

EXECUTIVE SUMMARY

Superintendent's Recommended Tentative Budget FY 2013-14



**Cherokee County School District
Dr. Frank R. Petruzielo
Superintendent of Schools**



From left to right, front row: Kelly Marlow (District 1), Chair Janet Read, Patsy Jordan (District 2); and back row, Robert Rechsteiner (District 4), Rob Usher (District 5), Superintendent of Schools Dr. Frank R. Petruzielo, Vice Chair Robert Wofford (District 6) and Michael Geist (District 3).

The School Board of Cherokee County, Georgia

Janet Read, Chair
Robert Wofford, Vice Chair
Michael Geist
Patsy Jordan
Kelly Marlow
Robert Rechsteiner
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Dr. Frank R. Petruzielo
Superintendent of Schools

"The Cherokee County School Board does not discriminate in the educational and employment policies under which it operates and will honor all appropriate laws relating to discrimination. It is the policy of the Cherokee County Board of Education not to discriminate on the basis of sex in its education programs, activities or employment as required by Title IX of the 1972 Education Amendments."

Cherokee County School District

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SCHOOL BOARD CHAIR

ROBERT WOFFORD
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ROB USHER

DR. FRANK R. PETRUZIELO
SUPERINTENDENT OF SCHOOLS

June 13, 2013

School Board Members:

I. Introduction – 2013-14 School District Budget

As required by Georgia Law and the State Board of Education, the School District's annual budget must be prepared by the Superintendent for presentment to the Board of Education for consideration and adoption. Accordingly, the proposed 2013-14 Tentative Budget is hereby submitted for your review and consideration. This recommended budget does not include any increase in the School District millage rate. It does, however, include a slight increase in revenue resulting from local property tax collections...due to a projected increase in assessed property valuation: the first such increase in over four years! On the following pages is a detailed plan for next year's operation of the Cherokee County School District (CCSD), which addresses: the School Board's Mission and long-term Major System Priorities, as outlined in the Five Year Strategic Plan; recommendations of School Board Members; findings and recommendations of the Ad Hoc Budget Committee; and the fiscal, programmatic and operational impact of legislation passed in the 2013 session of the Georgia General Assembly and subsequently signed by the Governor.

II. Revenue

The proposed 2013-14 Tentative Budget reflects another year of extremely difficult economic challenges and continued inadequate revenue from both state Quality Basic Education (QBE) formula funding and local ad valorem and other tax collections. As you know, over the past twelve years, CCSD has cumulatively lost over \$172 Million in QBE earnings unilaterally withheld from the School District by the State of Georgia in the form of "Amended Formula Adjustments" (formerly/also known as Austerity Budget Reductions). Additionally, the School District has lost over \$31 Million in local property tax revenue over the past four years due to a 25.1% decline in overall property values. Fortunately, this year the tax digest has begun to stabilize, with an initial estimate of a slight increase in collections for the first time in four years. Even if this estimate holds true, however, the School District will still receive less revenue from local property taxes in 2013-14 than it did in 2005...but will educate approximately 5,800 more students who have enrolled during that eight year period.

It should also be noted that the fiscal impact of the State's conversion to the new vehicle Title Ad Valorem Tax (TAVT) as a consequence of House Bill 386 is not completely known at this time. In previous years, the School District could expect to receive an increase in the amount of revenue from ad valorem taxes assessed on automobiles simply because more vehicles were titled in the County each year. However, verbiage in the new

law stipulates that counties and school districts will only be guaranteed the same amount of revenue in this regard as collected in FY 2011-12. In the event revenue is collected above the FY 2011-12 benchmark, the proceeds will be divided between the State, County and School District equally. As such, we are not able to estimate the impact of the TAVT at this time and are projecting revenue from this source to remain the same as FY 2011-12.

Finally, as you may recall, the Cherokee County Tax Commissioner currently charges the School District a fee of 2.5% of the property tax digest (totaling \$3.2 Million in 2012) to process tax collections for Maintenance and Operations (M&O) and School Bonds on behalf of the School Board. School District designees recently met with representatives of the Cherokee County Board of Commissioners (CCBOC) and requested that the fee be reduced by \$250,000 for the 2013 Tax Levy Year. Additionally, the CCBOC was asked to phase in over three years a lower rate that is more closely aligned with the actual cost of collecting school taxes. The result of these cooperative efforts is a resolution, passed by the CCBOC on May 21, 2013, to reduce the collection fee to 2.3% in 2013, 2.1% in 2014 and 2% in 2015...resulting is an estimated net saving to the School District of \$625,000 over three years. The amount charged in 2013-14 will amount to approximately \$250,000 less than the amount paid in 2012. Additionally, CCBOC is considering lowering the rate to 1.8% in future years. The School District very much appreciates this decision by the Board of Commissioners!

III. Expenditures

On the expense side of the budget ledger, the proposed 2013-14 Tentative Budget reflects a continuation of steep increases in employer (i.e., School Board) contributions for participation in the State Health Benefit Plan (SHBP)...increasing another \$4.1 Million, for a total of over \$32 Million to be paid to SHBP in 2013-14. As discussed in the Board Strategic Work Session on May 16, 2013, SHBP is operating with an annually recurring deficit of just over \$900 Million per year, due primarily to losses associated with coverage of non-certified/classified personnel. As a means of controlling this deficit, the State Department of Community Health (DCH), the administrator of SHBP, has sharply increased both employee and employer contribution requirements for both certified and non-certified staff. Meanwhile, the previous annual State contribution of several hundred million dollars has been completely eliminated by the State Legislature for non-certified staff...leading to an increase of over \$2.6 Million in SHBP premiums to be paid by the School District in 2013-14: from \$7.5 Million to \$10.1 Million. Going forward, for non-certified employees, the State has notified local school districts to expect increases of at least \$150 per employee per month for two more years...essentially guaranteeing annual increases in employer-paid contributions for non-certified personnel of at least \$2.6 Million again next year and the year after. The amount paid by the School District for SHBP premiums on behalf of non-certified employees in 2011-12 was \$4.9 Million. In 2014-15 we can expect to budget at least \$12.7 Million for this classification of employee...a 159% increase in just 3 years!

IV. Outsourcing

Known increases in employer contributions associated with employee benefits and abandonment of the State's funding responsibility in regard to non-certified staff, coupled with the uncertainties of how federal mandates relative to the Federal Affordable Care Act (ACA) will impact employers, CCSD has joined many other school districts across the State of Georgia in deciding to review the possibility of outsourcing some current support

services. As such, this year the Board is faced with some difficult policy decisions regarding privatization of groundskeepers and custodians, which, if implemented, will significantly reduce expenditures and allow the School District to focus continually shrinking resources on its primary mission of teaching and learning.

Data and information obtained through the privatization Request For Proposals (RFP) process indicates the School District would save as much as \$100,000 in FY 2013-14 by outsourcing the groundskeeping services currently performed by eight full-time School District employees. In anticipation of moving in this direction, affected employees would all be offered full-time positions in other areas of School District operations. If the Board approves Agenda Item I-2 at this evening's Board Meeting, a private company can begin providing groundskeeping services in July 2013.

Relative to the potential fiscal impact of outsourcing custodial services, the RFP process provided staff with an opportunity to determine the additional, potential cost-savings the School District would achieve in this regard. Of the five proposals submitted in response to the RFP, four came in under \$6 Million per year; and all proposers indicated that transition could be enhanced and substantial savings could begin sooner than anticipated...as early as Fall 2013 (versus January 2014). Additionally, each proposal contained an assurance that all current CCSD employees would be offered positions with benefits by the company selected by the Board. Staff is currently scrutinizing each proposal and will bring results in this regard to the July 24, 2013 Called Board Meeting. The proposed 2013-14 Tentative Budget initially included \$1 Million in savings to be realized from outsourcing custodial services and was based on a transition date of January 1, 2014. We now have increased that potential savings by another approximately \$2 Million...which could be achieved if the transition date is moved to Fall 2013.

V. Additional Budget Cuts

Accordingly, the proposed 2013-14 Tentative Budget addresses: continued State Education Funding reductions of \$24.8 Million; a slight increase in local property tax revenue; a continued increase in student population growth - projected at 119 students; capital outlay costs for construction of new/replacement schools, technology replacements and enhancements and safety/security improvements (as recommended by the Ad Hoc Safety/Security Committee); opening of the new/replacement E. T. Booth Middle School and re-purposing of Chapman Intermediate School; the effects of federal sequestration...leading to a reduction of \$1.2 Million for programs designed to supplement services for our most at-risk students; escalating State funding/cost shifts to local school districts in health care and teacher retirement benefits; and the extraordinary impact of a continuing pattern of State unfunded and underfunded mandates (e.g., transportation, special education, textbooks, etc.)...requiring the necessary utilization of additional budget cuts/reductions for 2013-14 to meet critical operational needs. As a result of these continued shortfalls and inadequacies in Federal, State and Local revenue, and to maintain a quality educational program for our students, over \$7.16 Million is required in additional Operating/General Fund budget cuts for 2013-14...beyond the \$22.8 Million of 2012-13 budget reductions/cost containment, which included eight furlough days for teachers and all other full-time employees (see attachment).

As in each of the past 14 years, an Ad Hoc Budget Committee, comprised of department heads and principals at all levels, has conducted a "zero sunset review" of all major expenditures for the current (2012-13) fiscal year and has assisted in formulation of the

proposed 2013-14 Tentative Budget...with the primary goal of allocating the resources and personnel necessary to maintain and enhance student achievement in all subjects and at all grade levels. Budget committee members provided valuable ideas and problem-solving input during this most difficult economic time period.

Clearly, the historical partnership between the State of Georgia and local School Boards in funding public education continues to be eroded from its original 60% /State - 40% /Local ratio to the point where, even during continued current turbulent economic conditions when the State Legislature should be ensuring that local school districts are being provided with increased financial support for education, local taxpayers are now footing over 50% of the education bill for this critically important function. It is also noteworthy that Cherokee's "Local Fair Share" (five mills of local property taxes required to be assessed by the State annually) has increased from \$7.2 Million in 1993-94 (13% of the State's required formula funding for the School District) to \$37.6 Million in 2013-14 (19.9% of the State's required formula funding for local schools). Annual "Local Fair Share" funding increases have occurred while the Governor and Legislature have continued to balance the State budget by reducing earned Quality Basic Education (QBE) formula funding to local school districts through annual so-called "austerity budget reductions."

VI. Board Member Suggestions

The 2013-14 Tentative Budget incorporates specific ideas and suggestions from School Board Members relative to:

- Increasing the number of instructional days for students and decreasing employee furlough days;
- Providing and maintaining adequate cash reserves;
- Pursuing the feasibility of lower cost options for employee-paid and employer-paid Health Insurance;
- Continuing to provide employees with critically needed Professional/Staff Development;
- Directing the vast majority of funding toward instruction in the classroom; and,
- Continuing to pursue unprecedented levels of accountability and transparency in operations and governance of the School District.

VII. Employee Compensation/Benefits

CCSD continues to be the largest employer in Cherokee County with an expected total of 4,439 full and part-time employees, including 2,669 professionally certified staff members projected for 2013-14...a further reduction of 87 employees from 2012-13 (for a cumulative total reduction of 494 employees since 2008-09). Recognizing that the School District and its employees are in an extremely difficult economic climate, while I initially planned to recommend increasing the number of instructional days (and correspondingly reducing the number of furlough days) by two days, from 175 instructional days to 177, it now appears that, due to additional savings associated with the privatization of custodial services beginning in Fall 2013, rather than January 2014, I am able to recommend an increase of two more instructional days. This will bring the total number of instructional days for our students to 179 and a corresponding reduction from eight to four recommended furlough days for teachers and other full-time staff in the 2013-14 school year. I am also recommending funding state and local longevity steps for all eligible employees, beginning July 1, 2013.

VIII. Testing/Assessment

It should also be noted that the School District's student assessment program continues to be negatively impacted by State funding decreases in this area. State cuts to funding for the PSAT will limit CCSD's ability to prepare students for the SAT by providing predictive data on three grades. Students in grades 10 and 11 will take the PSAT utilizing local funds to cover one grade level and, presumably, State funding to cover the other grade level. CCSD students again exceeded State and national scoring on the SAT and ACT in 2011-12. While more than 2,000 Advanced Placement (AP) exams were taken in the spring of 2013, the State continues to cut all previously provided funding for these exams (economically disadvantaged students continue to receive subsidies for their AP exams). In 2012, 80% of CCSD students earned a 3, 4, or 5 on their AP exams...compared to 53% in the State of Georgia. On the 2012 Georgia Criterion Referenced Competency Test (GCRCT), CCSD students continued to outshine their peers in the State with 96% of students in Grade 3 passing Reading compared to 91% in the State; Grade 5 students had a pass rate of 96% in Reading and 88% in Math compared to 91% and 84% respectively in the State; and Grade 8 students had a 99% pass rate in Reading and 89% in Math compared to 96% and 77% respectively in the State. The State has indicated that funding for GCRCT in grades 1 and 2 will not be restored. State funding for ITBS and CogAT testing also is not restored; but CCSD staff will continue to negotiate with vendors to include these assessments within the current assessment budget. Notwithstanding these shortfalls in State funding, CCSD will continue to work diligently in documenting student achievement gains; and staff will continue to use all available data in order to improve student mastery of all of Georgia's Performance Standards.

IX. Continued Focus on Teaching and Learning

Since the primary mission of the School District is teaching and learning, the vast majority of our fiscal recommendations continue to be directed toward this mission. Of the \$321 Million in General Fund/Operating Budget total revenue anticipated for the 2013-14 school year, \$212.6 Million (66%) is appropriated directly to School Instruction. In addition to appropriations made directly to schools, \$68.5 Million (21.3%) is allocated to Other Support Services. Of that amount, 58.5% is allocated to departments having a direct impact on students, such as Instructional Improvement, School Administration and Pupil Transportation. Other departments (such as General Administration, Business Services, Maintenance and Operations and Other Support Services) indirectly affect students and the overall quality of instruction by properly maintaining schools, providing competitive compensation and fringe benefits for employees and insuring accountability for all resources. These other departments make up \$28.4 Million (8.8%) of the General Fund budget. The remaining balance of the General Fund (12.7%) is required for debt service, reserves and contingency fund balance.

X. Capital Outlay Priorities

As Board Members well know, Cherokee County continues to experience student population growth...with an additional 119 students projected for the 2013-14 school year. Accordingly, addressing student population growth, opening the new/replacement E. T. Booth Middle School, funding technology enhancements and improving safety/security will require utilization of the vast majority of available capital outlay resources.

Construction funds provided by the renewed 2013 Special Purpose Local Option Sales Tax (SPLOST) are budgeted in 2013-14 to complete and/or begin construction of the new/replacement E. T. Booth Middle School, new/replacement Teasley Middle School and new/replacement Dean Rusk Middle School. As a result, the 2013-14 Tentative Budget addresses the School District’s immediate and long-term instructional and other support service needs and continues to fund the Board’s Five-Year Facility Plan and Three-Year Technology Plan. Obviously, continued efforts must be undertaken to solicit and maximize critically needed additional State funding in this regard.

XI. Conclusion/Appreciation

I am sure that School Board Members join me in thanking the citizens of Cherokee County for their continued support in helping the School District narrow the extraordinary funding gap between our capital outlay needs and revenue through SPLOST renewal...thereby enabling the School District to continue addressing its most pressing construction and technology needs for the next five years.

In summary, the tentative 2013-14 Budget addresses the School District’s most critical and immediate instructional, operational, programmatic and facility needs in an extraordinarily challenging economic climate.

I would like to thank the following members of this year’s Ad Hoc Budget Committee for their assistance and diligence in developing this proposed budget for your consideration:

- Candler Howell**.....Assistant Superintendent, Financial Management (Co-Chair)
- Kenneth Owen**.....Supervisor, Internal Audits, Grants Accounting and Budgets (Co-Chair)
- Bobby Blount**.....Assistant Superintendent, Accountability, Technology, and Strategic Planning
- Letitia Cline**Assistant Superintendent, Educational Programs, Student Support and Professional Development
- Dr. Brian Hightower**.....Assistant Superintendent, School Operations
- Trey Olson**Assistant Superintendent, Personnel Management
- Russ Sims**Assistant Superintendent, Support Services and Facilities/Construction Management (2012-13)
- Bill Sebring**Assistant Superintendent, Support Services and Facilities/Construction Management (2013-14)
- Don Corr**.....Director, Staffing
- Ron Dunnivant**.....Director, School Operations
- Tim Feltner**Director, Technology Services/Data Communications
- Charlette Green**Director, Special Education
- Barbara Jacoby**Director, Public Information, communications and Partnerships
- Ken Johnson**Director, Transportation

Dr. Pat KearnsDirector, Academic Standards,
Professional/Staff Development and Career
Pathways

Julie LittleDirector, Risk Management/Safety/Benefits

Dr. Gayle McLaurinDirector, Student Assessment

Mike VernorDirector, School Operations

Mike McGowanSupervisor, Strategic Planning

Jackie MillerSupervisor, Professional Development

Phil ParrottSupervisor, Construction

Susan TurnerSupervisor, School Food Service

Mark KisselChief of School Police

Teresa HenryCoordinator, Federal Programs

Carrie McGowanCoordinator, Community Relations and
Publications

Tammy CastleberryPrincipal, Macedonia Elementary School

Beth LongPrincipal, Clayton Elementary School

Kerry MartinPrincipal, Arnold Mill Elementary School

Tammy SandellPrincipal, Mountain Road Elementary School

Mark SmithPrincipal, Woodstock Middle School

Dawn WeinbaumPrincipal, E.T. Booth Middle School

Melissa WhatleyExecutive Administrative Assistant to the
Superintendent

On June 13, 2013, the School Board is requested to table the Tentative 2013-14 Budget. At its July 24, 2013 Called Meeting, after public advertisement as required by Georgia Law, the Board will receive final comments on the Tentative Budget, make revisions as necessary, and adopt a final School District Budget for FY 2013-14.


_____ FRP

FRP/CH/KO

Attachment

cc: Agenda Preparation Group
Principals
School Board Attorney
Cherokee County Legislative Delegation
PTA Presidents

**CHEROKEE COUNTY SCHOOL DISTRICT
OFFICE OF THE SUPERINTENDENT**

May 16, 2013

TO: School Board Members

FROM: Dr. Frank R. Petruzielo
Superintendent of Schools

SUBJECT: STATUS REPORT – 2013-14 TENTATIVE BUDGET

As you know from previous Strategic Work Session presentations, the 2013-14 Tentative Budget was initially being prepared by the Ad Hoc Budget Committee using preliminary data and projections that the next (2013) Cherokee County Property Tax Digest would be “flat” (i.e., resulting in no new revenue growth).

However, the Cherokee County Tax Commissioner has recently adjusted his earlier estimate in this regard, to one of 2.8% growth (2.6% after appeals/exemptions) for the 2013 tax digest affecting the School District’s Maintenance and Operations (M&O) revenue; and, if this new estimate holds true, that would certainly be the first positive news we have received regarding local revenue after three years of significant decline in the Property Tax Digest, which has amounted to a more than \$30 Million decrease in Local funding since 2009.

Accordingly, in keeping with our primary mission of teaching and learning, my recommendation will be to utilize this projected Local revenue increase to restore as many school calendar days as possible. It is anticipated that the projected tax digest growth will allow for the restoration of at least two school calendar days for the 2013-14 School Year.

Unfortunately, the Ad Hoc Budget Committee, as part of our annual, zero-based budget review process, continues to be charged with identifying new 2013-14 budget cuts of approximately \$7 Million... in light of anticipated funding shortfalls due to Federal sequestration, State “austerity budget cuts” of \$24.6 Million and significantly increased costs shifted from the State to CCSD for continued participation of non-certified/classified employees in the State Health Benefit Plan.

The Committee’s proposed budget cuts/annual 2013-14 cost reductions include:

- | | |
|---|---------------|
| • Teaching staff reductions (through attrition) | \$1.7 Million |
| • Transfer of building maintenance expenses to SPLOST budget | \$1 Million |
| • Modification of current custodial services employment model...
<u>effective Jan. 1, 2014</u> | \$1 Million |

• Support staff reduction	\$831,000
• Paraprofessional staff reduction	\$740,000
• Allocating workers' compensation costs to departments	\$500,000
• Increasing Before School Program/After School Program fees	\$500,000
• Eliminating CCSD contribution for dental benefits (\$16 per month, per employee)... <u>effective Jan. 1, 2014</u>	\$312,500
• Eliminating CCSD contribution for basic LTD (long-term disability) benefits (varies based on earnings... \$0.23 per \$100 earned - per month, per employee)... <u>effective Jan. 1, 2014</u>	\$200,000
• Realigning Transportation routes	\$104,000
• Privatizing grounds services	\$100,000
• Utility cost reductions/portable classroom eliminations	\$100,000
• Custodial staff reassignments (<u>through Dec. 31, 2013</u>)	\$75,000

TOTAL \$7.16 Million

It should also be noted that responses to the School District's Request For Proposals (RFPs) for Grounds and Custodial services have been received and carefully reviewed by staff members responsible for evaluating these proposals. Based on preliminary data that reflects cost reduction/avoidance of approximately \$100,000 for 2013-14 if grounds services (which are currently carried out by a total of eight employees) were privatized, an agenda item will be presented at the June 13, 2013 School Board Meeting requesting approval of one of these proposals.

