



**Financial Services Division**  
**General Fund Proforma Financial Statement - As of June 30, 2022 (Unaudited Estimate)**  
**October 13, 2022**



**A. FY2022 Unaudited Year End Financial Statement (Estimate as of June 30, 2022)**

FY2022 Cobb County School District General Fund Actual Performance Estimates & Financial Status		FY2022 Actual 6/30/2022 Year End Closing Estimates
Beginning Total Fund Balance		\$349,048,377
Unaudited General Fund Revenue		\$1,251,504,915
Unaudited General Fund Expenditures		\$1,219,274,725
Unaudited Total Fund Balance Subtotal Estimate		\$381,278,567
<b>FY2022 Metrics:</b>		
District FY2021 Credit Rating:	Aaa Moody's, AAA Standard & Poor's, AAA Kroll Credit Rating	
Debt Service Status	No Long-Term Debt since 2007	
General Fund Millage Rate	18.90 Mills	
FY2022 Property Digest Growth	5.54%	
Note: Property Digest growth funds teacher salary steps, the cost of student growth, and increased teacher positions & increased costs and inflation.		
<b>Fund Balance Assignment Estimates - (as of June 30):</b>		
Nonspendable	\$778,328	
Commitments	\$0	
Assignments	\$183,207,564	
<b>State of Georgia QBE Information:</b>		
FY2022 State Local Fair Share	(\$172,787,491)	
Cumulative Austerity Cuts	(\$609,952,877)	
Unaudited Ending Unassigned Fund Balance - June 30, 2022		<b>\$197,292,675</b>

**B. Cobb County Schools Financial Related Data & Comments**

- Financial Impact of Revenue and Expenditure Estimates Being Off by 1%**
  - The approved FY2023 Budget was prepared using an estimated lapse factor (Actual Revenue / Budget Revenue & Actual Exps < Budgeted Exps) where estimated budgets are conservative. In FY2023, actual revenue/expenditures compared to budget may increase or decrease fund balance. The impact of estimates being off by 1% is \$26.3 Million.

FY2023 Revenue	\$1,303,409,442
FY2023 Expenditure Appropriations	\$1,333,260,529
FY2023 Total	\$2,636,669,971
	X .01
One Percent (1%) Rev / Exps	\$26,366,700
- Recommendation to Utilize a Conservative Budget Approach:**
  - Utilize conservative revenue/expenditure estimates to support recurring cost of teacher/staff salaries & school support.
  - Professionally manage taxpayer funds using best practices and guidelines.
  - Preserve a professional level of fund balance to maintain the district's excellent financial status.
  - Annual Budget Development Process - Strategically anticipate financial environment/trends/potential revenue problems.
  - Maintain an understanding of one-time revenue versus recurring revenue in the General Fund.
- District Salary Increase History**  
**Salary Increases (Last Five Years History):**


FY2023	8.50%-13.10% raise, depending upon salary step eligibility ( <b>Largest in District History</b> ).
FY2022	4.00-8.60% raise, depending upon salary step eligibility.
FY2021	Full salary step for all eligible employees.
FY2020	8.00-12.6% raise, depending upon salary step eligibility ( <b>Largest in District History</b> ).
FY2019	2.6% salary increase; 1.1% bonus; full salary step for all eligible employees.

Note: Salary increases are a significant factor for attracting and maintaining the most qualified teachers and staff.
- United States 2022 Economic Environment**
  - Calendar year 2022 Negative US GDP Growth**  
The US is technically in recession with two consecutive quarters of neg GDP growth - 1st Qtr (1.6%) & 2nd Qtr (0.9%).
  - High US Inflation Rate**  
The US Inflation Rate is 8.3% (40 year high) as of August, 2022 resulting in rising interest rates.
  - Economic Slowdown**  
High inflation and higher interest rates are very likely to **negatively impact the US economy in 2023.**
- State of GA Financial 2022 Highlights**
  - State of Georgia FY2022-2023 Budget - \$30.2 Billion.
  - State of Georgia Rainy Day Reserves - \$6.6 Billion as of June 30, 2022.
  - State of Georgia net tax collections have increased by 7.2% in 2022.
  - The State of Georgia is 1 of 15 states with a AAA Rating.

