



Financial Services Division
 General Fund Proforma Financial Statement/Budget Comments - As of June 30, 2016 (Unaudited Estimate)
 October 12, 2016

A. FY2016 Unaudited Year End & FY2017 Estimate

	Column A	Column B
	FY2016	FY2017
	Actual	Actual
	YE Closing	Current
	Estimates	Year
	(Unaudited)	Estimates
Beginning Fund Balance	\$132,029,183	\$104,735,552
Revenue	\$937,249,620	\$989,388,402
Expenditures	<u>\$964,543,251</u>	<u>\$994,061,447</u>
Total Fund Balance Subtotal not including Encumbrances	\$104,735,552	\$100,062,507
<u>Schedule of Fund Balance - June 30</u>		
Nonspendable Fund Balance	\$1,003,691	\$1,000,000
Committed to Fund Balance	\$11,260,000	\$8,200,000
Assigned to Fund Balance	<u>\$16,341,880</u>	<u>\$6,000,000</u>
Subtotal	\$28,605,571	\$15,200,000
Ending Unassigned Fund Balance - June 30	\$76,129,981	\$84,862,507
Board Approved in July 2016 - Add'l School Support Allotments	<u>\$4,000,000</u>	
Revised Ending Unassigned Fund Balance	\$72,129,981	\$84,862,507

Note: **Financial Impact of One Percent**

The approved FY2017 Budget was prepared using a lapse factor where estimated expenditure budgets are tighter than the previous year. In FY2017, actual revenue and actual expenditures may increase or decrease fund balance. The impact of being off by 1% in revenue and expenditure estimates is approximately \$19 Million (See Below):

FY2017 Original Budget	Calculation
FY2017 Budgeted Revenue	\$976,056,402
FY2017 Budgeted Appropriations	<u>\$986,056,402</u>
Total	\$1,962,112,804
X .01	\$19,621,128

B. Cobb County Schools Millage Information

Current General Fund Millage Rate	18.90
Estimate Value of 1.0 Mill	\$20,350,000
Current Debt Service Millage Rate	0.00
Note: The District has been long term debt free since FY2007	

C. FY2017 Budget Considerations

<u>State of Georgia Austerity Budget Cuts</u>	
FY2017 Austerity Cuts	(\$10,393,104)
FY2016 Austerity Cuts	(\$28,518,269)
FY2015 Austerity Cuts	(\$45,821,472)
FY2014 Austerity Cuts	(\$65,900,761)
FY2013 Austerity Cuts	(\$72,171,373)
Cumulative Cuts since FY2003	(\$576,071,238)
State of Georgia Local Five Mill Share	(\$136,707,956)

Property Value Digest Growth

The Property Digest growth rate is unknown. For every 1%, our estimate is off, the district could lose \$3-4 Million. The following is a history of digest growth since 2008:

Fiscal Year	Digest Year	Net Digest	Inc/(Decrease)	%Dec
FY2017	2016	\$23,363,789,383	\$1,322,091,246	6.00%
FY2016	2015	\$22,041,698,137	\$686,852,377	3.22%
FY2015	2014	\$21,354,845,760	\$878,684,663	4.29%
FY2014	2013	\$20,476,161,097	(\$265,089,430)	-1.28%
FY2013	2012	\$20,741,250,527	(\$514,169,080)	-2.42%
FY2012	2011	\$21,255,419,607	(\$1,275,364,432)	-5.66%
FY2011	2010	\$22,530,784,039	(\$2,339,577,299)	-9.41%
FY2010	2009	\$24,870,361,338	(\$356,210,335)	-1.41%
FY2009	2008	\$25,226,571,673		

D. FY2018 Budget Considerations

FY2018 Budget - Property Digest Growth

Digest growth is yet to be determined. Financial Services will work closely with the Cobb County Tax Assessor as budget estimates are compiled.

FY2018 Potential Funding Impact - New State of Georgia K-12 Education Funding Formula

The State of Georgia is developing a new state K-12 Education funding formula which could possibly replace or revise the current QBE funding formula. A new state K-12 funding formula could impact actual State Revenue. Financial Services will continue to monitor this state legislative project.