Preliminary data from review of the responses to the RFP for Custodial Services also shows that substantial cost reduction/avoidance would be realized by privatizing custodial services in January 2014; however, since staff is still analyzing other potential alternative work schedule models that would enable some or all of current custodial employees to be retained within CCSD, as well as a hybrid model in this regard, an agenda item is not planned for the June 13, 2013 School Board Meeting. However, the 2013-14 Tentative Budget will be prepared to reflect \$1 Million in custodial services cost reduction/avoidance... as that minimum savings for 2013-14 would need to be realized under any of the options being reviewed. An agenda item on the recommended option(s) in this regard will be submitted in Fall 2013.

FRP

Attachment ("Financial Facts," May 2013)

cc: School Board Attorney
Agenda Preparation Group
Principals

5-YEAR IMPACT -- CCSD GENERAL FUND/ OPERATING BUDGET

General Fund/Operating Budget

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>TENTATIVE</u> <u>2012-13</u>	<u>5-Year Impact</u>
State Revenue						
QBE Formula Earnings (<i>Not Funding Received</i>)	\$194,086,160	\$203,187,112	\$210,678,877	\$212,122,201	\$215,201,648	\$1,035,275,998
"Austerity"/QBE Reductions	\$11,189,055	\$31,270,408	\$25,396,154	\$26,663,945	\$26,505,886	\$121,025,448
Equalization	\$0	\$0	\$132,230	\$404,592	\$0	\$536,822
Five Mill "Required Local Effort" (<i>State Property Tax</i>)	\$37,926,085	\$39,181,698	\$38,930,329	\$39,166,834	\$39,029,591	\$194,234,537
Student Transportation						
State Funds	\$2,724,117	\$2,238,141	\$2,106,764	\$2,035,575	\$1,998,437	\$725,680
Local Funds	\$10,876,719	\$11,585,229	\$12,980,529	\$11,272,206	\$9,617,416	\$1,259,303
Local Revenue						
Local Property Digest (After Exemptions)	\$7,825,035,212	\$7,532,616,212	\$6,802,290,275	\$6,335,966,361	\$5,864,418,783 ^a	\$1,960,616,429
Net School Taxes	\$144,371,896	\$138,976,765	\$132,304,540	\$123,234,538	\$114,062,930	\$30,308,966
Taxes Levied Over Prior Year	\$5,203,620	\$5,395,131	\$6,672,225	\$9,070,002	\$9,171,608	\$25,105,346
Millage Rate	18.45	18.45	19.45 ^b	19.45	19.45	1.00
Percent Increase/(Decrease)	3.7%	3.8%	5.0%	6.9%	7.5%	21%
Economic Development/School Tax Exemption Impact					est. \$3,000,000	
					... over 10 yrs (Woodstock Outlets)	Note: .55 of remaining mills (up to 20-mill cap) would generate \$3.2
Federal Stimulus Revenue						
American Recovery and Reinvestment Act (ARRA)	\$3,566,553	\$14,406,377	\$2,939,116	\$0	\$0	\$20,912,046
Job Stimulus Funds	\$0	\$0	0	\$7,444,059 ^c	\$0	\$7,444,059
						<i>c- currently funding 132 positions</i>
Other Downward Trends						
Reserve Fund Balance	\$32,532,686	\$32,330,180	\$36,212,157	\$32,503,220	\$27,048,460	\$10,000,000 ^d
Number of Certified Staff	2,986	2,867	2,801	2,723	2,649	337
					Estimated (could be lower)	
						<i>d -Current Board Policy: 12-15% of prior year's expenditures</i>

Student Enrollment	↑	37,199	38,225	38,636	38,761	38,940	1,741
Employee Furlough Days	↑	0	*6 / 5	4	4	8	21
			<i>*Governor imposed; CCSD BOE reduced to 5</i>				
Employer Health Care Costs <i>Participating Employees</i>	↑	\$21,200,000	\$26,800,000	\$29,300,000	\$29,500,000	\$31,500,000	\$10,300,000
		4,153	4,058	4,023	3,984	3,601	552
Class Size (District Averages)	↑						
Kindergarten		16	18	21	22	25	9
Grades 1-3		18	20	21	22	25	7
Grades 4-6		24	26	26	26	30	6
Middle/High School		22	24	25	26	TBD	TBD

Overall Budget Gap/Cuts/ Reductions	↑	\$4,500,000	\$20,200,000	\$27,900,000	\$37,500,000	\$22,832,079	\$112,932,079
"GAP" ... the annual difference between the cost of continuing to provide the current level of educational programs and services and available revenue.							NO CUTS RESTORED!!
		MAJOR CUTS	MAJOR CUTS	MAJOR CUTS	MAJOR CUTS	MAJOR CUTS	
		Class sizes increased, limited waivers;	Class sizes increased, limited waivers;	Class sizes increased; district-wide waiver;	Class sizes maximized; district-wide waiver;	Class sizes maximized; district-wide waiver;	
		15 support positions unfilled, two in Central Office;	Five Central Office vacancies unfilled;	Seven Central office vacancies unfilled; 7 TSA positions cut.	Eight Central Office vacancies unfilled;	Eight Central Office vacancies unfilled;	
		Consolidated Polaris Evening School (from two) to one campus;	No new textbooks;	No new textbooks;	No new textbooks;	No new textbooks;	
		School bus routes consolidated;	Further bus route consolidation;	Further bus route consolidation;	Further bus route consolidation;	Further bus route consolidation;	
		Reduced travel and staff development;	Graduation coach positions reduced;	Graduation coaches eliminated;			
		Reduced budgeted parapros ; funds for athletic and field trip transportation reduced.	Cut 144 job share positions; cut 160 parapros; reduced staff development;	Reduced allotments for counselors, art, music, PE, technology, nurses, parapros, clerical and transportation.		Longevity salary schedule steps delayed until January, 2013 (1/2 step)	

CHEROKEE COUNTY SCHOOL DISTRICT BUDGET REDUCTIONS/COST CONTAINMENT MEASURES IMPLEMENTED SINCE 2008-09 SCHOOL YEAR

2008-09: \$4.5 Million

- Director of School Improvement position not filled
- Director of Planning and Forecasting position not filled
- Additional vacant positions not filled: one cable technician in the Technology Department, four custodial positions and six maintenance positions.
- Eliminated certification manager consultant
- Reduced one open allotment/position for police officer and equipment
- Phased out in-field master's degree incentive program
- School bus routes consolidated
- 13 teachers reassigned to maximize state and local funding and class size
- Budgeted funds for paraprofessionals reduced from 24 to 12
- With exceptions for on-call emergencies, all transportation and maintenance service vehicles parked on School District grounds after normal work hours and on weekends
- Service intervals on 75 fleet vehicles extended
- Mileage reimbursement for field trips/shuttles/activities modified; and District subsidies to schools for these services eliminated
- Innovation Zone professional development funding reduced
- School Police Officers living outside of Cherokee County park their police vehicles at the end of the work day and on weekends
- Only one School Police Officer assigned to on-call duty after midnight and during weekends . . . to respond to alarms or other police-related matters
- Delayed purchase of six service vehicles and grounds equipment
- Consolidated Polaris Evening School north and south campuses at end of first semester
- Reassigned Special Education Itinerant Teacher to fill classroom teacher vacancy
- Reduced travel for teacher recruitment
- Saved postage by not mailing employee applications/utilizing online system
- Reduced travel out of state for teacher recruitment
- Reduced travel for Georgia Association of School Personnel Administrators (GASPA) conference
- Reduced duties and related stipends for teacher technology mentors
- Non-renewal of online newsletter services for health and wellness
- Increased FICA savings by increasing employee participation in flex spending accounts
- Expanded 403(b) special pay plan deferrals
- Expanded employee self-service participation for inquiries and changes in retirement benefits
- Reduced industry publication subscriptions
- Reduced substitute support for staff absences
- Digital camera systems needed for additional elementary schools not purchased
- Consolidated maintenance contracts for digital cameras
- Reduced technology training and travel
- Reduced instructional materials allotments
- Reduced budgeted staff development funds

- Utilized State Instructional Extended Day Tutoring Program (Exp) funds to replace local funds previously utilized for 9th grade academy tutoring
- Revised summer school schedule and after school Exp
- Revised middle school Community Based Instruction
- Reduced transportation equipment orders
- Reduction in off-day technology classes implemented to achieve utility savings
- Increased class sizes for technology instruction
- Limited substitute teacher usage

2009-10: \$20.2 Million

- Five furlough days for all employees (five days of pay reduced/eliminated)
- Cut 160 paraprofessional positions
- Eliminated 144 teacher job share positions
- Graduation coach positions reduced
- Step/longevity increases deferred for principals and other administrative positions
- Reduced funds for staff development
- Utilization of reserve funds for annual, recurring operating expenses
- Additional bus route consolidation
- Continued freeze on five central office vacancies (Director of School Improvement, two Curriculum Supervisors, Director of Planning and Forecasting, Director of Maintenance).
- Maximized class size/reduced teacher allotments systemwide
- Reduced ES and MS summer school and Extended Day Tutoring Program (Exp)
- Reduction in instructional materials
- Eliminated writing assessment practice exams
- Field trip funding reduction
- All purchasing contracts reviewed and renegotiated, wherever possible
- Reduced various equipment and vehicle expenses

2010-11: \$27.9 Million

- Four furlough days for all employees (four days of pay reduced/eliminated)
- Maximized class size/reduced teacher allotments systemwide (cut 32 positions)
- Continued freeze on five central office administrative vacancies plus Special Education Supervisor and Supervisor of Student Activities and Athletics vacancies frozen...bringing total central office vacancies to 7 (15% of the Superintendent's organizational chart)
- Graduation coaches eliminated (6 positions cut)
- Teacher on Special Assignment positions eliminated (7 positions cut)
- Reduced positions of counselors (5), art, music and PE teachers (9.5), technology staff (4), nurses (5), clerical (32), paraprofessionals (40), transportation (23), warehouse (3), custodians (5)
- Work calendars shortened for clerical, transportation, paraprofessionals and other support personnel
- New textbooks adopted, but not purchased
- Fees for community use of facilities increased

2011-12: \$37.5 Million

- Continuation of budget reduction/cost containments implemented since 2008-09 school year
- Four furlough days for all employees (four days of pay reduced/eliminated)

- Maximize class size/reduce teacher allotments system-wide (122 teachers)
- Reduce positions of transportation (11), counselors (2), nurse (1), secretaries (3.5), Special Education teacher (1)
- Non-renewal of bus purchases - eliminating lease purchase payment
- Reduction in equipment purchased and supplies
- Reduction in safety and security overtime
- Reduction in transportation mid-day/shuttle routes, reduction in training costs, reduction in double-routing with opening of River Ridge HS, increased usage of depot stops for students living in high density areas, increased usage of double routes at the MS/HS levels
- Reduction in staff development allotments where Federal Grants can be utilized

2012-13: \$22.8 Million

- Continuation of budget reduction/cost containments implemented since 2008-09 school year
- Four additional furlough days for all employees bringing the total of furlough days to eight days of pay reduced/eliminated
- Maximize class size/reduce teacher allotments system-wide (93 teachers) and increased school instructional day by 15 minutes
- Reduction in Instructional and Administrative Positions
 - Media Specialist (1)
 - Clerical Positions (11)
 - Discretionary Hours Reduction for Counselors and Clerical
 - Assistant Principal (1)
 - Counselor (1)
 - Inschool Suspension Monitors
- Transfer of costs for Lunchroom Monitors to School Food Services Fund from Operations
- Reduction in budgeted costs for Teacher Substitutes
 - Decrease Substitute compensation by \$10.00 (\$80 to \$70)
 - Allocate sick leave to schools at 5 days per employee
 - Decrease Long Term Substitute compensation by \$11.00 (\$115 to \$104)
- Reduce hourly rate of Inschool Suspension Monitors from \$8.07 to \$8.00
- Reduction in Transportation costs
 - Reduction of 14 Bus Drivers
 - Reduce High School Athletic Transportation supplements
 - Elimination of Middle School Athletic Transportation supplements
- Reduction in Operation and Maintenance Positions (2)
- Reduction of Central Office Secretaries (4)
- Reduction of Technology position (1)
- Reduction in Staff Development Allotments
- Reduction of Security position (1)

- Transfer of excess funds collected in self-insured dental program to operations
- Reduction in allotments for Innovation Zones operations
- Reduction in Nurses day to 5 hours
- Reimbursement and transfer of costs from Operations to 1% SPLOST for expenses funded in Operations:
 - Technology Expenses
 - Capital Outlay Expenses
 - Security Expenses
- Reduction in Central Office Operational Expenses
- Reduction in Instructional Allotments to schools
- Reduction in Warehouse Allotment for overtime and summer help

2013-14: \$7.16 Million

- Teaching staff reductions (through attrition)
- Transfer of building maintenance expenses to SPLOST budget
- Modification of current custodial services employment model...effective Jan. 1, 2014
- Support staff reduction
- Paraprofessional staff reduction
- Allocating workers' compensation costs to departments
- Increasing Before School Program/After School Program fees
- Eliminating CCSD contribution for dental benefits (\$16 per month, per employee)...effective Jan. 1, 2014
- Eliminating CCSD contribution for basic LTD (long-term disability) benefits (varies based on earnings...\$0.23 per \$100 earned – per month, per employee)...effective Jan. 1, 2014
- Realigning Transportation routes
- Privatizing grounds services
- Utility cost reductions/portable classroom eliminations
- Custodial staff reassignments (through Dec. 31, 2013)

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Decision-Making Guidelines

- **School Board's Accountability Policy and Major System Priorities**
- **State Funding Cuts / State "Austerity" Budget Cuts / State Unfunded and Underfunded Mandates**
- **Local Funding Cuts / Slight Property Digest Valuation Increase**
- **Operational and Capital Outlay Needs**
 - **Staffing (Teachers/Support Staff)**
 - **Transportation (Buses/Bus Drivers)**
 - **Cost of Opening and Staffing New/Replacement Schools**
 - **Market Cost Increases (e.g., Fuel, Utilities, Insurance)**
 - **Capital Outlay Needs (Schools/Classrooms/Technology/School Sites)**
- **Competitive Employee Compensation & Benefits**



Major System Priorities

1. **Establishing internationally competitive standards for student performance and an accountability system and policy framework designed to insure that all students are challenged individually and collectively to meet more rigorous standards.**
2. **In collaboration with technical colleges, other institutions of higher learning and the local business community, insuring that vocational/technical education programs prepare students for a diverse and technologically rich society.**
3. **Insuring that all students and staff have a safe secure environment for teaching and learning.**
4. **Attracting, retaining and training the best teachers, principals and support staff.**
5. **Utilizing technology both to improve student achievement and to increase the School District's productivity and efficiency as a major business enterprise.**
6. **Increasing parental and community involvement through public engagement policies and practices that treat parents, businesses, community-based organizations and agencies, local institutions of high learning and other public entities as true partners in the educational process.**
7. **Addressing exploding student population growth, recognizing that there is a large gap between the School District's facilities and technology needs and available capital outlay revenue.**
8. **Reviewing the potential for utilizing the School District's existing public education facilities to establish self-supporting community school evening/weekend education programs for interested Cherokee County adults.**



2013-14 FUNDING PRIORITIES – PART I GENERAL FUND

The Superintendent’s Recommended FY 2013-14 Tentative Budget provides funding for implementation of the following General Fund Priorities:

I. Continuing to attract, retain and train the best teachers, principals, and support staff by ensuring competitive employee compensation and benefits:

- | | |
|--|---|
| <ul style="list-style-type: none"> ■ Reinstates four instructional school days...for a total school year of 179 days, thereby reducing furlough days from 8 to 4 for all teachers and full time staff. | \$4,047,848 |
| <ul style="list-style-type: none"> ■ Provides annual salary schedule longevity step increases for eligible certified and support staff. | \$4,475,755 |
| <ul style="list-style-type: none"> ■ Provides funding to continue competitive employee fringe benefits and address extraordinary cost increases in Health Insurance and Teacher Retirement. | \$5,948,806 |
| <ul style="list-style-type: none"> ■ Reinstates four instructional school days for a total school year of 179 days, thereby reducing furlough days from 8 to 4 for all teachers and full time staff. | |
| <ul style="list-style-type: none"> ■ Provides Professional Development and training funds to: <ul style="list-style-type: none"> ○ Continue professional learning and development/training of employees at all levels. ○ Continue funding for individual schools to promote the use of job-embedded, professional learning and school improvement. ○ Continue support of Georgia Performance Standards (GPS) and Common Core Standards (CCGPS) training. ○ Provide funding for new evaluation training and support components for certified staff. ○ Provide funding for training necessary for new initiatives such as Science, Technology, Engineering and Math (STEM) and Fine Arts Integration. | <ul style="list-style-type: none"> Included in Professional Development Allocations and Race to the Top Allocations Included in Professional Development Allocations Included in Race to the Top Allocation Included in Race to the Top Allocation Included in Professional Development Allocations and Race to the Top Allocation |

**2013-14 FUNDING PRIORITIES – PART I
GENERAL FUND**

TOTAL – I

\$14,472,409

**2013-14 FUNDING PRIORITIES – PART I
GENERAL FUND**

II. Establishing internationally competitive standards for student performance and an accountability system and policy framework designed to ensure that all students are challenged individually and collectively to meet more rigorous standards.

CURRICULUM / STANDARDS INITIATIVES

■ Continues alignment and curriculum mapping revision for Cherokee County School District Student Performance Standards. This will include: 2013-14 Common Core GPS Training and Implementation: <ul style="list-style-type: none">○ K-12 English/Language Arts○ K-12 Mathematics○ 6-12 Literacy for Social Studies, Science and CTAE	Included in Staff Development Allocation
■ Provides funding for instructional programs and initiatives including: <ul style="list-style-type: none">○ Academic Events and Student Recognitions○ Georgia Lottery Pre-K○ Special Olympics○ SACS/CASI○ Ad Hoc Committees○ Career Pathways	\$196,900
■ Provides funding for implementation of Common Core Georgia Performance Standards and continuation of Cherokee’s Student Performance Standards in all subject areas through the purchase and utilization of instructional materials and software to support instruction.	\$2,307,918
■ Provides start-up funds for Clark Creek Elementary School and the new/replacement E. T. Booth Middle School to address instructional/curricular needs, including library books/equipment and materials and equipment for connections and academic classes.	\$246,520
TOTAL – II	<u>\$2,751,338</u>

**2013-14 FUNDING PRIORITIES – PART I
GENERAL FUND**

GENERAL FUND SUMMARY

I.	Attract, Retain and Train Teachers	\$14,472,409
II.	Standards and Accountability	2,751,338
		<hr/>
		<u>\$17,223,747</u>

2013-14 FUNDING PRIORITIES – PART II CAPITAL OUTLAY FUNDS

2013-14 SPLOST CONSTRUCTION PROJECTS

On November 8, 2011, the citizens of Cherokee County were asked to support the Local School District through approval of continuation of the 1% Special Purpose Local Option Sales Tax. The referendum was again supported by the citizens and approved for the continuation of the 1% SPLOST for the years 2013 through 2017. Capital Outlay highlights for the second year of the 2013-2017 SPLOST construction program are as follows:

I. Addressing student population growth, recognizing that there is a large gap between the school district’s facilities and technology needs and available capital outlay revenue.

Project	2013-14 Expenditures Only
▪ Provides funding for Phase 2 of construction of E.T. Booth Middle School replacement	\$2,839,816
▪ Provides funding for Phase 1 of construction of Teasley Middle School Replacement	\$17,787,000
▪ Provides funding for construction of Dean Rusk Middle School Replacement	\$7,832,000
▪ Provides funding for Sequoyah High School Video Broadcast Classroom modification	\$350,000
▪ Provides funding for Cherokee High School Athletic Field House and Softball field	\$3,645,000
▪ Provides funding for New Parent Entrance to Carmel Elementary School	\$1,080,000
▪ Provides funding for Athletic Track Resurfacing – System Wide	<u>\$168,000</u>
TOTAL	<u>\$33,701,816</u>

**2013-14 FUNDING PRIORITIES – PART II
CAPITAL OUTLAY FUNDS**

- Continues to fund program work for system-wide maintenance and renovation needs identified, using the following criteria: Five Year Facilities Plan, Facility Budget Request Forms submitted by School Principals, Maintenance Department Repair Records, Equipment Life Expectancy, Energy Costs and Ad Hoc Budget Committee Findings and Recommendations.

○ Safety and Security	\$ 75,000
○ Electrical Upgrades	130,000
○ HVAC/EMS Upgrades	408,000
○ Plumbing	76,000
○ Painting	763,500
○ Flooring	523,300
○ Carpentry	146,000
○ Roofing	765,230
○ Paving and Signage	197,000
○ Sidewalks/Walkway Canopies	205,500
○ Grounds Maint./Landscaping	556,500
○ Miscellaneous Repairs	<u>940,000</u>
	\$4,786,030

- General Fund reimbursement for Building Repair/Renovation \$1,000,000 \$5,786,030

II. Provides funding to complete transition of Bus Radios to new platform.

- Cherokee and Creekview Bus Transportation Zones \$100,000

III. Utilizing technology both to improve student achievement and to increase the School District’s productivity and efficiency as a major business enterprise.

- Provides funding to continue implementing the School District’s Three-Year Technology Plan:
 - Data Network Services and Equipment \$1,563,350
Addresses expenses to maintain the District’s Wide Area Network. Includes the continued expansion of wireless access throughout the District, cabling materials, upgraded electronics and additional equipment to ensure a balanced distribution of data flow.

