

Basics of the BUDGET and Millage Rate



FY23

SCCPSS

Shining light on the SCCPSS FY23 Budget and Millage Rate!

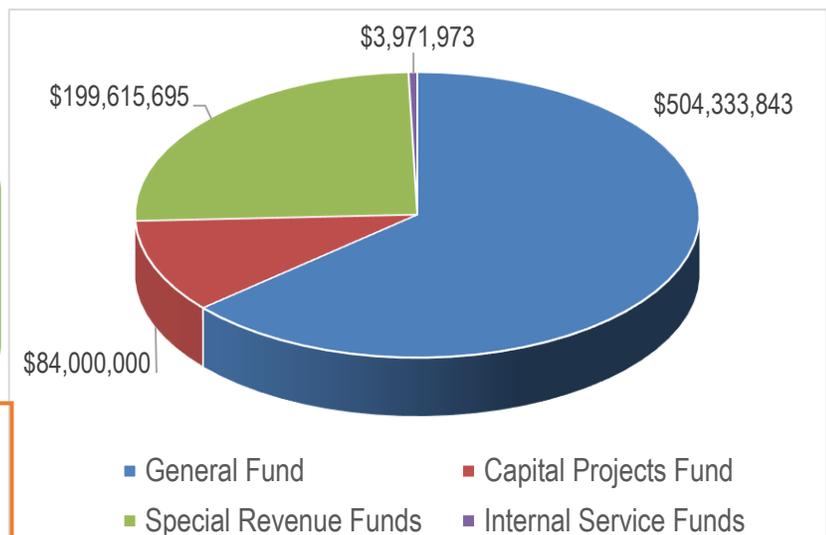
FY23 BUDGET: The budget serves as the District's key operating plan providing educational services for 36,000 students. SCCPSS is among the largest employers in our area providing careers for more than 5,600 people!

\$ Each year, funding for District expenditures is used to pay for things like instructional materials, facility upkeep, utilities, technology, school buses, fuel, and salaries for employees.

Market conditions can influence spending. For example, when fuel prices are on the rise, budgets are impacted. SCCPSS must pay fuel costs for school buses, maintenance vehicles, and Campus Police vehicles.

A school district has many spending categories that make up the entire budget. These categories, or spending buckets, have certain restrictions for allowable expenditures such as ESPLOST dollars that are used for capital improvements. In most cases, monies from one bucket cannot be moved to another.

One of the largest spending categories is the general fund. The largest expenditure for this category includes employee salaries. This expense represents **83%** of the General Fund.



SCCPSS must remain competitive in terms of employee pay to address critical staffing needs.

It costs \$40 million monthly to run the District. Expenditure increases are projected for FY23.

Ensuring proper funding is available through the millage rate, while preserving a healthy fund balance reserve, is a key financial strategy for a District of our size. SCCPSS is among the **Top 10** largest school districts in Georgia.

The FY23 Budget is balanced with no use of fund balance (District Reserve Funds), which helps ensure proper cash flow and a healthy financial position.

BUDGET

The FY23 Budget represents a balance between the resource stewardship of the millage rate and the needs of the District.



Highlights:

- ▶ **Investing in our People!**
A Cost-of-Living increase is included for ALL staff and teachers!
- ▶ The FY23 budget increases entry level pay for hourly workers.
- ▶ The budget represents an investment in our community and provides improved pay for key positions, such as: **Bus Drivers, Custodial Staff, School Resource Officers, Mechanics, School Nurses, and School Nutrition Staff**

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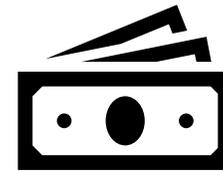
SCCPSS

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FY23 includes a millage rate rollback. Here are some quick facts to help you understand what the FY23 Budget and Millage Rate means to our schools and community!

- ▶ Federal, state, and local revenues provide the funding resources that support school district operations and educational service offerings. The largest source of revenue comes from local property taxes defined by the millage rate.
- ▶ Each year, as part of the Budget Process, the Board of Education sets the millage rate based on the needs of the school system.
- ▶ Sometimes, when assessed property values go up, homeowners will pay more taxes even when the school district millage rate remains unchanged or is lowered. Even though the millage rate has not gone up, taxpayers may see increased cost – this is because the value of their property has increased.

Property Values Increase
= Higher Taxable Value



Millage Rate Unchanged

- Higher tax liability is a result of increased property values.

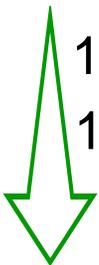


For FY23, SCCPSS recommends a reduction in the millage rate by .50 mil.

This will help lower the tax liability for homeowners who may experience an increase in property tax valuations. This decrease would lower the District's existing millage rate of 18.131 mills to 17.631 mills.

18.131 Mills (Current)

17.631 Mills (Proposed FY23)



SCCPSS maintains a lower millage rate when compared to school districts of like size.

**When the millage rate is not rolled back entirely to offset increases in the digest, state law requires school districts to advertise a "tax increase" even though the existing millage rate has not gone up.

The 2022-2023 Budget will serve as the key operating plan for the school district that now serves more than 36,000 students. This budget will continue the district's focus to deliver high quality educational services where all children are learning at high levels.