**C. DISTRICT DEBT SERVICE**

**Current Debt Service Millage Rate** 0.000 Mills

**Note:**  
Since FY2007, the Cobb County School District has **NO LONG TERM DEBT.....**






**D. DISTRICT CREDIT RATINGS**

**Cobb County School District Credit Rating Summary**  
**Note: Highest LT & ST Credit Ratings in the United States**

**Long Term Credit Ratings**  
Aaa - Moody's Investor Service  
AAA - Standard & Poor's  
AAA - Kroll Credit Rating Agency

**Short Term Credit Ratings**  
MIG1 Moody's Investor Service  
A-1 Standard & Poor's  
A-1 Kroll Credit Rating Agency

**CCSD is the only school entity or corporation in the United States with 3 AAA Ratings**

**E. ANNUAL DISTRICT FINANCIAL AUDITS**

**Cobb County School District Independent Financial Audit Summary**

- Annual CCSD Financial Audit** - (Gen Fund, Other Funds, SPLOST Funds)  
Mauldin & Jenkins CPAs & Advisors - No Financial Statement Audit Findings  
**Professional Independent Audit - Clean, Unmodified Audit CPA Opinion**
- Annual Independent SPLOST Performance Audit** - (SPLOST Funds)  
Mauldin & Jenkins CPAs and Advisors - No Performance Audit Findings  
**Professional Independent Audit - Clean, Unmodified Audit CPA Opinion**

**F. FY2023 Financial Planning Budget/Financial Dashboard**

**(1) FY2023 Board Approved Balanced General Fund Budget Summary**

FY2023 GENERAL FUND BUDGET SUMMARY	
Revenue Appropriations	\$1,303,409,442
Utilization of Estimated Budgeted Fund Balance	\$29,851,087
<b>Revenue &amp; Budgeted Use of Fund Balance</b>	<b>\$1,333,260,529</b>
<b>Expenditure Appropriations</b>	<b>\$1,333,260,529</b>

**FY2023 GENERAL FUND REVENUE HIGHLIGHTS**

<b>Local Revenue</b>	\$710,604,797
Property Tax Revenue & Miscellaneous Local Revenue	
Original Digest Growth Estimate - 10.49%	
Final Actual Digest Growth - 11.55%	
<b>State Revenue</b>	
State Grants	\$5,599,461
State of GA QBE Revenue	\$578,512,537
Total State Revenue	\$584,111,998
<b>Federal Revenue</b>	<b>\$8,692,647</b>
(Indirect Cost, ROTC, MedACE, Medicaid, Erate)	
Total Revenue	<b>\$1,303,409,442</b>

**FY2023 GENERAL FUND EXPENDITURE HIGHLIGHTS**

<b>Total Expenditures</b>	<b>\$1,333,260,529</b>	\$1,333,260,529
<b>FY2023 General Fund Budget Expenditure Highlights:</b>		
- Full Salary Step Increase for Eligible Employees		
- No Employee Furlough Days or Employee Pay Cuts		
- Salary/Fringe Benefits - <b>93.64%</b> of the General Fund		
- Instruction - 72.44% of the General Fund Budget		
- Gen Admin - <b>1.04%</b> of the General Fund Budget		

**OTHER FUNDS EXPENDITURE HIGHLIGHTS**

<b>Special Revenue Funds</b>	\$136,032,784	
State/Federal Grants, ASP, Facility Use, etc.		
<b>Debt Service Fund</b>	\$0	
The District has No Long Term Debt		
<b>Capital Projects Fund</b>	\$1,750,000	
Miscellaneous Small Projects		
<b>Internal Service Funds</b>	\$6,474,765	
Unemployment, Self-Insurance		
<b>Total Other Funds Exps</b>	<b>\$144,257,549</b>	\$144,257,549

**GENERAL FUND & OTHER FUNDS EXPENDITURES** **\$1,477,518,078**

**(2) FY2023 Property Value Digest Data**  
The Property Digest growth rate is unknown in future years. For every 1%, our estimate is off, the district could lose \$5-\$6 Million.