**2013-14 FUNDING PRIORITIES – PART II
CAPITAL OUTLAY FUNDS**

- | | | |
|---|--|--------------------|
| ○ | Maintenance and Replacement Equipment
Facilitates the continued replacement and repair costs of legacy computers and laptops, printers, peripherals and fileservers. | \$4,013,000 |
|---|--|--------------------|
- | | | |
|---|---|------------------|
| ○ | Career Technology Pathways
Provides funding for the acquisition and upgrade of technologies currently used in our District's Career Pathways programs in our Middle and High Schools. | \$200,000 |
|---|---|------------------|
- | | | |
|---|--|-----------------|
| ○ | Assistive Technology and Special Education
Provides for the acquisition and implementation of hardware and software designed specifically to address the needs of children with special and/or unique needs. | \$56,200 |
|---|--|-----------------|
- | | | |
|---|---|------------------|
| ○ | School Technology Hardware
Provides funding for the purchase of new hardware (desktops, laptops, interactive white boards, student response devices, and other peripheral devices). Addresses hardware needs for student population growth. | \$476,470 |
|---|---|------------------|
- | | | |
|---|--|--------------------|
| ○ | District Software (Purchases, Renewals and Support Agreements)
Comprises costs for all major District software licenses and renewable support agreements inclusive of productivity, data management, administrative and curricular applications. | \$1,210,430 |
|---|--|--------------------|
- | | | |
|---|---|------------------|
| ○ | On Line Services
Consist of subscription costs for all major District WEB-based curriculum software and data management resources and services. | \$214,050 |
|---|---|------------------|
- | | | |
|---|---|-------------------------|
| ○ | Purchased Professional Services
Incorporates purchased services from Business Partners and vendors to provide efficient implementations of select programs, consultation, project management and installation services. | <u>\$266,500</u> |
|---|---|-------------------------|

	Total	<u>\$8,000,000</u>
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	TOTAL – 2013-14 SPLOST Construction Program	<u>\$47,587,846</u>
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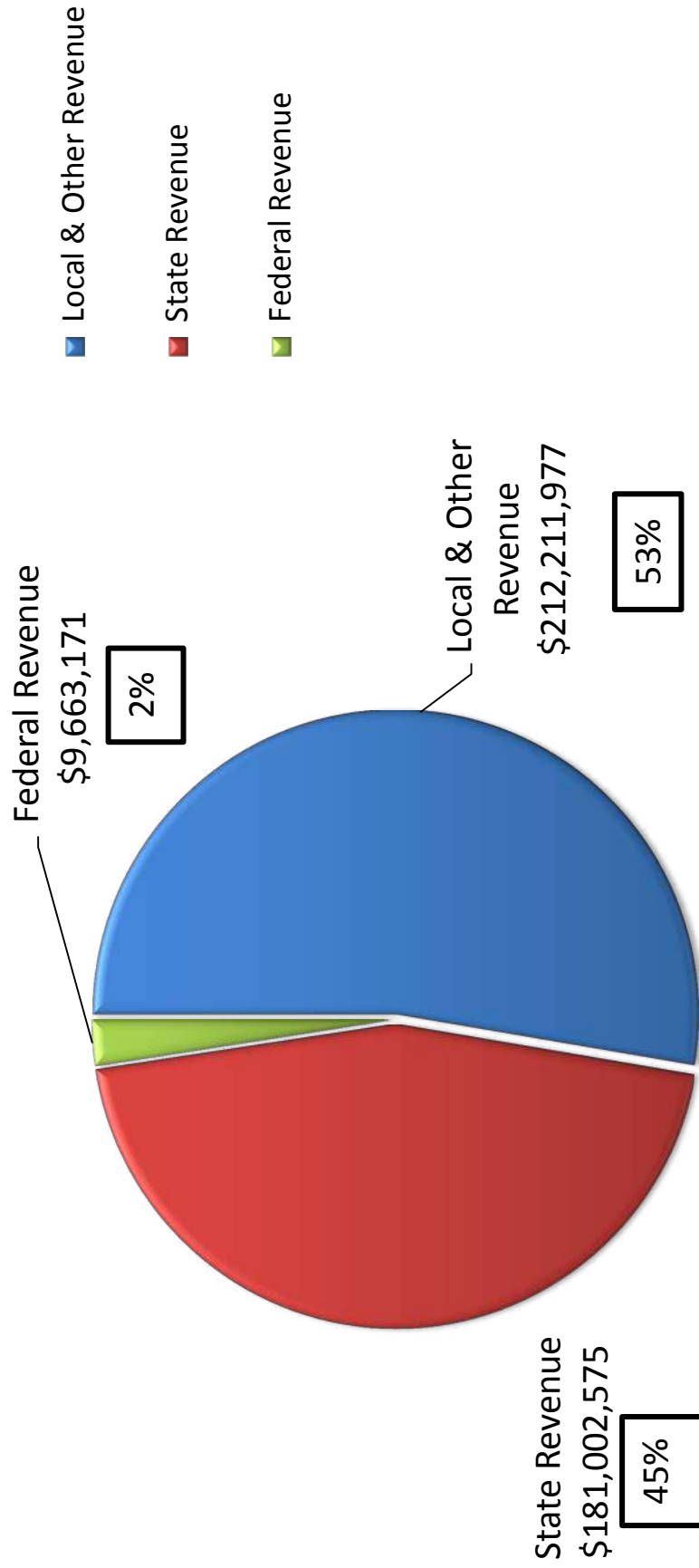
ALL FUNDS



**CHEROKEE COUNTY BOARD OF EDUCATION
PROPOSED BUDGET FOR ALL FUNDS
JULY 1, 2013 - JUNE 30, 2014**

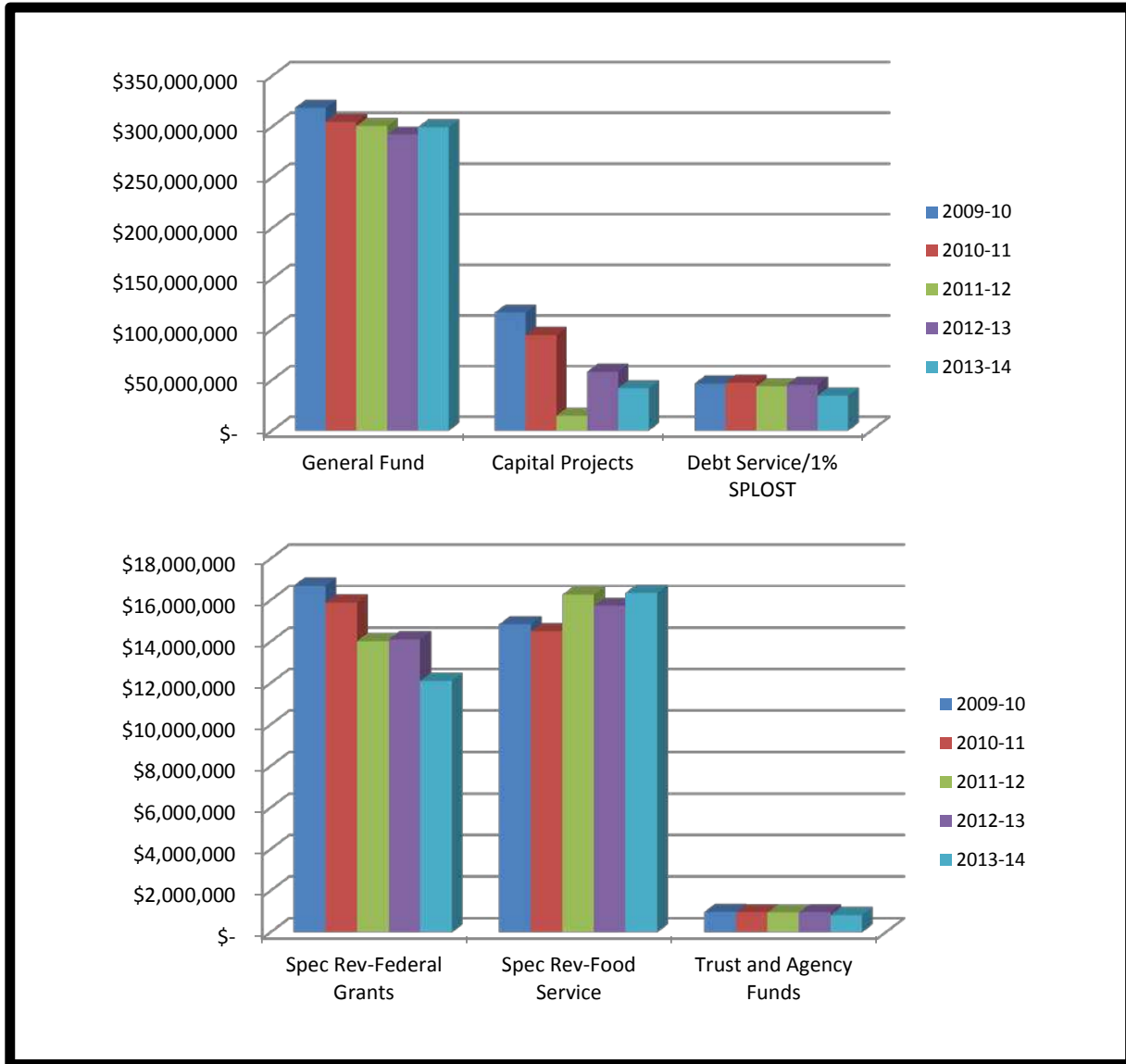
	TOTAL ALL FUNDS	GENERAL FUND	BUILDING FUND	DEBT SERVICE 1% BOND FUND	FED./STATE/COMP. GRANTS	SCHOOL FOOD SERVICE	OTHER FUNDS
REVENUE							
Local & Other Revenue	\$ 212,211,977	\$ 141,854,616	\$ 30,185,381	\$ 32,808,983	\$ -	\$ 7,361,017	\$ 1,980
State Revenue	181,002,575	157,721,213	11,679,376	-	11,167,974	434,012	-
Federal Revenue	9,663,171	152,000	-	-	947,171	8,564,000	-
TOTAL REVENUE	\$ 402,877,723	\$ 299,727,829	\$ 41,864,757	\$ 32,808,983	\$ 12,115,145	\$ 16,359,029	\$ 1,980
INCOMING TRANSFERS	2,525,692	-	-	1,698,692	-	-	827,000
BEGINNING BALANCES	90,781,305	22,173,303	47,654,377	16,674,404	-	2,958,643	1,320,578
TOTAL	\$ 496,184,720	\$ 321,901,132	\$ 89,519,134	\$ 51,182,079	\$ 12,115,145	\$ 19,317,672	\$ 2,149,558
EXPENDITURES							
Instruction	\$ 208,646,936	\$ 198,267,240			\$ 10,379,696		
Pupil Services	9,807,125	9,807,125			-		
Inst. Improvement	6,364,775	4,897,123			1,467,652		
Media Services	4,648,666	4,589,996			58,670		
General Admin	2,390,610	2,388,645			1,965		
School Admin	20,244,059	20,231,795			12,264		
Business Services	2,128,408	2,128,408			-		
Maint & Operation	20,313,361	20,309,476			3,885		
Transportation	15,039,193	14,983,328			55,865		
Central Support Serv.	3,466,205	3,378,064			88,141		
Other Support Serv.	869,249	-			42,249		\$ 827,000
School Food Services	17,188,030	-			4,758	\$ 17,183,272	
Building Const.	47,863,522	275,676	\$ 47,587,846				
Debt Service	47,061,090	16,037,500		\$ 31,023,590			
TOTAL EXPENDITURES	\$ 406,031,229	\$ 297,294,376	\$ 47,587,846	\$ 31,023,590	\$ 12,115,145	\$ 17,183,272	\$ 827,000
OUTGOING TRANSFERS	2,525,692	827,000	-	1,698,692	-	-	-
ENDING BALANCES	87,627,799	23,779,756	41,931,288	18,459,797	-	2,134,400	1,322,558
TOTAL	\$ 496,184,720	\$ 321,901,132	\$ 89,519,134	\$ 51,182,079	\$ 12,115,145	\$ 19,317,672	\$ 2,149,558

Fiscal Year 2013-14 Total Budgeted Revenues All Funds: \$402,877,723



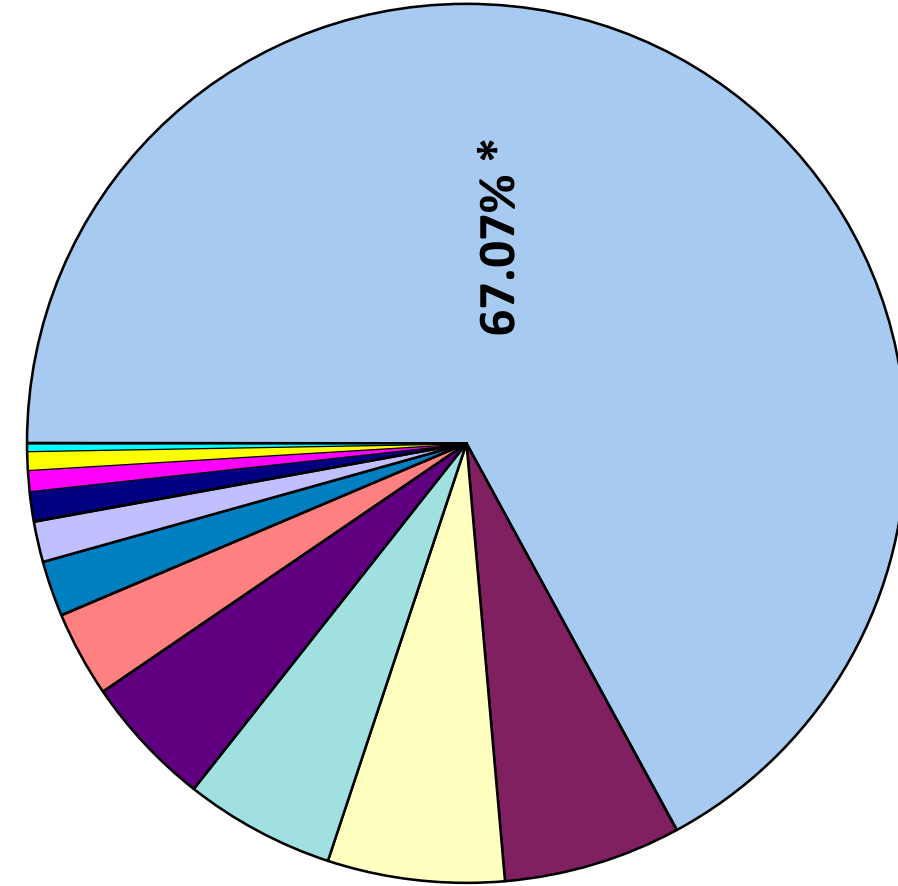
DISTRICT BUDGET All Revenue Sources

The 2013-14 district budget for all revenue sources is \$402.8 million, a decrease of \$8.8 million over the prior year. The funding decrease is mostly contributed to the sale of General Obligation Bonds of \$45 million in a fiscal year 2012-13 compared to proposed \$30 million in Fiscal Year 2013-14 for Capital Outlay purposes.



Fund Titles	Tentative 2013-14 Budget	\$ Increase/ (Decrease)	% Increase/ (Decrease)
General Fund	\$ 299,727,829	\$ 7,406,579	2.5%
Capital Projects	41,864,757	(16,368,534)	(29.0%)
Debt Service/1% SPLOST	34,507,675	(11,065,627)	(25.0%)
Special Revenue-Federal Grants	12,115,145	(2,001,932)	(15.0%)
Special Revenue-Food Service	16,359,029	621,324	3.9%
Trust and Agency Funds	<u>828,980</u>	<u>(135,306)</u>	<u>(15.0%)</u>
Sub-Total	\$ 405,403,415	\$ (21,543,496)	(6.0%)
Less Transfers:	<u>(2,525,692)</u>	<u>12,723,651</u>	(165.0%)
TOTAL ALL FUNDS	<u>\$ 402,877,723</u>	<u>\$ (8,819,845)</u>	<u>(2.2%)</u>

Fiscal Year 2013-14 Budgeted Expenditures All Funds



Instruction (67.07%)	\$208,646,936
Maint & Ops. (6.53%)	20,313,361
School Admin (6.51%)	20,244,059
School Food Serv. (5.52%)	17,188,030
Transportation (4.83%)	15,039,193
Pupil Services (3.15%)	9,807,125
Inst. Improvement (2.05%)	6,364,775
Media Services (1.49%)	4,648,666
Central Supp. Serv. (1.12%)	3,466,205
General Admin (0.77%)	2,390,610
Business Services (0.68%)	2,128,408
Other Support Serv. (0.28%)	869,249
TOTAL (State, Federal, Local)	\$311,106,617
Building Const. (1% SPLOST)	47,863,522
Debt Service (Local Millage)	47,061,090
TOTAL	\$406,031,229

***School District's Continued Compliance with the State of Georgia's Former 65% Instructional (Classroom) Spending Regulation**



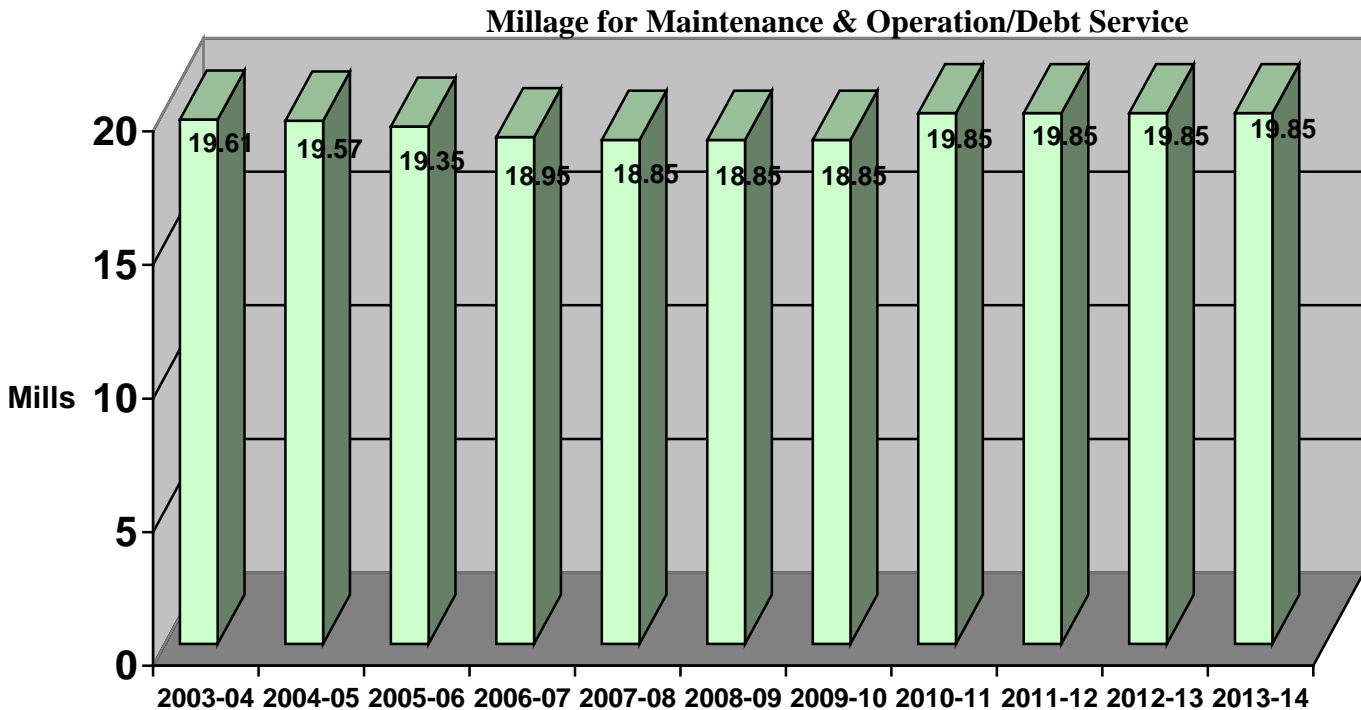
MILLAGE RATES



COMPARISON OF 2012-13 TO TENTATIVE 2013-14 MILLAGE RATES

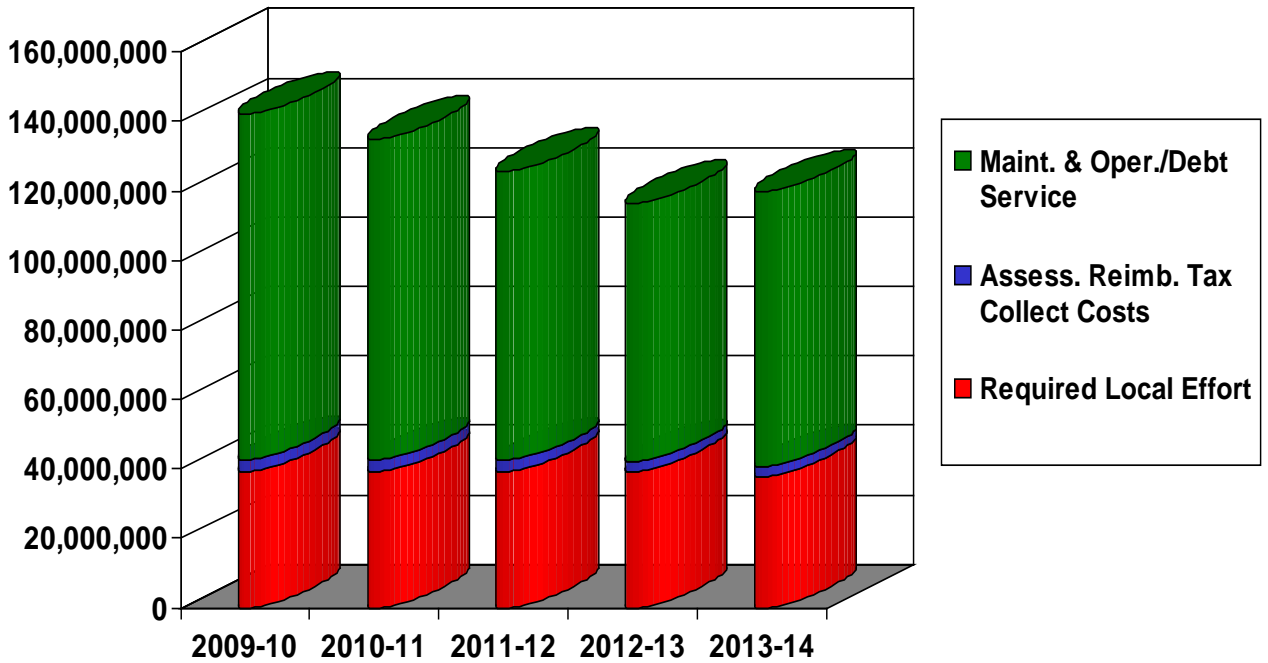
The School District is obligated to contribute a “required local effort” amount determined by the State to be equal to a 5 mill levy on the equalized, adjusted Cherokee County Property Tax Digest to participate in the State’s Quality Basic Education (QBE) Program. **This required local effort will be \$37,690,088 in 2013-14. Cherokee County Government also assesses taxpayers 2.30% or .45 mills annually (\$2,633,328) to collect local taxes, which is also included in the public schools and school bond millage rate.**

