which the CCSD Legislative Priorities will be developed.

Cherokee County School District

SUPERINTENDENT REPORTS

- Local Legislation HB845 – Legislative Update
  Mike McGowan, Chief of Staff

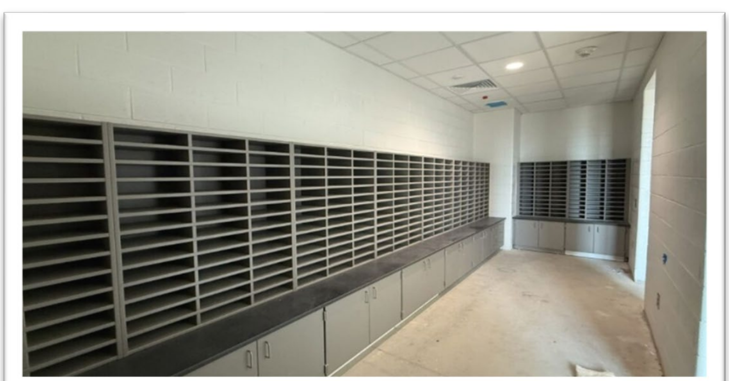
  In commitment to compliance with HB845, an update will be provided.

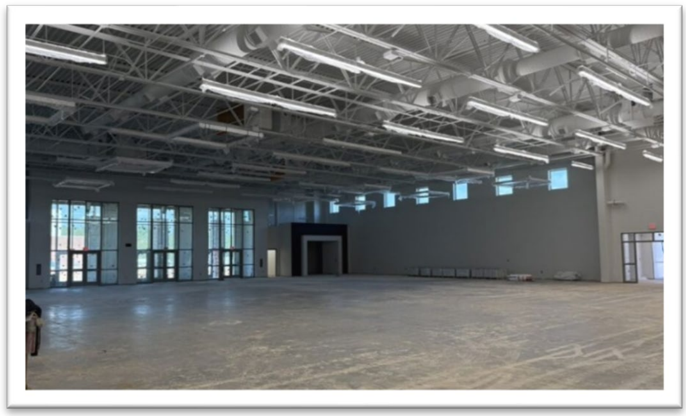
Projects in Construction

Cherokee HS Replacement

Replacement Facility — Substantial Completion: 12.2025
Carroll Daniel Construction — Anticipated Occupancy: 08.2026

- Installation of the casework and ceiling grid, along with lighting, painting, and flooring are ongoing in the main academic building.
- Preliminary punch list in the CTAE building continues. Installation of the casework, flooring, and doors and door hardware continues.
- The wood floor, goals, and bleacher installation in the auxiliary gym are complete. Above ceiling inspections, painting, ceiling tile installation, and flooring are underway in the auditorium.
- Overhead ceiling inspections are ongoing in the cafeteria and kitchen. Flooring and kitchen equipment installations are ongoing.
- Gym railing installation and MEP overhead rough-in are nearing completion. Sheetrock and scoreboard installation continues.
- Fine grade for fields has been scheduled in preparation for turf. Perimeter fencing at the baseball and softball fields is complete and bleacher installation has been scheduled.
- Preparation for sidewalks is ongoing, as well as sodding and tree installation for the entire campus. Site light pole installation is nearing completion and the installation of the gas lines at the generators is underway. Parking lot striping has been scheduled.





<u>Creekview HS</u>

Classroom Addition ~ Auxiliary Gym — Substantial Completion: 05.2025

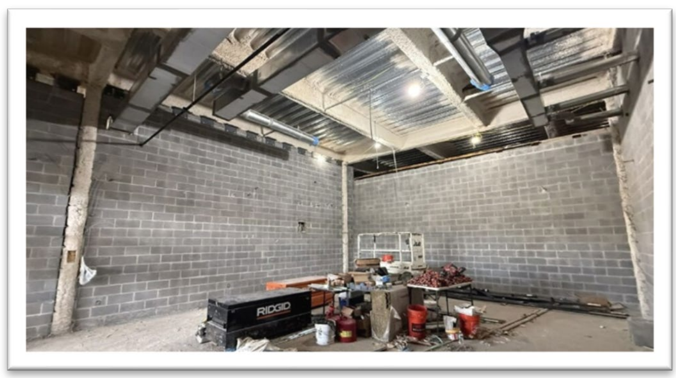
McKnight Construction Company — Anticipated Occupancy: 10.2025

- Construction of the CTAE classroom addition has reached substantial completion, and a temporary certificate of occupancy has been received.
- Interior finishes in the auxiliary gym are nearing completion. Installation of the basketball goals and scoreboards is complete. The wood floor has been installed, and finishing has started. The ceiling cover up inspection has been completed, and civil work is ongoing.
- The interior renovation ceiling grid is installed, painting is complete, and the remaining finishes are anticipated to be completed soon.

River Ridge HS
Auxiliary Gymnasium
SmithBuilt Construction Group

Substantial Completion: 04.2026
Anticipated Occupancy: 08.2026

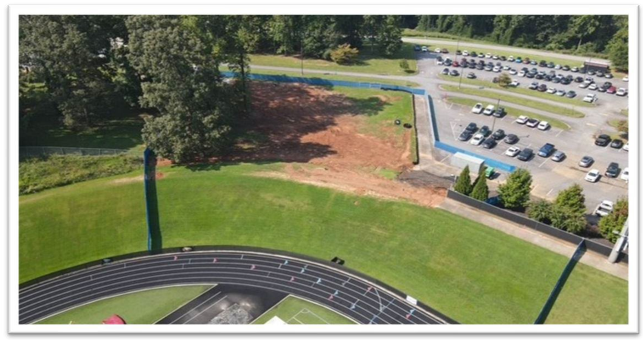
- Placement of the retaining wall is underway.
- Interior and exterior CMU wall placement is ongoing.
- Fireproofing, MEP rough-in, and placement of hollow metal door frames have begun.



Sequoyah HS
Auxiliary Gym and Facility Improvements
(Press Box & Field House)
Carroll Daniel Construction

Substantial Completion: 11.2026
Anticipated Occupancy: 01.2027

- Preparation of the auxiliary gym building pad is in progress and installation of the footings has been scheduled.
- Temporary fencing at the visitor's concession/bus loop area is in place and excess soils removal is underway.
- Relocation of underground utilities is under review and scheduling is anticipated to begin soon.



Teasley MS

Driveway Improvements
Summit Construction and Development

Substantial Completion: 08.2025
Anticipated Occupancy: 10.31.2025

- Excess dirt removal and prep work for GA Power utility relocation is underway.
- Underground storm installation has begun and forming for curb and gutter are scheduled to begin next week.

Woodstock HS
Classroom Addition
SmithBuilt Construction Group

Substantial Completion: 01.2026
Anticipated Occupancy: 08.2026

- Installation of flooring and bathroom fixtures has begun.
- Door and door hardware installation is in process.
- Landscaping and hardscaping have been scheduled.