Fiscal Year	Digest Year	Gross Digest	Exemptions	Net Digest	Increase
FY2023	2022	\$45,928,887,067	(\$10,829,173,057)	\$35,099,714,010	\$3,634,201,226
FY2022	2021	\$40,936,630,667	(\$9,471,117,883)	\$31,465,512,784	\$1,704,915,475
FY2021	2020	\$38,527,331,012	(\$8,766,733,703)	\$29,760,597,309	\$1,377,851,450
FY2020	2019	\$36,652,903,125	(\$8,270,157,266)	\$28,382,745,859	\$1,464,499,475
FY2019	2018	\$34,647,950,956	(\$7,729,704,572)	\$26,918,246,384	-

**Fiscal Year FY2023 Property Value Exemptions**

	FY2023 Property Exemptions	FY2023 Revenue Exempt	FY2022 Revenue Exempt
Homestead (\$10,000) - Property tax break-legal residence	(\$866,657,034)	(\$16,379,818)	(\$16,524,290)
Age 62 and Older - Property tax break for older citizens	(\$8,854,161,802)	(\$167,343,658)	(\$144,461,759)
Disabled Veteran	(\$97,338,946)	(\$1,839,706)	(\$1,471,746)
Social Security Disability	(\$5,192,000)	(\$98,129)	(\$103,534)
Unremarried Surviving Spouse (Firefighter/Police Officer)	(\$683,400)	(\$12,916)	(\$10,443)
Conservation - Real property devoted to conservation uses	(\$82,177,505)	(\$1,553,155)	(\$1,666,703)
Environmentally Sensitive Property	(\$1,483,636)	(\$28,041)	(\$25,329)
Freeport - Business Inventory Exempt from property taxes	(\$890,153,433)	(\$16,823,900)	(\$13,997,500)
Personal Property - Property not attached to home or bldg	(\$5,131,313)	(\$96,982)	(\$100,115)
Brownfield Property - Potentially hazardous real property	<b>(\$26,193,988)</b>	<b>(\$495,066)</b>	<b>(\$642,708)</b>
Totals	(\$10,829,173,057)	(\$204,671,371)	(\$179,004,127)

Note: Exemption % of Total Gross Property Value Digest 23.58%      23.14%

**(3) State of GA Local Five Mill**

	Reduction
FY2023	(\$184,085,315)
FY2022	(\$172,787,491)
FY2021	(\$166,638,238)
FY2020	(\$161,428,591)
FY2019	(\$155,355,360)
FY2018	(\$144,570,519)
FY2017	(\$136,707,956)
FY2016	(\$132,140,110)
FY2015	(\$133,378,963)
FY2014	(\$131,545,629)
FY2013	(\$135,582,243)
FY2012	(\$134,918,836)

**(4) FY2023 State of GA QBE Revenue**

Revenue	FY2023 Budget
QBE Earnings	\$754,777,984
Transportation	\$5,490,309
Nurses	\$2,329,559
Local Five Mill Share	(\$184,085,315)
Total QBE Revenue	\$578,512,537

**(5) Age 62 Revenue Exempt**

	Revenue Exempt
FY2023	(\$167,343,658)
FY2022	(\$144,461,759)
FY2021	(\$132,178,610)
FY2020	(\$122,730,091)
FY2019	(\$111,918,432)

**(6) Cobb Schools Property Tax Calculation**

Average Home Value - The value of an average priced home in Cobb County	\$325,000
40% Assessment Rate - Home in Georgia are assessed at 40% of FMV	X 0.40
Assessed Value	\$130,000
Cobb Homestead Exemption	(\$10,000)
Tax Base for Property Tax	\$120,000
18.900 Cobb County School District Millage Rate	X 0.0189
FY2023 General Fund School Taxes Calculation	<b>\$2,268</b>

**(7) Large Metro Atlanta Millage Rate Data**

	Metro Atlanta FY2023 General Fund Millage Rate (High to Low)	Homestead Exemption	Taxes on a \$325,000 Home
DeKalb County School District	23.080	\$12,500	\$2,712
Atlanta Public Schools (APS)	20.740	\$50,000	\$1,659
Gwinnett County School District	19.200	\$2,000	\$2,690
<b>Cobb County School District</b>	<b>18.900</b>	\$10,000	<b>\$2,268</b>
Fulton County School District	17.590	\$4,000	\$2,278

Note: Cobb Schools General Fund Millage Rate is 1.10 Mills below the 20 Mill State of GA Millage Rate Cap  
Note: The Value of 1.1 Mills is \$37 Million and the value of 1.0 Mill is \$33 Million