	2012-13 Millage Rates	2013-14 Millage Rates	Increase/ (Decrease)
• Maintenance & Operation Millage State of Georgia Required Local Effort Quality Basic Education	6.65	6.25	(.40)
• Assessment by County Government for Reimbursement of Tax Collection Costs (2.50% to 2.30%)	0.49	0.45	(.04)
• Maint. & Oper./Debt Service	<u>12.71</u>	<u>13.15</u>	<u>.44</u>
TOTAL MILLAGE	<u>19.85</u>	<u>19.85</u>	<u>-0-</u>



Maintenance/Operation	19.45
Debt Service	<u>0.40</u>
Total	19.85

COMPARISON OF 2012-13 TO PROJECTED 2013-14 MILLAGE DOLLARS

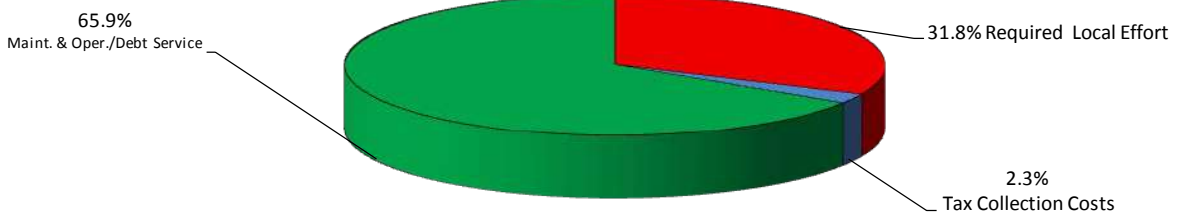


	19.85 Mills 2012-13	19.85 Mills 2013-14	Increase/ (Decrease)
--	------------------------	------------------------	-------------------------

State of Georgia Required Local Effort - Quality Basic Education	\$39,029,593	\$37,690,088	(\$1,339,505)
Assessment for Reimbursement of County for Tax Collection Costs (2.50% to 2.30%)	2,883,328	2,633,328	(250,000)
Maint. & Oper./Debt Service	73,420,204	78,056,743	4,636,539
TOTAL ESTIMATED TAX MILLAGE COLLECTIONS (For Maintenance & Oper./Debt Service)	\$115,333,125 *	\$118,380,159 *	\$3,047,034

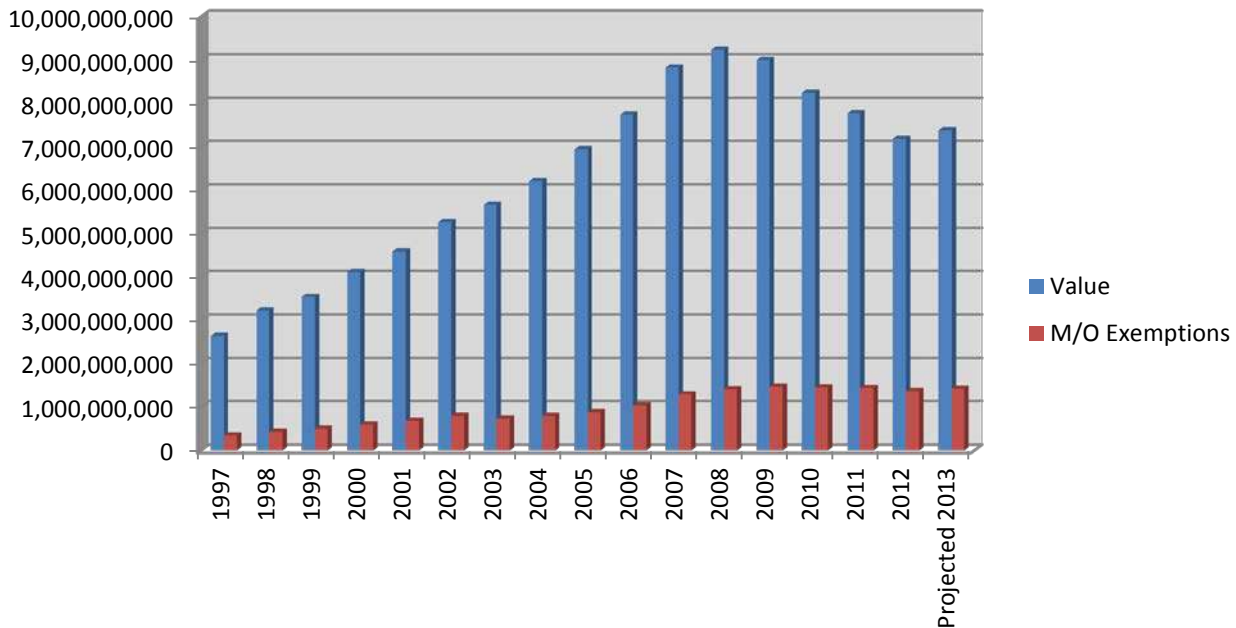
*Projected at 100% Tax Collection Rate.

Tentative 2013-14 Use of Taxes



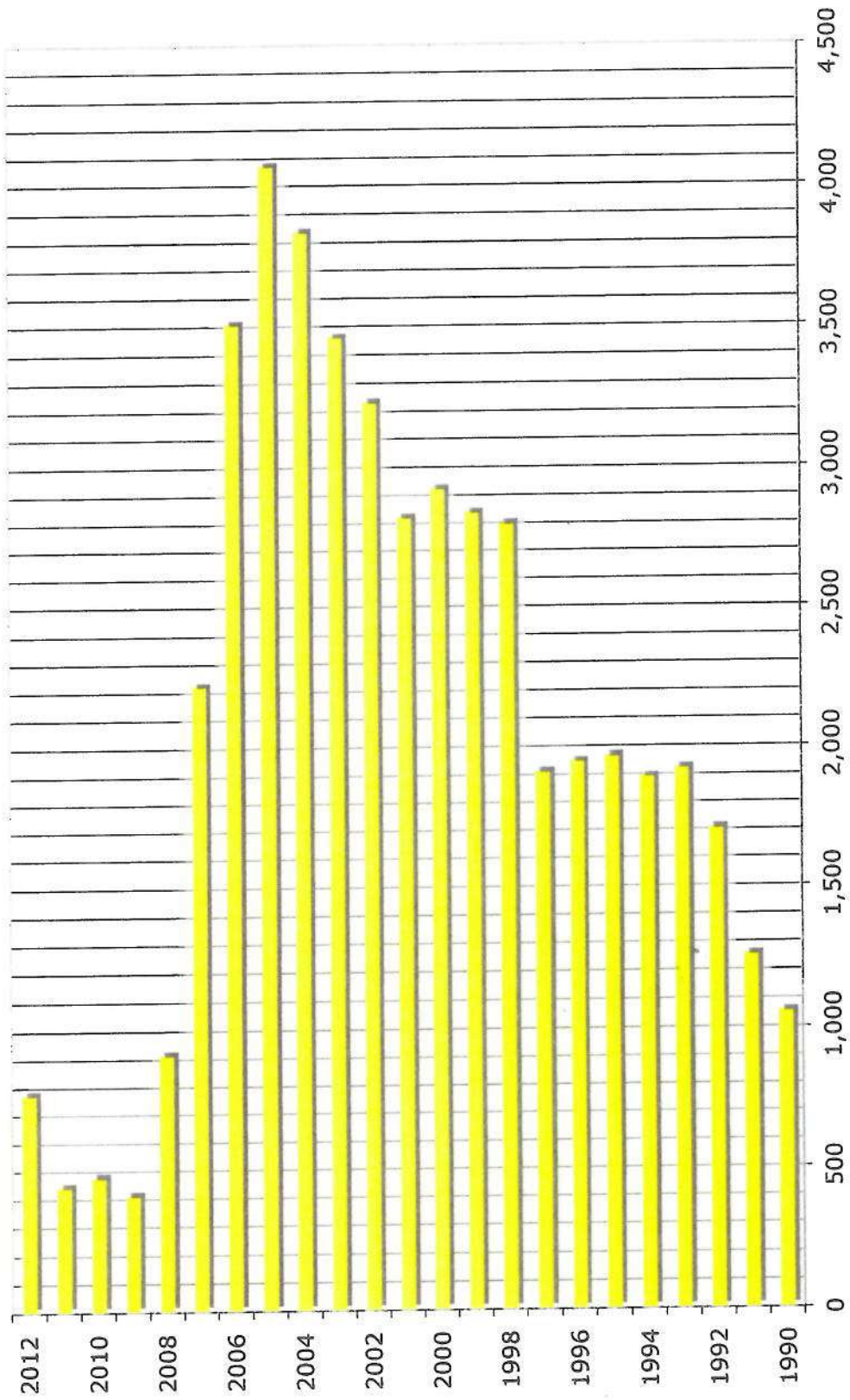
2013 COMPARISON OF CHEROKEE COUNTY GROSS TAXABLE VALUE

Tax Digest Value/M&O Exemptions



Digest Year	40% Value	M/O Exemptions	Taxable Value	%Increase/ (Decrease)
1997	2,634,332,966	(333,968,200)	2,300,364,766	5.40
1998	3,223,994,956	(418,917,997)	2,805,076,959	22.30
1999	3,541,724,548	(489,161,388)	3,052,563,160	9.80
2000	4,107,600,888	(600,094,625)	3,507,506,263	15.90
2001	4,588,094,545	(683,642,173)	3,904,452,372	11.60
2002	5,265,433,460	(795,243,475)	4,470,189,985	14.70
2003	5,656,795,930	(732,347,900)	4,924,448,030	7.40
2004	6,205,449,256	(792,582,693)	5,412,866,563	9.60
2005	6,944,043,799	(879,069,800)	6,064,973,999	11.90
2006	7,741,323,239	(1,033,767,372)	6,707,555,867	10.60
2007	8,833,091,808	(1,290,095,321)	7,542,996,487	12.00
2008	9,237,603,402	(1,412,568,090)	7,825,035,212	3.70
2009	9,001,790,326	(1,469,174,114)	7,532,616,212	(3.80)
2010	8,251,778,992	(1,449,488,717)	6,802,290,275	(10.70)
2011	7,774,299,307	(1,438,332,946)	6,335,966,361	(7.36)
2012	7,195,760,040	(1,369,158,690)	5,826,601,350	(9.02)
Projected 2013	7,386,026,586	(1,422,289,857)	5,963,736,729	2.40

CHEROKEE COUNTY TOTAL HOUSING PERMITS



Source: US CENSUS



GENERAL FUND



CHEROKEE COUNTY SCHOOL DISTRICT
GENERAL FUND BUDGET (OPERATIONS)
FY 2013-14

FUNDS AVAILABLE

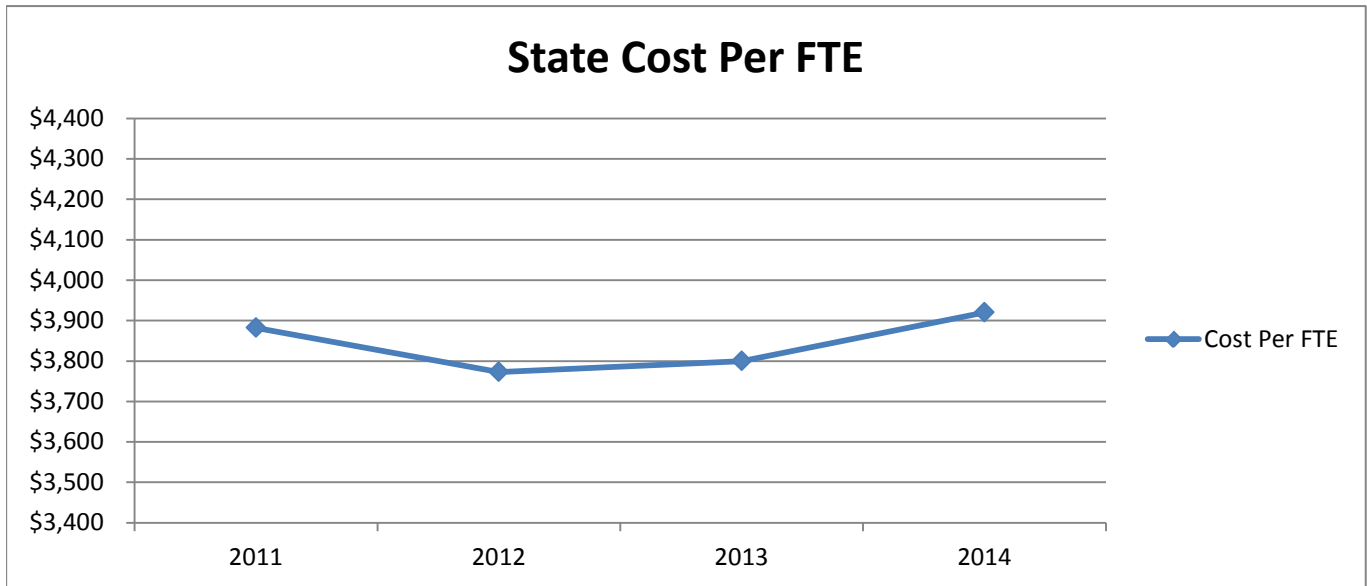
State	\$ 157,721,213
Federal	152,000
Local	<u>141,854,616</u>
Total Revenue	\$ 299,727,829
Beginning Fund Balance	<u>22,173,303</u>
Total Funds Available	<u>\$ 321,901,132</u>

EXPENDITURES BY FUNCTION

Instructional (Classroom)	\$ 198,267,240
Pupil Services	9,807,125
Improvement of Instructional Services	4,897,123
Educational Media Services (Library)	4,589,996
General Administration	2,388,645
School Administration	20,231,795
Business Services	2,128,408
Operation and Maintenance of Plant	20,309,476
Transportation	14,983,328
Central Support	3,378,064
Facilities	275,676
Transfer Out	827,000
Debt Service (Short Term Borrowing)	<u>16,037,500</u>
Total Disbursements	\$ 298,121,376
Ending Fund Balance	<u>23,779,756</u>
Total	<u>\$ 321,901,132</u>

**CHEROKEE COUNTY SCHOOL DISTRICT
 GEORGIA STATE DEPARTMENT OF EDUCATION
 EARNINGS COMPARISON FOR FY 2010-11, 2011-12, 2012-13, 2013-14**

	State Earnings FY 2010-11	State Earnings FY 2011-12	State Earnings FY 2012-13	Tentative State Earnings FY 2013-14
Total Earnings for Quality Basic Education	\$ 206,264,383	\$ 208,318,446	\$ 210,960,988	\$ 213,526,327
State Equalization Funding Grant	132,230	875,920	-	-
Nursing Services	574,077	552,324	649,612	757,491
Midterm Adjustment for Growth	3,025,587	811,264	1,600,611	647,066
Local Fair Share Reduction (5 Mills)	(38,930,327)	(39,166,833)	(39,029,593)	(37,690,088)
Austerity Reduction	(25,239,981)	(26,663,945)	(26,505,886)	(24,846,679)
Federal Stimulus Funds (ARRA)	2,939,115	-	-	-
Pupil Transportation	2,172,699	2,035,575	1,998,437	2,040,737
STATE FUNDING FOR EDUCATION	\$ 150,937,783	\$ 146,762,751	\$ 149,674,169	\$ 154,434,854
TOTAL FTE	38,105	38,679	38,971	39,388
COST PER FTE	\$ 3,882	\$ 3,773	\$ 3,800	\$ 3,920



2013-14 Decrease in

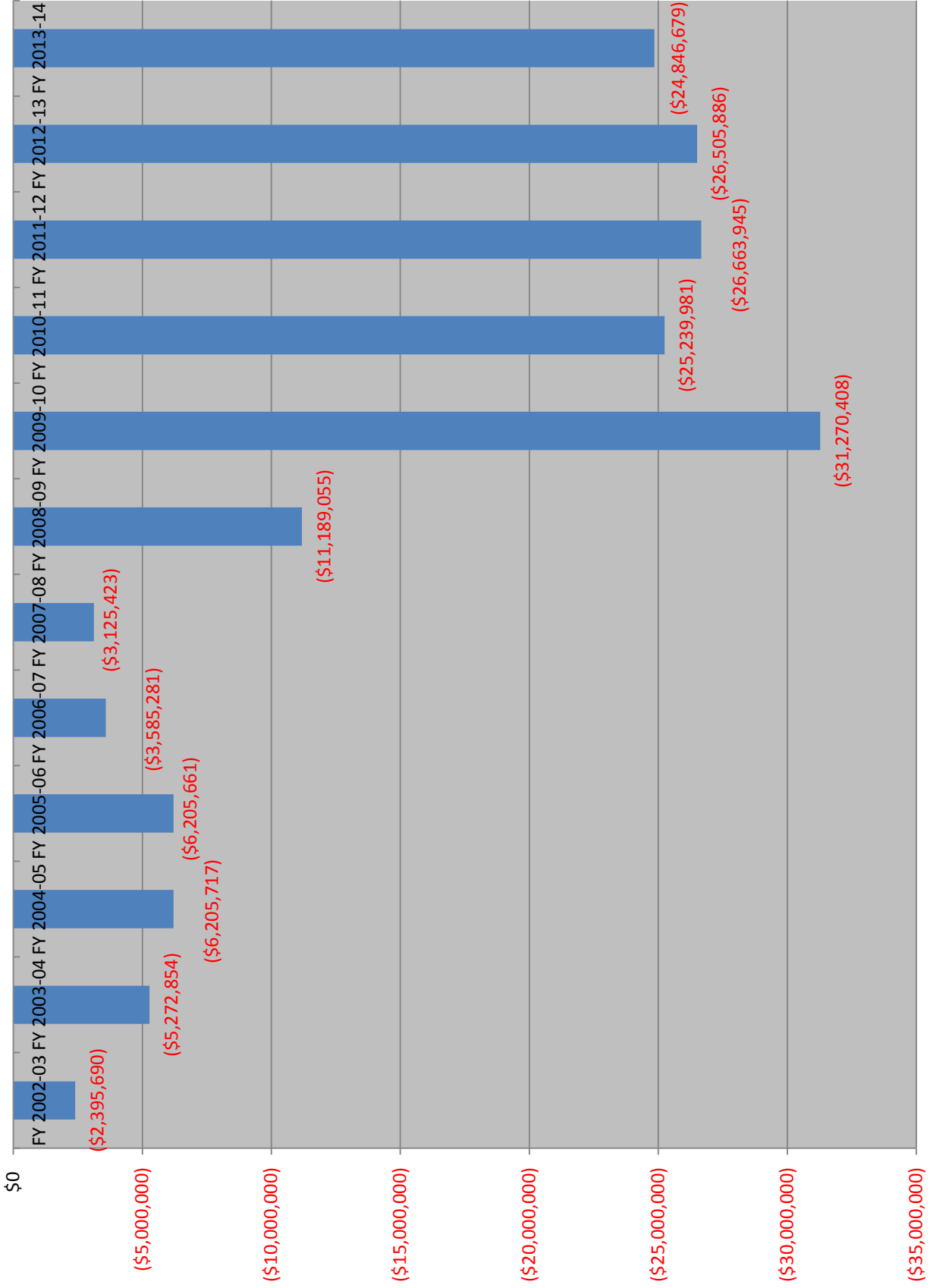
Local Fair Share \$1,339,505

Austerity Reduction \$1,659,207

State QBE Earnings In Comparison To Local Five Mills and Austerity Reductions



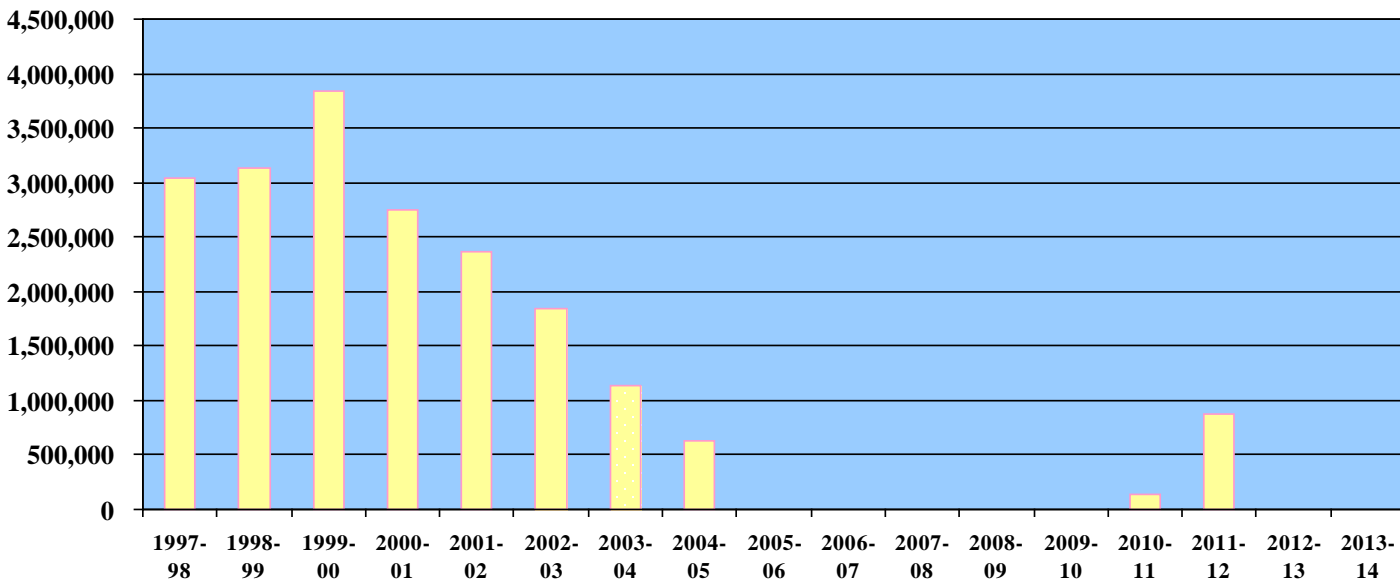
**AUSTERITY REDUCTIONS
(State Amended Formula Adjustment)
IN STATE FUNDING FOR EDUCATION**



The twelve year fiscal year cumulative total of District-Earned State Funding Reduction is \$172,506,580. The loss of \$24.8 million in FY 2013-14 could have funded 355 teaching positions and fringe benefits.

STATE EQUALIZATION FUNDING

1997-98 to 2013-14



1997-98 -	\$3,037,999
1998-99 -	\$3,126,426
1999-2000 -	\$3,838,225
2000-01 -	\$2,746,760
2001-02 -	\$2,367,894
2002-03 -	\$1,835,635
2003-04 -	\$1,143,401
2004-05 -	\$ 628,152
2005-06 -	\$ -0-
2006-07 -	\$ -0-
2007-08 -	\$ -0-
2008-09 -	\$ -0-
2009-10	\$ -0-
2010-11	\$ 132,230
2011-12	\$ 875,920
2012-13	\$ -0-
2013-14	\$ -0-

Under House Bill 1187, State Equalization Funding was phased out over a six fiscal year period for counties above the State average in wealth, which included Cherokee County until fiscal year 2010-11 when the School District again qualified for funding for two years. In fiscal year 2013-14, again the State Legislature cut out funding to counties considered more wealthy than others, which included Cherokee County. The Cherokee County School District will again, due to Legislative action, receive no equalization tax funding of State Equalization Funding after the 2011-12 Fiscal Year.

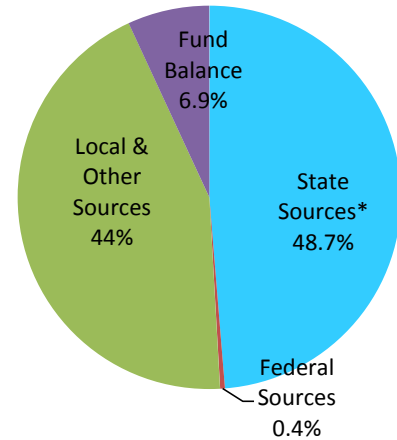
State Equalization Funding
(Equalizes Property Value Between Counties State-Wide)

GENERAL FUND BUDGET

TENTATIVE 2013-14 REVENUE / APPROPRIATIONS

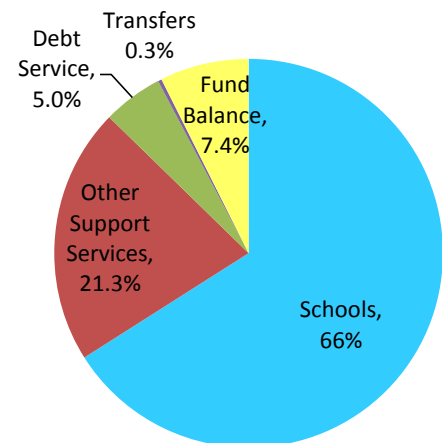
REVENUE

	2013-14 Tentative Budget	Inc/(Dec) Over 2012-13
State Sources	\$ 157,721,213	\$ 3,924,575
Federal Sources	152,000	(43,000)
Local & Other Sources	141,854,616	3,525,004
Beginning Fund Balance	22,173,303	-
TOTAL REVENUE	\$ 321,901,132	\$ 7,406,579

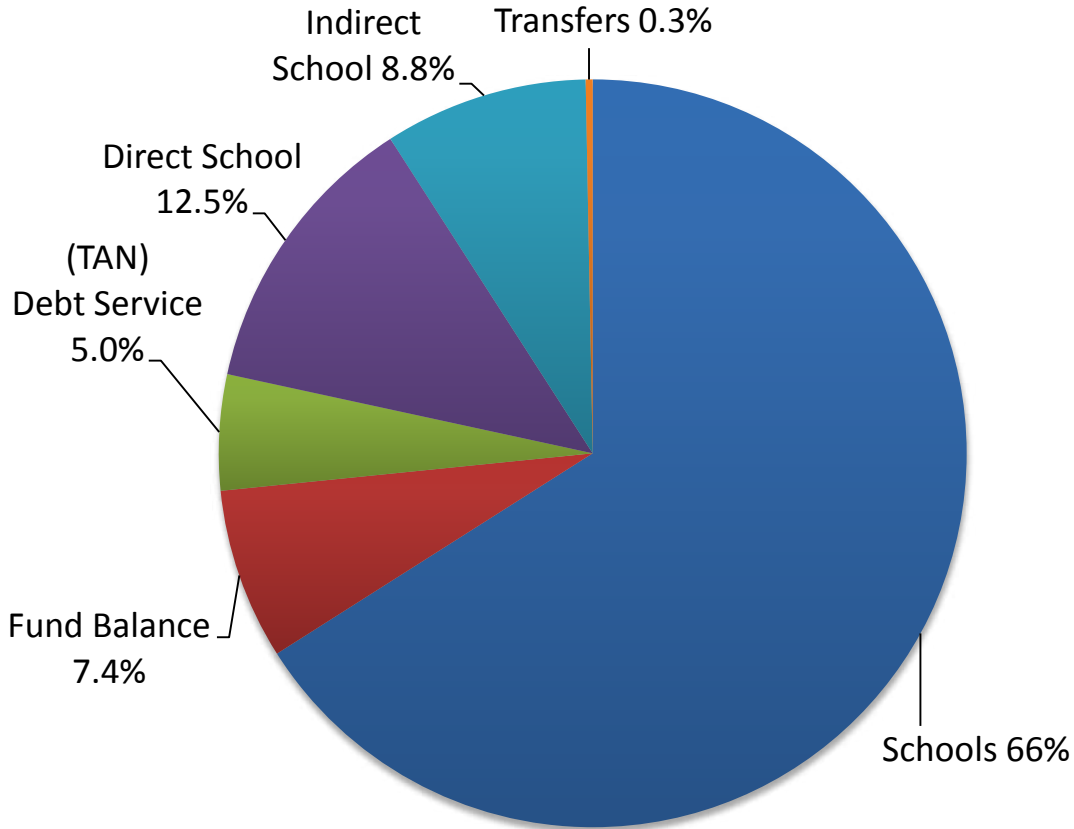


APPROPRIATIONS

	2013-14 Tentative Budget	Inc/(Dec) Over 2012-13
Schools	\$ 212,664,361	\$ 3,373,280
Other Support Services	68,592,515	2,467,846
Debt Service (TAN)	16,037,500	1,007,500
Transfers	827,000	(1,048,500)
Ending Fund Balance	23,779,756	1,606,453
TOTAL BUDGET	\$ 321,901,132	\$ 7,406,579



**2013-14 BUDGET BREAKDOWN OF GENERAL FUND'S
OTHER SCHOOL SUPPORT SERVICES
BUDGET APPROPRIATIONS**



Direct School Support	Budget	Dept. Appr.
Instructional Improvement	\$ 4,897,123	7.1%
School Administration	20,231,795	29.6%
Transportation	14,983,328	21.8%
Total Direct School Support	\$ 40,112,246	58.5%
	Tentative Budget	Percent of Dept. Appr.
Indirect School Support		
General Administration	\$ 2,388,645	3.5%
Business Services	2,128,408	3.1%
Maintenance & Operation	20,309,476	29.6%
Central Support Services	3,378,064	4.9%
Other Support Services	-	-
Building Construction	275,676	0.4%
Total Indirect School Support	\$ 28,480,269	41.5%
TOTAL SCHOOL SUPPORT	\$ 68,592,515	100%

**GENERAL FUND REVENUE
COMPARISON OF 2012-13 TO TENTATIVE 2013-14**

	<u>FTE</u>	<u>2013-14 Tentative Budget</u>	<u>Inc/(Dec) Over 2012-13</u>
STATE REVENUE			
QBE Formula Earnings	39,269	\$ 213,526,327	\$ 2,565,339
Categorical Grants			
Pupil Transportation Program		2,040,737	42,300
Nursing		757,491	107,879
Education Equalization Funding		-	-
Total Earnings for Quality Basic Education		<u>\$ 216,324,555</u>	<u>\$ 2,715,518</u>
<u>Less: Current Year Local Fair Share Austerity Reduction</u>		<u>(37,690,088) (24,846,679)</u>	<u>1,339,505 1,659,207</u>
State Earnings for Quality Basic Education		\$ 153,787,788	\$ 5,714,230
State QBE Mid-Term Allocation Adjustment	119	647,066	(953,545)
Other State Funds		<u>3,286,359</u>	<u>(836,110)</u>
TOTAL STATE FUNDING	<u>39,388</u>	<u>\$ 157,721,213</u>	<u>\$ 3,924,575</u>
FEDERAL FUNDS			
Grants		\$ 152,000	\$ (43,000)
Federal Stimulus Funds (ARRA)		-	-
TOTAL FEDERAL FUNDS		<u>\$ 152,000</u>	<u>\$ (43,000)</u>
LOCAL REVENUE			
School Tax		\$ 121,426,000	\$ 1,959,800
Tuition/Testing		200,000	(260,000)
Earnings on Investments		31,000	0
Rental of Property		357,000	0
Indirect Cost Recoveries		175,000	150,000
Surplus Property		175,000	(50,000)
Tax Anticipation Note		16,000,000	1,000,000
Other (e.g., School Reimbursements)		<u>3,490,616</u>	<u>725,204</u>
TOTAL LOCAL REVENUE		<u>\$ 141,854,616</u>	<u>\$3,525,004</u>
BEGINNING FUND BALANCE			
Including Reserves for Encumbrances, and Inventories Carried Forward		<u>22,173,303</u>	<u>-</u>
TOTAL ESTIMATED REVENUE AND FUND BALANCE	<u>39,388</u>	<u>\$ 321,901,132</u>	<u>\$ 7,406,579</u>

**GENERAL FUND APPROPRIATIONS
COMPARISON OF 2012-13 TO TENTATIVE 2013-14**

	<u>2013-14 Tentative Budget</u>	<u>Inc/(Dec) Over 2012-13</u>
APPROPRIATIONS		
Instruction	\$ 198,267,240	\$ 2,978,857
Pupil Services	9,807,125	298,307
Instructional Improvement	4,897,123	(594,335)
Media Services	4,589,996	96,116
General Administration	2,388,645	245,903
School Administration	20,231,795	1,034,871
Business Services	2,128,408	413,065
Maintenance and Operation	20,309,476	(779,840)
Transportation	14,983,328	1,857,712
Central Support Services	3,378,064	129,244
Other Support Services	-	-
Building Construction	275,676	161,226
Debt Service (TAN)	16,037,500	1,007,500
TOTAL BUDGET EXPENSE BY FUNCTION	\$ 297,294,376	\$ 6,848,626

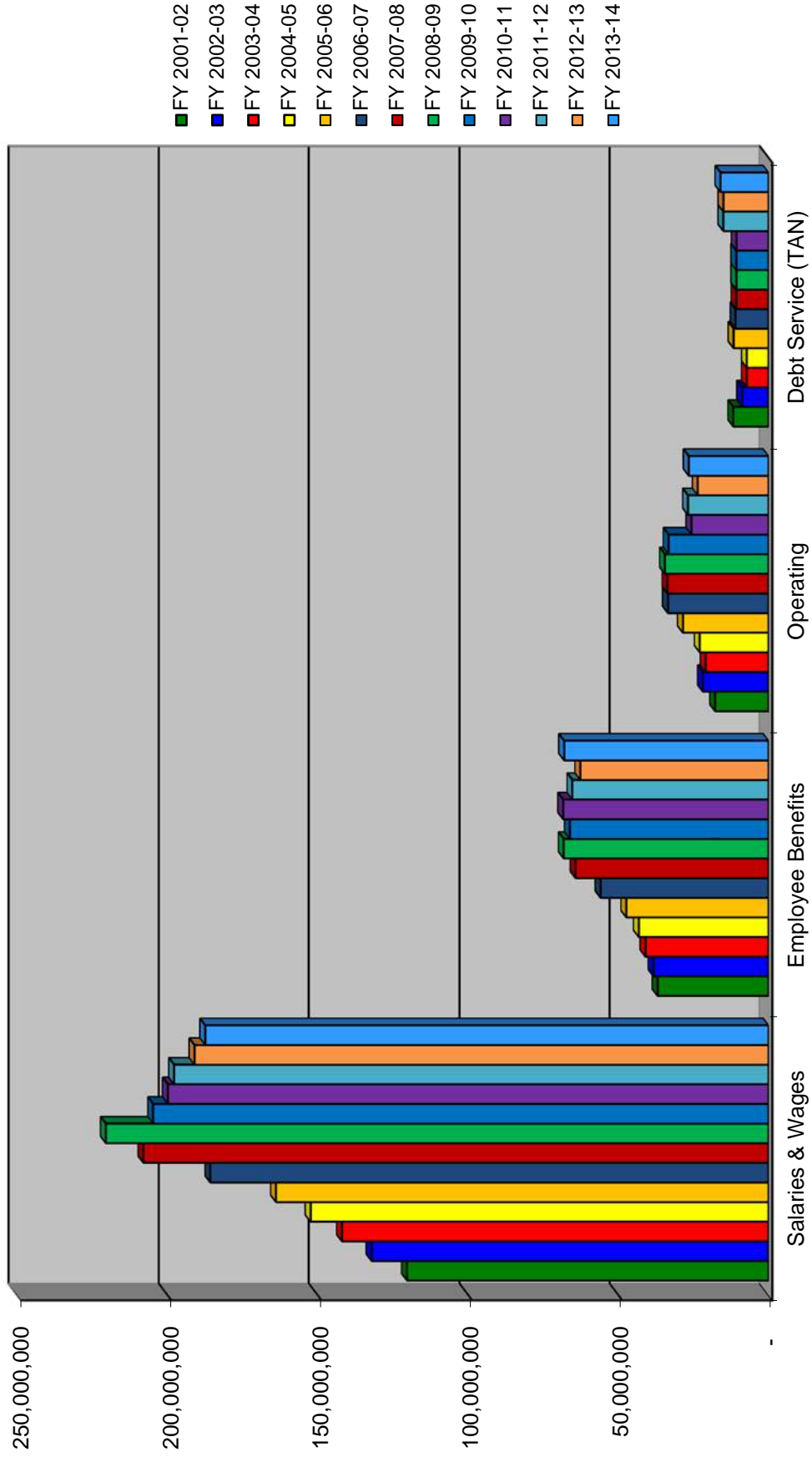
TRANSFERS		
To Other Funds	\$ 827,000	\$ (1,048,500)

ENDING FUND BALANCE		
Including Reserves for Encumbrances and Inventories Carried Forward	<u>\$ 23,779,756</u>	<u>\$ 1,606,453</u>
TOTAL APPROPRIATIONS, TRANSFERS AND FUND BALANCE	<u>\$ 321,901,132</u>	<u>\$ 7,406,579</u>

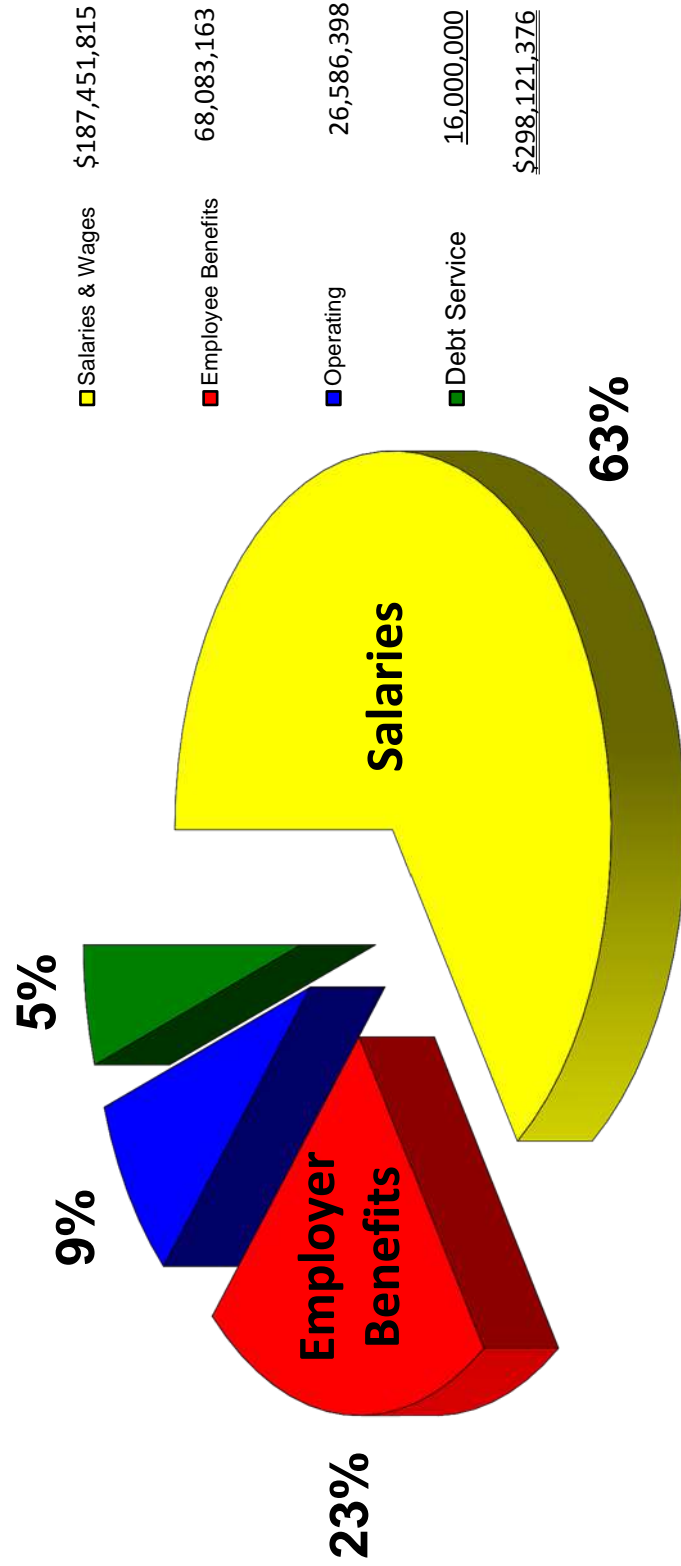
**GENERAL FUND
TOTAL EXPENSE BY FUNCTION/OBJECT
2013-14 BUDGET**

	INSTRUCTION	PUPIL SERVICES	IMPROVE INSTRUCTION.	EDUCATION MEDIA	GENERAL ADMIN	SCHOOL ADM	BUSINESS SERVICES	OPERATIONS & MAINTEN	TRANSPORT	CENTRAL SUPPORT	OTHER SUPPORT	CAP. OUTLAY TRANS. OUT
	1000	2100	SVCS -2210	2220	2300	2400	2500	2600	2700	2800	2900	DEBT SERV.
TOTAL												
Salaries & Wages	\$ 187,451,815	\$ 6,767,845	\$ 3,319,764	\$ 2,671,510	\$ 1,370,035	\$ 14,605,861	\$ 1,443,318	\$ 4,874,605	\$ 8,383,333	\$ 1,257,627	\$ -	\$ -
Employee Benefits	68,083,163	2,320,880	1,031,859	1,018,416	390,960	5,300,874	518,610	1,811,575	3,962,067	401,137	-	-
SUB - TOTAL	\$ 255,534,978	\$ 9,088,725	\$ 4,351,623	\$ 3,689,926	\$ 1,760,995	\$ 19,906,735	\$ 1,961,928	\$ 6,686,180	\$ 12,345,400	\$ 1,658,764	\$ -	\$ -
Purchased Svcs.	\$ 3,153,139	\$ 60,000	\$ 90,000		\$ 475,000	\$ 2,500	\$ 85,000	\$ 38,000	\$ 111,139	\$ 1,600,000	\$ -	\$ 40,500
Parts & Supplies	591,944							1,296,000	591,944			
Water & Sewer	1,296,000											
Per Diem of Board Members	50,400				50,400							
Repairs & Maintenance	1,659,100	14,000				13,000	4,900	1,626,000		1,200		
Rental of Bldgs and Equip.	56,695						6,095		50,600			
Insurance	238,400				3,900	234,500						
Communications	205,600	6,800	100,000		10,000	-	2,500	53,000	22,300	11,000		
Travel	140,700	25,000	26,500	\$ 2,500	7,800	500	1,900	7,000	6,500	1,500		
Other Purchase Services	5,121,796		-					5,121,796				
Supplies	3,247,823	30,900	226,000	114,500	15,000	70,560	49,700	253,625	21,000	48,000		
Computer Software	181,387	64,000						110,000	7,387			
Equipment under \$1,000	994,876	650,000	12,000	20,000		4,000	5,500	-	5,000	51,000		242,676
Fuel & Lubricants	1,767,658	4,700							1,767,658			
Utilities & Tanked Fuel	4,960,875							4,960,875				
Textbooks	781,400	781,400										
Books & Periodicals	777,705	25,000	2,000	743,070	550		85	3,000	400	3,600		
Equipment over \$1,000	330,000	100,000		20,000	5,000		7,000	132,000	36,000			30,000
Purchase of Buses	-											
Computers	12,500	2,500							10,000			
Dues & Fees	123,300		89,000		-		1,300	22,000	8,000	3,000		
Other	68,100	5,600			60,000		2,500					
Transfer to Other Funds	827,000											827,000
Debt Service	16,000,000											16,000,000
SUB - TOTAL	\$ 42,586,398	\$ 4,182,538	\$ 718,400	\$ 900,070	\$ 627,650	\$ 325,060	\$ 166,480	\$ 13,623,296	\$ 2,637,928	\$ 1,719,300	\$ -	\$ 17,140,176
TOTALS	\$ 298,121,376	\$ 198,267,240	\$ 4,897,123	\$ 4,589,996	\$ 2,388,645	\$ 20,231,795	\$ 2,128,408	\$ 20,309,476	\$ 14,983,328	\$ 3,378,064	\$ -	\$ 17,140,176

Comparison by Fiscal Year General Fund Major Expenses

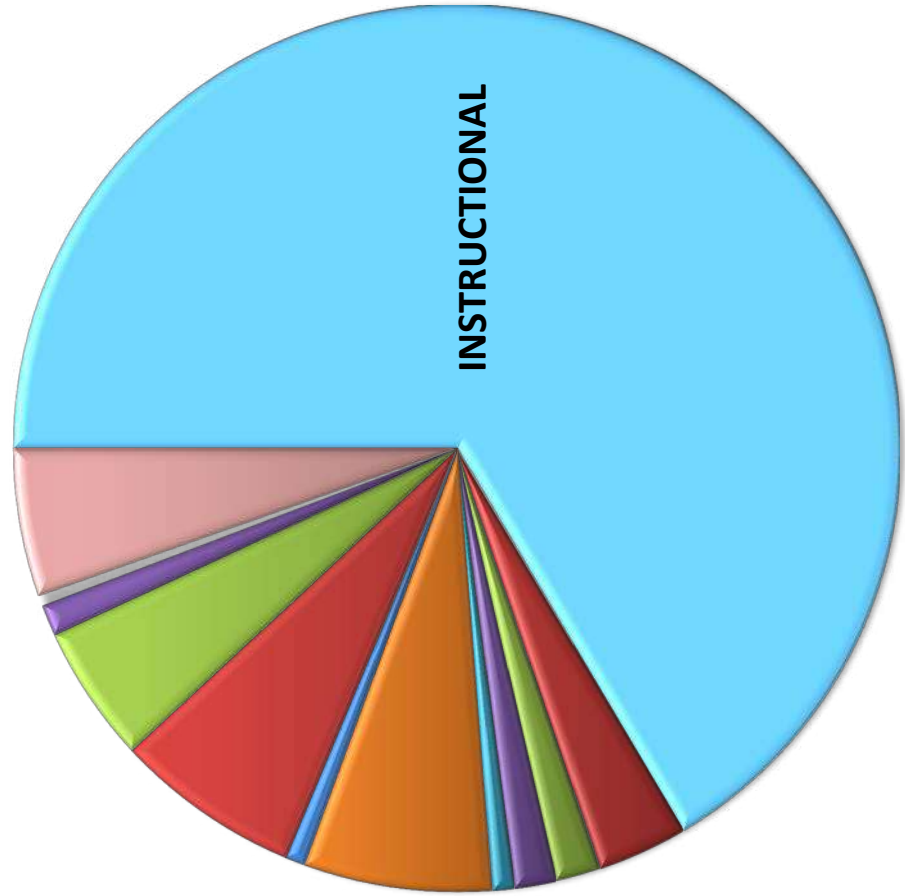


GENERAL FUND TOTAL EXPENSES FY 2013-14



Salaries and Employer Benefits are 86% of Total Operational Expenses

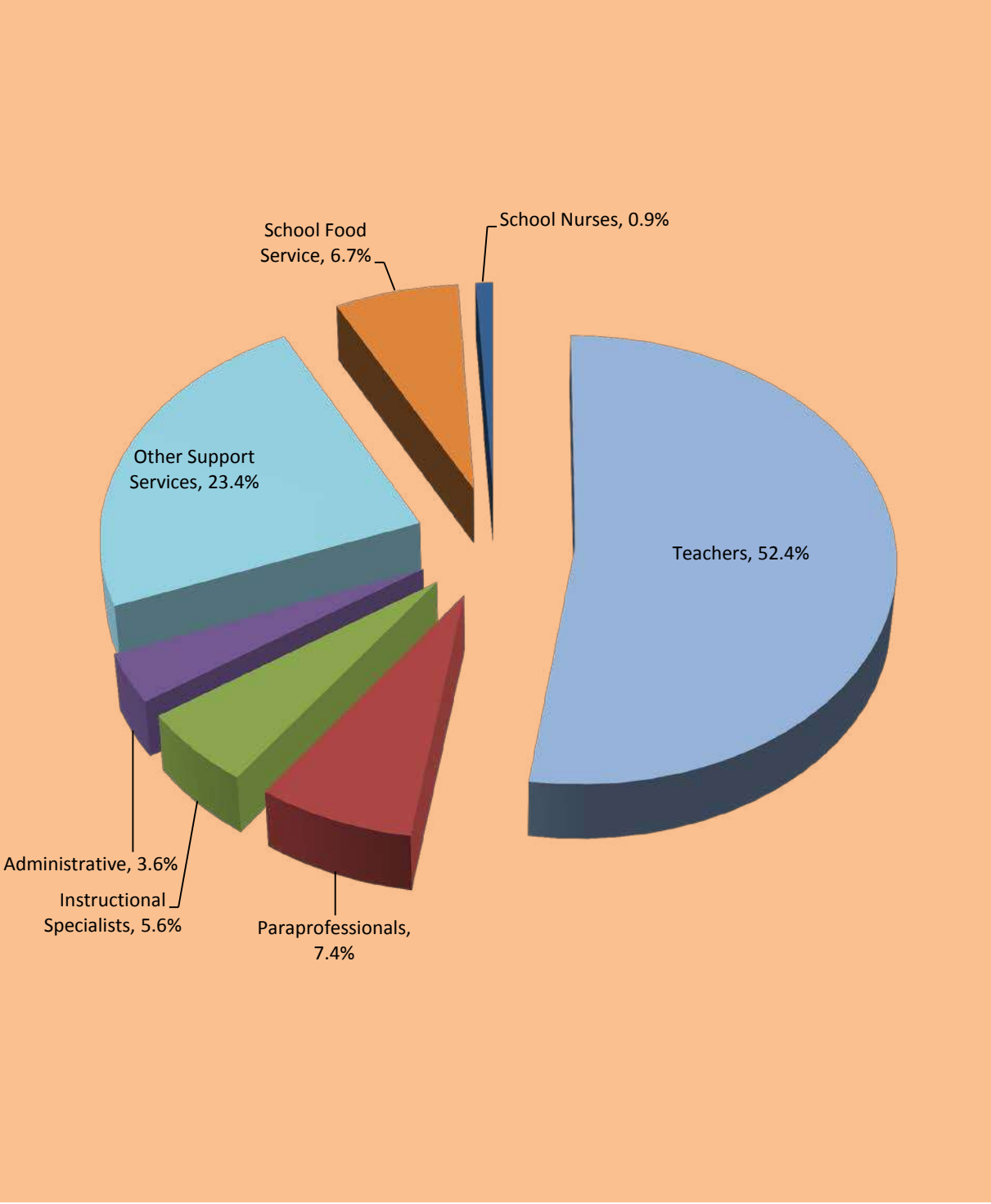
**General Fund (Operating Account)
Total Expense by Function
FY 2013-14 Budget**



Instruction 66.54%	\$198,267,240
Pupil Services 3.29%	9,807,125
Inst. Improvement 1.64%	4,897,123
Media Services 1.54%	4,589,996
General Admin. 0.80%	2,388,645
School Admin. 6.79%	20,231,795
Business Services 0.71%	2,128,408
Maint & Operation 6.81%	20,309,476
Transportation 5.02%	14,983,328
Central Support Serv. 1.13%	3,378,064
Other Support Serv. 0%	0
Capital Improvements 0.09%	275,676
Transfers 0.27%	827,000
Debt Service (TAN) 5.37%	16,037,500
	\$298,121,376

66.54% of The School District's Operational Budget will be spent in the classroom.

SCHOOL STAFF 2013-14





DEBT SERVICE/ 1% SPLOST BOND FUND



TOTAL DEBT SERVICE BUDGET FY 2013-14

Revenue

Local Sources		
Property Taxes	\$ 2,123,374	
Intangible Taxes	78,512	
Real Estate Transfer Tax	16,626	
Motor Vehicle Taxes	258,804	
1% SPLOST Collections	30,080,506	
		\$ 32,557,822
Other Sources		
Interest Earned		251,161
Transfers		
Bond Fund - SPLOST		1,698,692
TOTAL REVENUE		\$ 34,507,675

Beginning Fund Balance

16,674,404

TOTAL REVENUE AND BEGINNING FUND BALANCE

\$ 51,182,079

Expenditures

Bond Principal Payable	\$ 16,150,000	
Bond Interest Payable	14,839,648	
Paying Agents Fees	33,942	
		\$ 31,023,590
Transfers		
Debt Service Fund		1,698,692
TOTAL EXPENSE		\$ 32,722,282

Ending Fund Balance

18,459,797

TOTAL EXPENDITURES AND ENDING FUND BALANCE

\$ 51,182,079

**TOTAL DEBT SERVICE / 1% SPLOST-BOND FUND
BY FUND
BUDGET FY 2013-14**

	<u>2013 1% SPLOST Bond Fund</u>	<u>Regular Debt Service</u>	<u>Total</u>
<u>Revenue</u>			
Local Sources			
Property Taxes		\$ 2,123,374	\$ 2,123,374
Intangible Taxes		78,512	78,512
Real Estate Transfer Taxes		16,626	16,626
Motor Vehicle Taxes		258,804	258,804
1% SPLOST Collections	\$ 30,080,506	-	30,080,506
Other Sources			
Interest Earned	233,382	17,779	251,161
Transfers In			
Bond Fund - SPLOST	-	1,698,692	1,698,692
Total Revenue	\$ 30,313,888	\$ 4,193,787	\$ 34,507,675
<u>Beginning Fund Balance</u>	<u>16,595,916</u>	<u>78,488</u>	<u>16,674,404</u>
TOTAL REVENUE AND BEGINNING FUND BALANCE	<u><u>\$ 46,909,804</u></u>	<u><u>\$ 4,272,275</u></u>	<u><u>\$ 51,182,079</u></u>
<u>Expenditures</u>			
Bond Principal Payable	\$ 12,090,000	\$ 4,060,000	\$ 16,150,000
Bond Interest Payable	14,636,648	203,000	14,839,648
Paying Agents Fees	24,667	9,275	33,942
Transfers			
Debt Service Fund	1,698,692	-	1,698,692
Total Expense	\$ 28,450,007	\$ 4,272,275	\$ 32,722,282
<u>Ending Fund Balance</u>	<u>18,459,797</u>	<u>-</u>	<u>18,459,797</u>
TOTAL EXPENDITURES AND ENDING BALANCE	<u><u>\$ 46,909,804</u></u>	<u><u>\$ 4,272,275</u></u>	<u><u>\$ 51,182,079</u></u>

CHEROKEE COUNTY SCHOOL DISTRICT
1% SALES TAX FOR 2013-2017
PROJECTED COLLECTIONS
 June 21, 2012

	2013	2013-14	2014-15	2015-16	2016-17	2017
July	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
August	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
September	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
October	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
November	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
December	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
January	\$ -	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045
February	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
March	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
April	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
May	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
June	\$ 2,488,563	\$ 2,532,113	\$ 2,582,755	\$ 2,660,238	\$ 2,740,045	\$ -
Total by Fiscal Year	\$ 12,442,815	\$ 30,080,506	\$ 30,638,566	\$ 31,380,475	\$ 32,321,891	\$ 19,180,315
Total Projected Collections						<u>\$ 156,044,568</u>

Review of Historical SPLOST Receipts

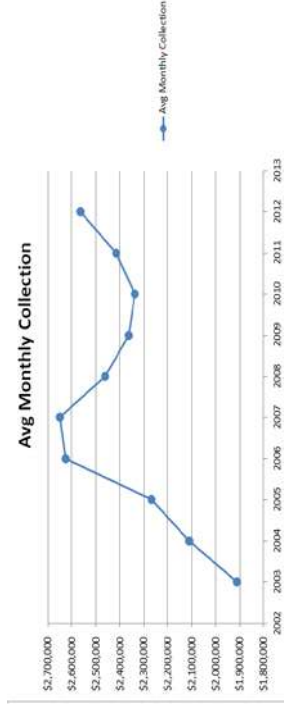
The decline in SPLOST receipts from 2008-2010 negatively affected CCSD's ability to fund school projects, but 2011 & 2012 have shown signs of improvement.

- The System's SPLOST receipts declined in 2008, 2009 and 2010
 - Monthly SPLOST collections, on average, grew 9.68% from 2003 through 2006; in 2007, the average collection only grew by 0.89%, then a decline of 7.18% in 2008, 3.91% in 2009 and 1.12% in 2010
 - Average monthly collection for 2011 was \$2,415,553 representing an increase of 3.32% from prior year
 - Average monthly collection for the 12 months of 2012 was \$2,566,055 representing an increase of 6.23% from prior year

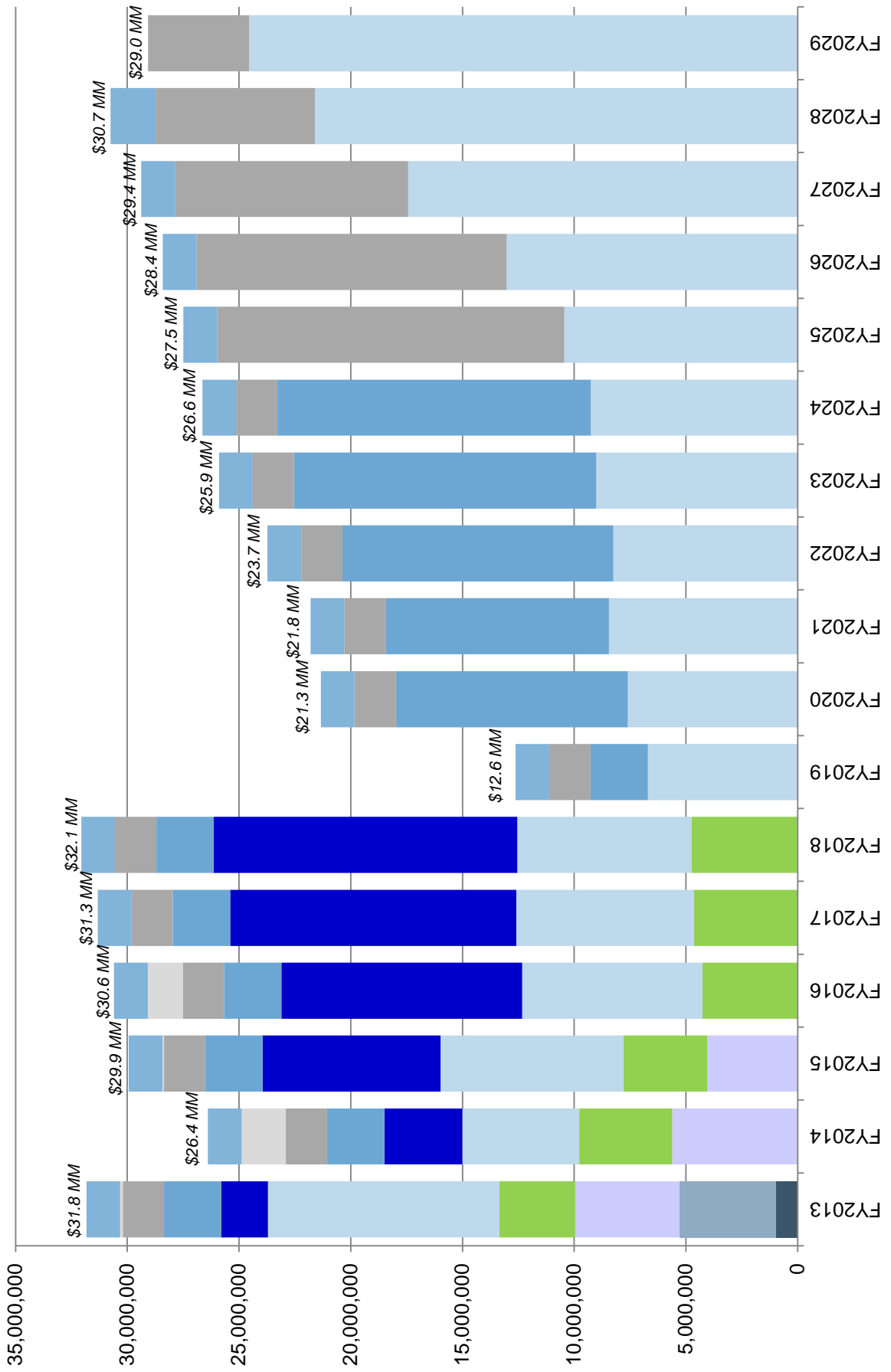
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
January	1,861,626	1,846,501	2,018,474	2,227,395	2,367,577	2,296,911	2,180,504	2,442,747	2,769,175	3,046,673
February	2,037,485	2,054,203	2,274,791	2,638,846	2,800,280	2,846,163	2,729,722	2,351,940	2,151,326	2,361,497
March	1,645,081	2,098,242	2,022,690	2,428,963	2,608,279	1,960,064	2,196,992	2,112,848	2,238,054	2,344,088
April	1,700,681	1,813,003	2,043,951	2,439,420	2,369,407	2,408,444	1,711,344	2,481,825	2,374,900	2,577,290
May	1,767,097	2,160,954	2,271,327	2,550,253	2,534,007	2,699,122	3,163,000	2,335,399	2,342,849	2,287,592
June	1,913,712	2,284,814	2,387,245	2,733,425	2,996,063	2,391,211	2,216,734	2,504,521	2,387,487	2,818,714
July	1,966,884	2,306,355	2,284,445	2,593,436	2,816,001	2,580,678	2,176,212	2,336,803	2,481,425	2,622,219
August	1,954,906	2,135,552	2,346,742	2,883,991	2,325,093	2,695,598	2,355,890	2,369,606	2,598,259	2,615,861
September	1,950,025	2,137,650	2,362,715	2,971,066	3,060,093	2,476,473	2,550,181	2,473,608	2,526,744	2,566,788
October	1,991,231	2,287,771	2,651,612	2,956,752	2,516,538	2,385,210	2,097,627	2,245,568	2,473,973	2,503,432
November	2,246,032	2,245,924	2,274,697	3,301,228	2,800,299	2,681,097	2,441,606	2,216,851	2,329,529	2,480,590
December	1,910,788	1,950,999	2,279,752	1,805,266	2,617,693	2,107,192	2,349,124	2,183,962	2,312,919	2,567,921
Total	\$22,945,548	\$25,321,969	\$27,218,440	\$31,530,041	\$31,811,330	\$29,528,163	\$28,168,935	\$28,055,678	\$28,986,639	\$30,792,665

Avg Collection/Month	\$1,912,129	\$2,110,164	\$2,268,203	\$2,627,503	\$2,650,944	\$2,460,680	\$2,364,509	\$2,337,973	\$2,415,553	\$2,566,055
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Annual Growth Rate	10.36%	7.49%	15.84%	0.89%	0.89%	-7.18%	-3.91%	-1.12%	3.32%	6.23%
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Existing SPLOST Debt Service

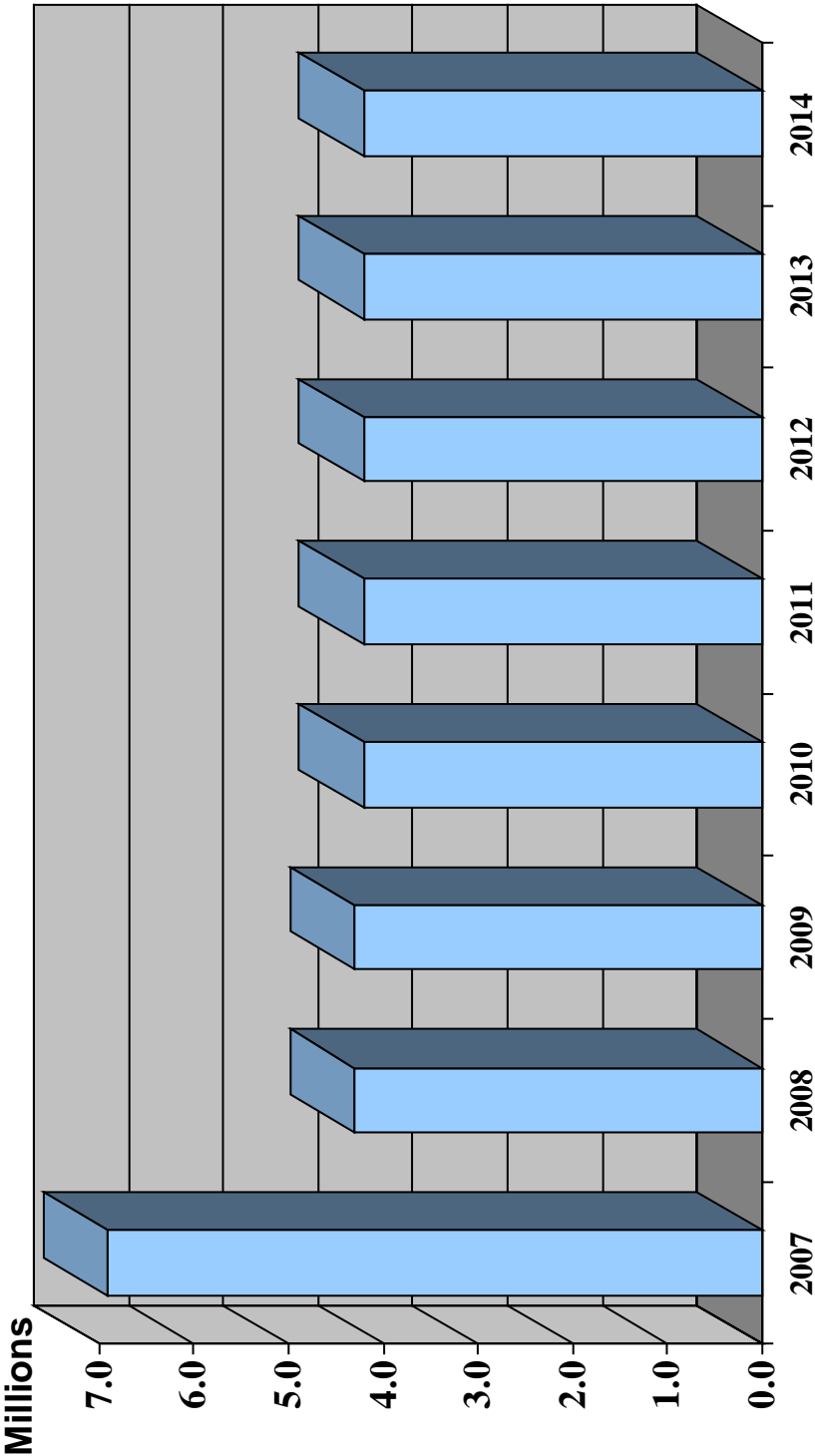


DEBT SERVICE
INTEREST AND PRINCIPAL
FY 2013-14

	<u>Payment Date</u> <u>8/1/2013</u>	<u>Payment Date</u> <u>2/1/2014</u>
U.S. BANK		
1999 Interest	\$ 101,500	\$ 101,500
Principal	-	4,060,000
	<u>\$ 101,500</u>	<u>\$ 4,161,500</u>
<hr/>		
BANK OF NEW YORK		
2003 Interest	\$ 2,081,163	\$ 79,300
Principal	5,325,000	-
2006 Interest	391,350	324,350
Principal	3,440,000	-
2007A Interest	2,619,100	2,619,100
Principal	-	-
2007B Interest	1,040,675	1,011,875
Principal	1,440,000	-
2009A Interest	1,282,850	1,282,850
Principal	-	-
2009B Interest	922,874	922,874
Principal	-	-
2010A Interest	59,075	30,800
Principal	1,885,000	-
2010B Interest	41,256	41,256
Principal	-	-
2012 Interest	879,450	879,450
Principal	-	-
	<u>\$ 19,534,793</u>	<u>\$ 7,191,855</u>
PAYMENT		
	<u>\$ 19,534,793</u>	<u>\$ 7,191,855</u>
TOTAL PAYMENT	<u>\$ 19,636,293</u>	<u>\$ 11,353,355</u>

REGULAR DEBT SERVICE

Principal and Interest 2007 thru 2014



In FY 2007-08 Debt Service Millage
was lowered from 0.50 to 0.40 mill

**DEBT SERVICE - REGULAR
FUNDED THROUGH LOCAL PROPERTY TAX DIGEST (0.40 MILL)
PROJECTED CASH FLOW
FY 2013-14**

	<u>BEG. FUND BALANCE 7/1</u>	<u>AUGUST</u>	<u>DECEMBER</u>	<u>JANUARY</u>	<u>FEBRUARY</u>	<u>JUNE</u>	<u>END. FUND BALANCE 6/30</u>
FY 2013-14*	\$ 78,488	(101,500)	-	4,193,787	(4,170,775)	-	-

* In FY 2013-14 the debt outstanding for the 1999 Bond Issue will be retired.



CAPITAL OUTLAY



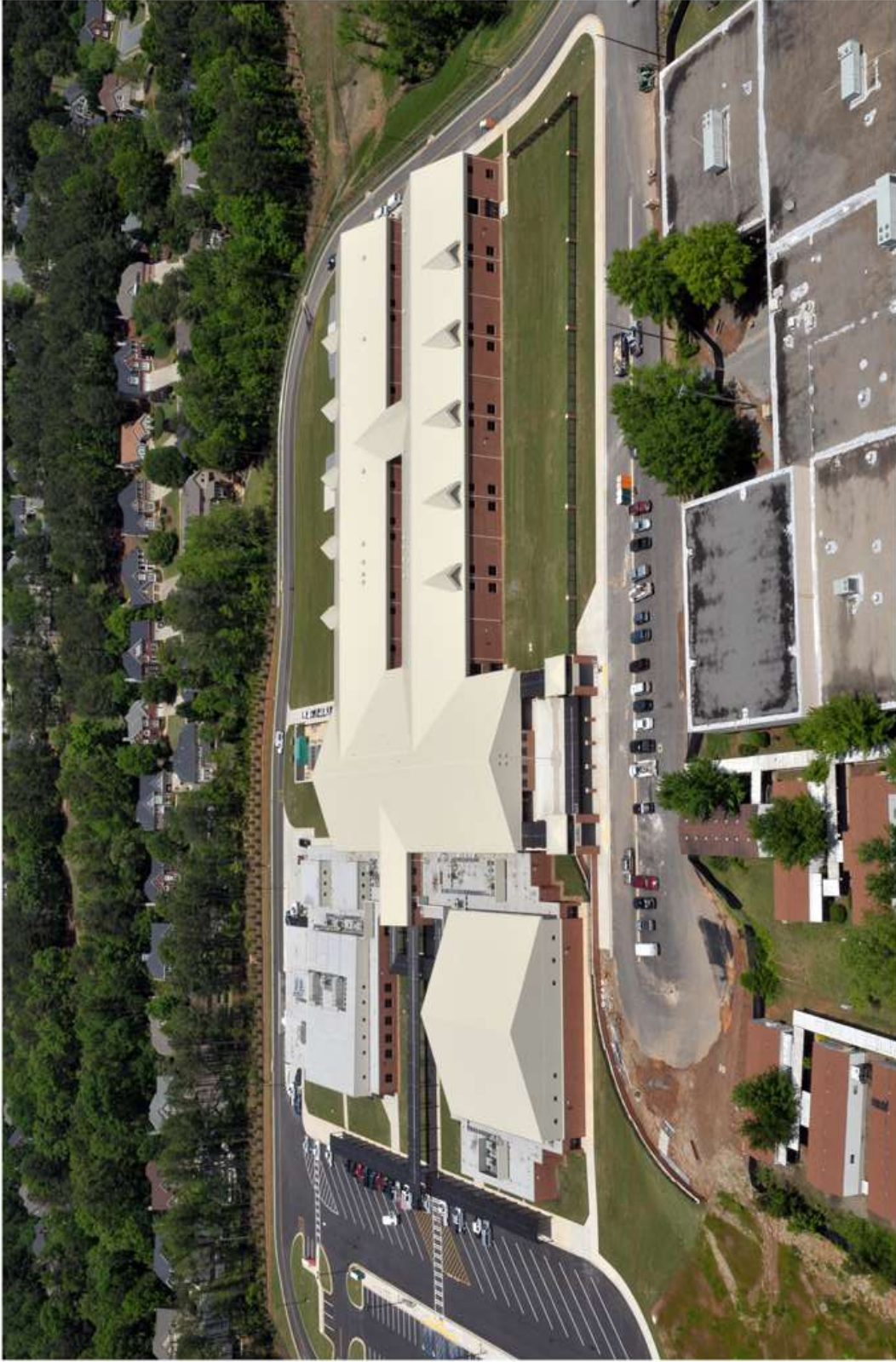
**CHEROKEE COUNTY SCHOOL DISTRICT
SPLOST 2013 - 2017
CAPITAL OUTLAY FUND
FY 2013-14**

Revenue

State Funding (GSFIC)		\$ 11,679,376
Local Funding		
Interest	\$ 185,381	
Proceeds from the Sale of Bonds	<u>30,000,000</u>	<u>30,185,381</u>
Total Revenue		\$ 41,864,757
<u>Beginning Fund Balance</u>		<u>47,654,377</u>
<u>Total Funds Available</u>		<u>\$ 89,519,134</u>

Expenditures

Construction		
E.T. Booth Middle School Replacememnt-Phase 2	\$ 2,839,816	
Teasley Middle School Replacement-Phase 1	17,787,000	
Dean Rusk Middle School Replacement	7,832,000	
Sequoyah High School Video Broadcast Classroom modification	350,000	
Cherokee High School Athletic Field House and Softball field	3,645,000	
New Parent Drive-Carmel Elementary School	1,080,000	
System Wide Athletic Tracks resurfacing	<u>168,000</u>	<u>\$ 33,701,816</u>
Miscellaneous Renovations		4,786,030
General Fund Reimbursement for Building Repair/Renovations		1,000,000
Bus Radios		100,000
Technology		<u>8,000,000</u>
Total Expenditures		\$ 47,587,846
<u>Ending Fund Balance</u>		<u>41,931,288</u>
<u>Total Expenditures and Ending Fund Balance</u>		<u><u>\$ 89,519,134</u></u>



MIDDLE SCHOOL "D"
E.T. BOOTH REPLACEMENT SCHOOL
Cherokee County, Georgia

MAY 7 2013



MAY 7 2013

MIDDLE SCHOOL "D"
E.T. BOOTH REPLACEMENT SCHOOL
Cherokee County, Georgia



FACILITIES/MAINTENANCE PROPOSED BUDGET 2013-14

An annual budget is developed for the Maintenance and Capital Outlay Projects for the upcoming fiscal year. The items shown in the Maintenance budget are a part of the Modification and Renovation funds of our current SPLOST. There are six criteria in the development of the budget:

- Five Year Facility Plan-Architectural review of each facility, showing Modifications & Renovations necessary, which was submitted to the State Department of Education for approval
- Facility Budget Request submitted by each school
- Maintenance Dept. Service & Repair Request
- Equipment Life Expectancy
- Energy Cost-Energy Management Systems & Control
- Ad Hoc Budget Committee Recommendations



FACILITIES/MAINTENANCE PROPOSED BUDGET 2013-14

The budget has four major categories:

- 1) **Safety & Security**
 - a) Fire Alarms Systems
 - b) Card Access Systems
 - c) Camera Systems
 - d) Fire Extinguishers
- 2) **System Upgrades**
 - a) Electrical
 - b) Technology needs
 - c) HVAC-Heating & Cooling
 - d) Energy Management Systems
 - e) Intercom Systems
 - f) Plumbing Systems
- 3) **Facilities Maintenance**
 - a) Flooring Replacement-Carpet & VCT
 - b) Gym floor recoating
 - c) Roofing Repairs and Replacements
 - d) Painting
 - e) Paving & Signage
 - f) Sidewalks & Canopies
 - g) Door Replacement
 - h) Grounds & Landscaping
- 4) **Miscellaneous System Wide Expenditures & Emergency Funds**
 - a) Emergency funds for flooring replacement
 - b) Roofing repairs not currently identified
 - c) Vandalism
 - d) Ground Repairs
 - e) Bleacher Repairs
 - f) HVAC Equipment Repairs/Replacement not currently identified in planned System Upgrades

Some of the major ongoing items currently under a Multi-year Phasing plan:

1. Painting
2. Floor replacement
3. Door Replacement
4. HVAC equipment replacement

Some items that must be addressed annually are code related:

- ✓ Bleacher Repair/Replacement-these are for both interior and exterior bleachers
- ✓ Pond Maintenance for storm water control
- ✓ Fire Extinguisher testing and replacement



FACILITIES/MAINTENANCE

PROPOSED BUDGET 2013-14

The proposed Maintenance Budget for this year includes these major items:

- New intercom system-Chapman IS/Etowah HS
- Chiller replacement-Bascomb ES
- Cooling tower replacement-Sequoyah HS
- Rooftop unit replacement-Cherokee HS Auditorium
- ERU Replacement-Creekland MS
- Roof repair & recoating two facilities-Arnold Mill ES & Woodstock MS (note 30% rebate on coating for Woodstock MS)
- Four Smaller Projects recoating only a portion of the buildings at Etowah HS, Hickory Flat ES, Ralph Bunche Center and Sequoyah HS
- Football field repair and new irrigation system-Sequoyah HS
- Repaving projects at five locations-Arnold Mill ES, Hickory Flat ES, Creekland MS, Creekview HS and Macedonia ES
- Security System Enhancements as per the Superintendent's AD Hoc Safety & Security Committee status report & recommendations
 - Additional Digital Camera Systems (13 Schools)
 - Mass Notification/Panic Alarm Systems (All Schools)
 - Cellular Back-up for Alarm Systems (19 Schools/3 Facilities)

These are the most critical projects for the current 2013-14 fiscal year budget.



Facilities/Maintenance Proposed Budget 2013-14

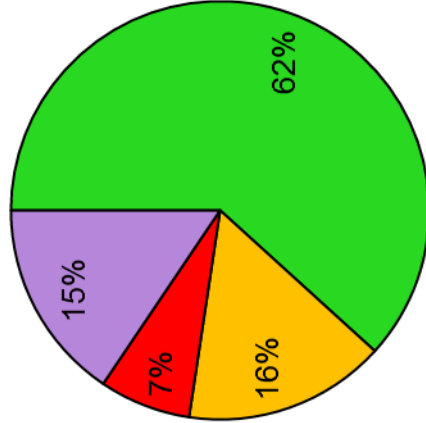
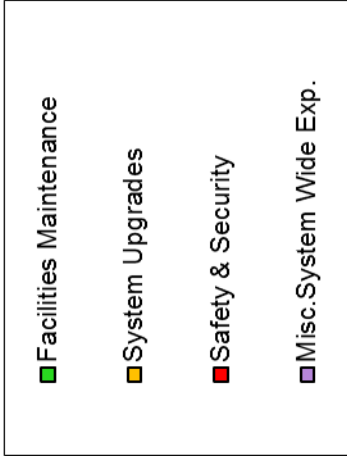
	<u>2013-2014</u>	<u>2012-2013</u>	<u>2011-2012</u>
➤ Safety & Security			
Fire Alarms Systems	\$ 75,000	\$ 115,000	\$ 155,000
Card Access Systems			
Camera Systems			
Fire Extinguishers			
Personnel Protection Equip. (Eye, Ear Protection & Knee Pads)			
➤ System Upgrades			
Electrical	\$ 614,000	\$ 335,000	\$ 483,000
Technology needs			
HVAC-Heating & Cooling			
Energy Management Systems			
Intercom Systems			
Plumbing Systems			
➤ Facilities Maintenance			
Flooring Replacement-Carpet & VCT	\$3,157,030	\$2,484,616	\$2,568,922
Gym Flooring recoating			
Roofing Repair and Replacements			
Painting			
Paving & Signage			
Sidewalks & Canopies,			
Door Replacement			
Grounds & Landscaping			
➤ Miscellaneous System Wide Expenditures & Emergency Funds			
	<u>\$ 940,000</u>	<u>\$1,384,000</u>	<u>\$ 570,000</u>
Emergency funds for Flooring replacement			
Roofing repairs not currently identified			
Vandalism			
Ground Repairs			
Bleacher Repairs			
HVAC Equipment Repairs/Replacement not current identified in plan.			
		<u>\$4,318,616</u>	<u>\$3,976,922</u>
		Total Budget	



Total Budget Request \$4,786,030

FACILITIES/MAINTENANCE PROPOSED BUDGET 2013-14

2013-2014 Proposed Budget



Cherokee County School District Facilities:
Elementary Schools
 24 Facilities
 Square Footage: 2,711,011
 Acreage: 772.13
Middle Schools
 7 Facilities
 Square Footage: 905,445
 Acreage: 211.24
High Schools
 6 Facilities
 Square Footage: 1,618,822
 Acreage: 360.92
 This includes 6 stadiums, 6 softball fields,
 6 baseball fields, 6 tracks and 6 tennis
 courts. Also, each has practice field locations
Portable Units All Locations
 Square Footage: 238,800
Special Facilities (Tippens, Ace Academy, etc.)
 4 Facilities
 Square Footage: 113,569
 Acreage: 22.20
Support Facilities
 13 Facilities (Bus Shops, Offices, Warehouses
 Central Freezer, etc.)
 Square Footage: 281,170
 Acreage: 84.98

Grand Total:
 54 Facilities
 5,630,017 Square Footage
 1,451.48 Acres



CONSTRUCTION EXPENDITURES 2013-14

SPLOST PROJECTS

\$33,701,816

Listed below are the construction projects that will be funded through the current SPLOST :

➤ New Middle School “D”-ET Booth Replacement-Phase 2	\$ 2,839,816
➤ New Middle School “E” -Teasley Replacement-Phase 1	\$17,787,000
➤ Athletic Track Resurfacing-Phase 2	\$ 168,000
➤ Sequoyah HS Video Broadcast Classroom Modification	\$ 350,000
➤ Cherokee HS Athletic Field House & Softball Field Project	\$ 3,645,000
➤ New Middle School “F” -Dean Rusk Replacement	\$ 7,832,000
➤ Carmel ES Parent Drive	\$ 1,080,000

The amount shown above only covers this years projected expenditures for the projects listed. This amount is just a portion of the overall SPLOST Budget, which does carry over each fiscal year.

2011-2012 SPLOST Expenditures \$30,070,266
2012-2013 SPLOST Expenditures \$28,784,726



**Cherokee County School District
Support Services/ Facilities
Proposed Budget For 2013-14**

Facilities	Safety/ Security	Electrical	HVAC/EMS	Plumbing	Painting	Flooring	Carpentry	Roofing	Paving & Signage	Sidewalks / Walkway Canopies	Grounds Maintenance/ Landscaping	Miscellaneous Items	Grand Total Per School
Arnold Mill ES	\$0	\$0	\$0	\$0	\$0	\$20,000	\$0	\$228,750	\$30,000	\$0	\$0	\$0	\$279,750
Avery ES	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$27,000	\$0	\$0	\$28,000
Balt Ground ES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bascomb ES	\$0	\$0	\$175,000	\$0	\$9,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$204,000
Boston ES	\$0	\$0	\$0	\$0	\$29,000	\$7,500	\$6,000	\$0	\$0	\$0	\$2,500	\$0	\$45,000
Buffington ES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Canton ES	\$0	\$0	\$0	\$0	\$2,500	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,500
Carmel ES	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$3,000	\$0	\$0	\$13,000
Chapman IS	\$0	\$0	\$0	\$0	\$47,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,000
Clark Creek ES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clayton ES	\$0	\$0	\$0	\$0	\$0	\$18,000	\$0	\$0	\$0	\$0	\$0	\$0	\$18,000
Free Home ES	\$0	\$0	\$0	\$0	\$6,000	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$26,000
Hasty Elementary	\$0	\$0	\$0	\$0	\$0	\$4,000	\$0	\$0	\$0	\$0	\$0	\$0	\$4,000
Hickory Flat ES	\$0	\$0	\$0	\$0	\$50,000	\$16,000	\$15,000	\$39,000	\$12,000	\$0	\$0	\$0	\$132,000
Holly Springs ES	\$0	\$0	\$0	\$0	\$10,000	\$23,000	\$0	\$0	\$0	\$0	\$0	\$0	\$33,000
Johnston ES	\$0	\$0	\$0	\$0	\$12,000	\$10,500	\$10,000	\$0	\$0	\$0	\$3,000	\$0	\$35,500
Knox ES	\$0	\$0	\$0	\$0	\$10,000	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$12,500
Liberty ES	\$0	\$0	\$0	\$0	\$11,000	\$3,500	\$0	\$0	\$0	\$0	\$0	\$0	\$14,500
Little River ES	\$0	\$0	\$0	\$0	\$0	\$8,000	\$0	\$0	\$0	\$1,500	\$0	\$0	\$9,500
Macedonia ES	\$0	\$0	\$0	\$0	\$33,000	\$15,000	\$0	\$0	\$0	\$20,000	\$0	\$0	\$68,000
Mountain Road ES	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
Oak Grove ES	\$0	\$0	\$0	\$0	\$25,000	\$38,500	\$0	\$0	\$0	\$0	\$0	\$0	\$63,500
R. M. Moore ES	\$0	\$0	\$0	\$0	\$2,500	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$22,500
Sixes ES	\$0	\$0	\$0	\$0	\$0	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000
Woodstock ES	\$0	\$0	\$0	\$0	\$33,000	\$9,000	\$0	\$0	\$0	\$0	\$0	\$0	\$42,000
Mountainbrook @ Tippans	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ralph Bunche Center	\$0	\$0	\$0	\$0	\$7,000	\$3,000	\$0	\$34,000	\$0	\$0	\$0	\$0	\$44,000
Creechland MS	\$0	\$0	\$35,000	\$0	\$4,500	\$5,000	\$0	\$0	\$30,000	\$0	\$0	\$0	\$74,500
E. T. Booth MS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dean Rusk MS	\$0	\$0	\$0	\$0	\$2,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$8,000
Freedom MS	\$0	\$0	\$0	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500
Treasley MS	\$0	\$0	\$0	\$0	\$16,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,000
Mill Creek MS	\$0	\$0	\$0	\$0	\$40,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$40,000

Cherokee County School District Support Services/ Facilities Proposed Budget For 2013-14												Grand Total Per School	
Facilities	Security / Safety	Electrical	HVAC/EMS	Plumbing	Painting	Flooring	Carpentry	Roofing	Paving & Signage	Stitewalks / Walkway Canopies	Grounds Maintenance/ Landscaping	Miscellaneous Items	Grand Total Per School
Woodstock HS	\$0	\$0	\$0	\$0	\$9,000	\$6,000	\$0	\$220,000	\$0	\$0	\$0	\$0	\$235,000
Cherokee HS	\$0	\$0	\$65,000	\$0	\$25,000	\$16,000	\$0	\$0	\$0	\$3,000	\$0	\$0	\$111,000
Creekview HS	\$0	\$0	\$0	\$0	\$70,000	\$3,000	\$0	\$0	\$50,000	\$0	\$0	\$0	\$123,000
Elowah HS	\$0	\$0	\$0	\$0	\$27,000	\$20,000	\$0	\$74,480	\$0	\$46,000	\$0	\$20,000	\$189,480
River Ridge HS	\$0	\$0	\$0	\$0	\$0	\$3,800	\$0	\$0	\$0	\$0	\$0	\$0	\$3,800
Sequoyah HS	\$0	\$0	\$53,000	\$0	\$30,000	\$10,000	\$0	\$25,000	\$0	\$55,000	\$6,000	\$200,000	\$382,000
Woodstock HS	\$0	\$0	\$0	\$6,000	\$20,000	\$16,000	\$5,000	\$0	\$0	\$0	\$0	\$0	\$47,000
Crossroads Alt. MSHS	\$0	\$0	\$0	\$0	\$67,000	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	\$79,000
System Wide	\$75,000	\$130,000	\$75,000	\$70,000	\$130,000	\$155,000	\$75,000	\$0	\$75,000	\$0	\$540,000	\$440,000	\$1,765,000
Bldg. A Central Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000
Bldg. B Central Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bldg. C Central Office	\$0	\$0	\$0	\$0	\$36,000	\$0	\$10,000	\$0	\$0	\$0	\$0	\$0	\$46,000
Bldg. D Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,000	\$0	\$0	\$0	\$0	\$31,000
Bldg. E Central Purchasing Warehouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$92,000	\$0	\$0	\$0	\$0	\$92,000
Bldg. F Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bldg. G Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bldg. H Training Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bldg. I Warehouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bus Shop # 1	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0	\$0	\$0	\$5,000	\$0	\$10,000
Bus Shop # 2	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$50,000	\$0	\$0	\$52,500
Transportation Facility	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contingency Items	\$0	\$0	\$0	\$0	\$763,500	\$223,300	\$146,000	\$765,230	\$197,000	\$205,500	\$556,500	\$940,000	\$4,786,030
Column Totals	\$75,000	\$130,000	\$408,000	\$76,000	\$763,500	\$223,300	\$146,000	\$765,230	\$197,000	\$205,500	\$556,500	\$940,000	\$4,786,030

Grand Total Budget Items	\$4,786,030
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Cherokee County School District Five-Year Facility Plan New/Replacement Schools, Additions and Renovations		Estimated Construction Start Dates	Estimated Occupancy Dates
1	Middle School “D” (ET Booth MS Replacement)	December-10	January-14
2	Middle School “E” (Teasley MS Replacement)	March-12	August-14
3	Sewer Line Installation (Sequoyah HS, Dean Rusk MS, Hickory Flat ES)	April-12	August-12
4	New Parent Entrance-Holly Springs ES	October-12	May-13
5	Sewer line Relocation-Cherokee HS	May-13	July-13
6	Replacement Athletic Field Houses & Relocation of Girls Softball Field-CHS	September-13	August-14
7	Middle School “F” (Dean Rusk MS Replacement)	November-13	August-16
8	New Parent Entrance-Carmel ES	March-14	August-14
9	Relocation of ACE Academy and other educational programs to existing Teasley MS	June-14	January-15
10	Relocation of L.R. Tippens Education Center to Existing ACE Academy	January-15	August-15
11	New Parent Entrance-Boston ES	TBD	TBD

Note: This schedule of projects and related timelines are dependent upon various economic and other conditions (e.g., SPLOST revenue levels, continuation of current state funding, construction costs and savings on current projects, as well as developer donations).

REVISED: 4-18-13

**2013-2017 SPLOST
Projected Expenditure Cash Flow**

	Previous SPLOST 2007-12 Budget Total	2013-2017 SPLOST Budget Total	Actual Cost Per Project	FY 2012-2013	FY 2013-2014	FY 2014-2015	FY 2015-2016	FY 2016-2017	State Funding on Projects
Construction Projects									
New Middle School "MS-D"	40,055,000	36,300,000	34,198,696	7,181,726	2,839,816				
Treasley Middle School "MS-E"		1,500,000	36,300,000	18,513,000	17,787,000	1,500,000			\$14,026,449
Dean Rusk Middle School "MS-F"		35,600,000	1,500,000			18,512,000	9,256,000		\$15,000,000
Holly Spring Back Drive		500,000	500,000	500,000	7,832,000				
Sequoyah HS Industrial Arts Video Broadcast room		500,000	150,000	150,000	350,000	1,620,000			
Carmel ES New Drive		2,700,000			1,080,000	855,000			
Cherokee High School Field House & Softball Field		4,500,000			3,645,000				
Sewer Line Infrastructure, Sequoyah HS, Dean Rusk MS & Hickory Flat ES		1,400,000	1,400,000	1,400,000					
Athletic Track Resurfacing		600,000	360,000	360,000					
Phase 1			72,000		168,000			2,000,000	
Phase 2									
Dean Rusk Ninth Grade Center Upgrade		2,000,000							
Cash Flow Expenditures for Current SPLOST	40,055,000	85,600,000	40,060,000	20,995,000	30,862,000	22,487,000	9,256,000	2,000,000	
New Infrastructure Improvements									
Site Purchases		3,400,000				3,400,000			
Central office Facility Upgrade									
Transportation Equipment Upgrades									
Renovations and Modifications to Existing Facilities									
		28,000,000		5,000,000	5,000,000	6,000,000	6,000,000	6,000,000	
Technology Requirements									
		40,000,000		8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	
Continuation of Debt Service Reduction									
		1,000,000		1,000,000					
Total	\$ 40,055,000	\$ 158,000,000	\$ 40,060,000	\$ 34,995,000	\$ 43,862,000	\$ 39,887,000	\$ 23,256,000	\$ 16,000,000	\$ 29,026,449

Previous SPLOST-OBE Funding Item.

Estimated and Actual State Funding



ADDENDA



AGENDA REQUEST FORM
Cherokee County Board of Education

Meeting Date
June 13, 2013

Agenda Item Number
I-1

TITLE:	Superintendent's Recommended FY 2013-14 Tentative Budget and Spending Resolution
REQUESTED ACTION:	Board Tabling of Superintendent's Recommended FY 2013-14 Budget and Approval of Spending Resolution
SUMMARY EXPLANATION AND BACKGROUND:	<p>The review and approval process for the FY 2013-14 Budget began with Board of Education Strategic Work Sessions on April 18 and May 16, 2013...wherein the Board's priorities and preliminary consideration of relevant revenue and expenditure data and information regarding major challenges to be addressed in next year's Budget were presented and discussed. Since January 2013, the Superintendent's Ad Hoc Budget Committee has conducted its annual "zero sunset review" of all major current expenditures...in light of the Board's Major System Priorities. At its June 13, 2013 Board Meeting, the Board will be requested to table the Superintendent's 2013-14 Tentative Budget to receive public input and advertise, as required by Georgia Statutes.</p> <p>At this meeting, the Board will also be asked to approve a Spending Resolution for the time period from July 1 through July 31, 2013. At its July 24, 2013 Called Meeting, after public input and advertisement, the Board will receive final comments on the Tentative Budget, make revisions, as necessary, and adopt a School District Budget for FY 2013-14.</p> <p>The Executive Summary of the proposed Tentative 2013-14 Budget, which includes a summary of revenue and major expenditures, will be distributed at the June 13, 2013 Board meeting. The entire Tentative Budget by function by line item will be available beginning June 20, 2013.</p>
MAJOR SYSTEM PRIORITY:	Increasing Accountability
FINANCIAL IMPACT:	The financial impact is a total budget of \$496,184,720 million for FY 2013-14.
EXHIBITS: (List)	FY 2013-14 Tentative Budget for All Funds and Spending Resolution
BOARD ACTION:	SOURCE OF ADDITIONAL INFORMATION:
(For Official School Board Records Only)	<p>Dr. Frank R. Petruzielo Candler Howell (770)704-4244</p> <p>_____ Name Phone</p>

OFFICE OF THE SUPERINTENDENT OF SCHOOLS

Approved in Open Board Meeting on: _____
Date

By: _____
School Board Chairman

Initialized: 3/3/99
Revised: 1/10/03

RESOLUTION OF THE CHEROKEE COUNTY SCHOOL BOARD
A SPENDING RESOLUTION

WHEREAS, the Cherokee County School District operates on a fiscal year beginning July 1st of each year extending through June 30th of the following year; and

WHEREAS, the budgetary approval process for the 2013-14 fiscal year has been delayed as a result of Cherokee County Government's delay in receiving final digest approval; and

WHEREAS, the Board of Education for the Cherokee County School District wishes to extend the 2012-13 budget, pending approval of the 2013-14 budget.

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the Board of Education of the Cherokee County School District hereby authorizes the expenditure of funds equal to one-twelfth (1/12) of the 2012-13 budget for a period beginning July 1st through July 31, 2013.

RESOLVED, this _____ day of _____, 2013.

Chair
Cherokee County School Board

Candler Howell

From: John Adams <jadams@cherokeega.com>
Sent: Thursday, May 09, 2013 9:44 AM
To: Candler Howell
Subject: FW: 2013 Preliminary Digest Info----School M & O----- Bond

May 9, 2013

Candler,

Here are the preliminary digest figures. The assessment notices will be mailed on Monday and, the appeal period won't end until June 27th so, these numbers will change as we go along. We will give you updates as they become available.

Gross Digest :	Real Property	\$ 6,398,353,634
	Personal Property	\$ 331,496,058
	Motor Vehicles	\$ 641,593,210
	Mobile Homes	\$ 13,712,160
	Timber	\$ 871,524
	Total M & O Exempt	\$ 1,422,289,857
	Total Bond Exempt	\$ 1,359,467,707

Gross Inflation Added : \$ 51,575,131

M & O Exemptions : \$ 52,114,114

Bond Exemptions : \$ 51,017,173

If I can be of further assistance let me know.

John

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Candler Howell

From: John Adams <jadams@cherokeega.com>
Sent: Tuesday, May 07, 2013 4:09 PM
To: Daniel Clifford; L. B. "Buzz" Ahrens Jr.; Jerry Cooper; Candler Howell
Cc: Larry Berry; dcaudill@rcglawyers.com; dgc007@msn.com; murn1953@gmail.com
Subject: FW: 2013 Digest and Assessment Notices

From: John Adams
Sent: Tuesday, May 07, 2013 4:05 PM
To: 'kdixon@cherokeetribune.com'
Subject: 2013 Digest and Assessment Notices

Hey Kristal,

It's time for the annual notices to go out so, I thought I would give you some basic info to use if you are going to do an article as you usually do each year.

The Real Estate market has finally turned around and is on the upswing here in Cherokee County (you can verify this with any of the local Real Estate firms). Not all properties in the County have increased in value but ,a lot have and the ones that still went down didn't go down as much as they have each of the last few years.

For the last 4 or 5 years Qualified sales, Foreclosures, and Bank re-sales have all been about equal. During 2012 and the first quarter of 2013 the market shows that the Qualified sales are more than the Foreclosures and Bank re-sales added together. Also, there has been much more new construction started during 2012 and the first quarter of 2013.

The total gross digest (all taxable Real & Personal Property, Motor Vehicles, Mobile Homes, & Timber harvested) is up 2.8% from last year(Real property alone is up 2.5%). The total net taxable digest (after all exemptions such as homestead, conservation use, etc.) is up by 3.0% for the County M & O and up 2.8% for the School M & O(looked for awhile like the net digest could be flat which would have still been an improvement over the last few years). The total gross digest has increased from just over \$7.2 billion (at 40% level) in 2012 to almost \$7.4 billion (at 40% level) in 2013.

The Annual Notices of Assessment will be mailed on Monday, May 13th with a deadline to appeal of Thursday, June 27th . On Monday, May 13th we will update the County website (www.cherokeega.com) with all the current information on all parcels on the Tax Assessors page and, under the "Forms and Documents" section we will post an appeal form that can be printed and filled out by the taxpayer to mail to the Assessors' Office or to bring in to the Office at 2782 Marietta Hwy. Canton if they choose to appeal this year's assessment. Everyone should remember that an appeal must be signed by the owner of the property or by an authorized agent(accompanied by a letter of authorization from the property owner) and should state their estimate of the value of that property as of 01/01/2013 along with any information that supports that value.

Of the 95,625 Real Property notices being mailed : 37,297 increased in value (most 10% or less), 13,731 had no change in value, and the remaining 44,597 decreased in value (most 5% or less).

While no one wants to pay more taxes, most of the people I have spoken to say they are glad to see the market finally going back up so they can gain back some of the equity that has been lost since the down turn started back in 2008.

If you have any questions or need clarification on any of this just give me a call at 678-493-6140.

*Regards,
John Adams
Chief Appraiser*

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PT32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES - 2013

COUNTY Cherokee County TAXING JURISDICTION School District Maintenance and Operation

INFORMATION FOR THE SHADED PORTIONS OF THIS SECTION MUST BE ENTERED

This information will be the actual values and millage rates certified to the Department of Revenue for the applicable tax years.

DESCRIPTION	2012 Digest	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2013 Digest
REAL	6,245,275,022	51,575,131	101,503,481	6,398,353,634
PERSONAL	325,003,272		6,492,786	331,496,058
MOTOR VEHICLES	610,288,270		31,304,940	641,593,210
MOBILE HOMES	14,909,320		-1,197,160	13,712,160
TIMBER -100%	284,156		587,368	871,524
HEAVY DUTY EQUIP			0	
GROSS DIGEST	7,195,760,040	51,575,131	138,691,415	7,386,026,586
EXEMPTIONS	1,369,158,690	52,114,114	1,017,053	1,422,289,857
NET DIGEST	5,826,601,350	-538,983	137,674,362	5,963,736,729
FLPA Reimbursement Value			0	
Adjusted NET DIGEST	5,826,601,350	-538,983	137,674,362	5,963,736,729
	(PYD)	(RVA)	(NAG)	(CYD)
2012 Millage Rate	19.450	2013 PROPOSED MILLAGE RATE >>>		19.450

THIS SECTION WILL CALCULATE AUTOMATICALLY UPON ENTRY OF INFORMATION ABOVE

DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA
2012 Net Digest	PYD	5,826,601,350	
Net Value Added-Reassessment of Existing Real Property	RVA	-538,983	
Other Net Changes to Taxable Digest	NAG	137,674,362	
2013 Net Digest	CYD	5,963,736,729	(PYD+RVA+NAG)
2012 Millage Rate	PYM	19.450	
Millage Equivalent of Reassessed Value Added	ME	-0.002	(RVA/CYD) * PYM
Rollback Millage Rate for 2013	RR	19.452	PYM - ME

COMPUTATION OF PERCENTAGE INCREASE IN PROPERTY TAXES

If the 2012 Proposed Millage Rate for this Taxing Jurisdiction exceeds Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. Section 48-5-32.1(c) (2)	Rollback Millage Rate	19.452
	2013 Millage Rate	19.450
	Percentage Increase	-0.01%

CERTIFICATIONS

I hereby certify that the amount indicated above is an accurate accounting of the total net assessed value added by the reassessment of existing real property for the tax year for which this rollback millage rate is being computed.

Chairman, Board of Tax Assessors

Date

I hereby certify that the values shown above are an accurate representation of the digest values and exemption amounts for the applicable tax years.

Tax Collector or Tax Commissioner

Date

I hereby certify that the above is a true and correct computation of the rollback millage rate in accordance with O.C.G.A. Section 48-5-32.1 for the taxing jurisdiction for tax year 2012 and that the final millage rate set by the authority of this taxing jurisdiction for tax year 2012 is _____

CHECK THE APPROPRIATE PARAGRAPH BELOW THAT APPLIES TO THIS TAXING JURISDICTION

___ If the final millage rate set by the authority of the taxing jurisdiction for tax year 2012 exceeds the rollback rate, I further certify that the required advertisements, notices, and public hearings have been conducted in accordance with O.C.G.A. Sections 48-5-32 and 48-5-32.1 as evidenced by the attached copies of the published five year history and current digest advertisement, the "Notice of Intent to Increase Taxes" showing the times and places when and where the required public hearings were held, and a copy of the press release provided to the local media.

___ If the final millage rate set by the authority of the taxing jurisdiction for tax year 2012 does not exceed the rollback rate, I further certify that the required five year history and current digest advertisement have been published in accordance with O.C.G.A. Section 48-5-32 as evidenced by the attached copy of such advertised report.

Signature of Responsible Party

Title

Date

CHEROKEE COUNTY BOARD OF EDUCATION: PUBLIC NOTICE

The Cherokee County Board of Education does hereby announce that the millage rate will be established at a called meeting to be held at Historic Canton High School/School Board Auditorium, Canton, GA on July 24, 2013 at seven o'clock p.m., and pursuant to the requirements of O.C.G.A. 48-5-32, does hereby publish the following presentation of the current year's tax digest and levy along with the history of the tax digest and levy for the past five years.

CURRENT 2013 TAX DIGEST AND 5-YEAR HISTORY OF LEVY

Yearly Tax Digest	2008	2009	2010	2011	2012	Preliminary 2013
Real & Personal	8,599,065,814	8,338,729,276	7,670,258,256	7,195,356,313	6,570,278,294	6,729,849,692
Motor Vehicles	621,316,530	646,318,720	565,223,170	563,264,880	610,288,270	641,593,210
Mobile Homes	16,969,600	16,462,520	15,584,560	15,192,914	14,909,320	13,712,160
Timber-100%	251,458	279,810	713,006	485,200	284,156	871,524
Gross Digest	9,237,603,402	9,001,790,326	8,251,778,992	7,774,299,307	7,195,760,040	7,386,026,586
Less M&O Exempts	(1,412,568,090)	(1,469,174,114)	(1,449,488,717)	(1,438,332,946)	(1,369,158,690)	(1,422,289,857)
Net M&O Digest	7,825,035,212	7,532,616,212	6,802,290,275	6,335,966,381	5,826,601,350	5,963,736,729
Gross M&O Millage	18.45	18.45	19.45	19.45	19.45	19.45
Less Rollbacks	-	-	-	-	-	-
Net M&O Millage	18.45	18.45	19.45	19.45	19.45	19.45
Net Taxes Levied	144,371,896	138,976,765	132,304,540	123,234,539	113,327,396	115,994,665
Net Tax \$ Increase/(Decrease)	5,203,620	(5,395,131)	(6,672,225)	(9,070,001)	(9,907,143)	2,667,269
Net Tax % Increase/(Decrease)	3.7%	(3.8%)	(5.0%)	(7.36%)	(9.02%)	2.4%
Bond Millage	0.40	0.40	0.40	0.40	0.40	0.40
Less Roll Back	-	-	-	-	-	-
Net Bond Digest	0.40	0.40	0.40	0.40	0.40	0.40
Total Bond & M/O Millage	18.85	18.85	19.85	19.85	19.85	19.85

CHEROKEE COUNTY SCHOOL DISTRICT

“Education Today for a Better Tomorrow”

Janet Read, Chair

Robert Wofford, Vice Chair

Michael Geist

Patsy Jordan

Kelly Marlow

Robert Rechsteiner

Rob Usher



**Cherokee County School District
Dr. Frank R. Petruzielo
Superintendent of Schools**