

A. FY2023 Unaudited Year End Financial Statement (Estimate as of June 30, 2023)	
<b>FY2023 Cobb County School District General Fund Actual Performance Estimates &amp; Financial Status</b>	
	<b>FY2023 Actual 6/30/2023 Year End Closing Estimates</b>
Beginning Total Fund Balance	\$381,920,555
Unaudited General Fund Revenue	\$1,373,846,049
Unaudited General Fund Expenditures	\$1,363,830,511
Unaudited Total Fund Balance Subtotal Estimate	\$391,936,093
<b>Financial Metrics:</b>	
District FY2023 Credit Rating:	Aaa Moody's, AAA Standard & Poor's, AAA Kroll Credit Rating
Debt Service Status	No Long-Term Debt since 2007
Gen Fund Millage Rate FY2023	18.90 Mills (Note: FY2024 Decrease to 18.70 Mills)
FY2023 Gross Digest Growth	10.49%
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>	
Non-spendable	\$1,134,906
Commitments	\$0
Assignments	\$201,370,523
<b>State of Georgia QBE Information:</b>	
FY2023 State Local Fair Share	(\$184,085,315)
Cum Austerity Cuts Since 2003	(\$609,952,877)
Unassigned Fund Balance Estimate	<b>\$189,430,664</b>
<b>Proforma Financial Statement Metrics - June 30, 2023</b>	
Unassigned Fund Balance in Work Days	33
One Month Reserve Target Calculation - All Funds	\$123,126,507
Months of Unassigned Fund Balance	1.54

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

- Financial Impact of Revenue and Expenditure Estimates Being Off by 1%**
  - The approved FY2024 Budget was prepared using an estimated lapse factor (Actual Revenue / Budget Revenue & Actual Exps < Budgeted Exps) where estimated budgets are conservative. In FY2024, actual revenue/expenditures compared to budget may increase or decrease fund balance. The impact of estimates being off by 1% is \$29.8 Million.
 

FY2024 Revenue	\$1,448,937,972
FY2024 Expenditure Appropriations	<u>\$1,536,035,384</u>
FY2024 Total	\$2,984,973,356
	<u>X .01</u>
One Percent (1%) Rev / Exps	<b>\$29,849,734</b>
- Recommendation to Utilize a Cautious/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 Unassigned Fund Balance to maintain the district's excellent financial status:
    - Governmental Finance Officers Association (GFOA)-Unassigned Fund Balance should be at least 2 Months Credit Rating Agencies (Moody's, S&P and Kroll)-Unassigned Fund Balance should be 2 to 3 Months Reserve Professional Independent Personal Financial Planners - Unassigned Fund Balance should be 3 Months to Six Months CUSD Professional Independent Auditor (Mauldin & Jenkins) - Unassigned Fund Balance should be 2 to 3 Months Reserve**
  - 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.
- Salary Increases (Last Five Years History):**

FY2024	7.50% - 12.10% raise, depending upon salary step eligibility
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> ).

Note: Salary increases are a significant factor for attracting and maintaining the most qualified teachers and staff.

**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.....**

**F. FY2024 Financial Planning Budget/Financial Dashboard**

(1) FY2024 Board Approved Balanced General Fund Budget Summary	
<b>FY2024 GENERAL FUND BUDGET SUMMARY</b>	
Revenue Appropriations	<b>\$1,448,937,972</b>
Utilization of Estimated Budgeted Fund Balance	<u>\$87,097,412</u>
<b>Revenue &amp; Budgeted Use of Fund Balance</b>	<b>\$1,536,035,384</b>
<b>Expenditure Appropriations</b>	<b>\$1,536,035,384</b>
<b>FY2024 GENERAL FUND REVENUE HIGHLIGHTS</b>	
<b>Local Revenue</b>	\$800,977,368
Property Tax Revenue & Miscellaneous Local Revenue	
Gross Digest Growth - 15.10%	
<b>State Revenue</b>	
State Grants	\$6,127,520
State of GA QBE Revenue	<u>\$631,872,352</u>
Total State Revenue	\$637,999,872
<b>Federal Revenue</b>	<u>\$9,960,732</u>
(Indirect Cost, ROTC, MedACE, Medicaid, Erate)	
Total Revenue	<b>\$1,448,937,972</b>
<b>FY2024 GENERAL FUND EXPENDITURE HIGHLIGHTS</b>	
<b>Total Expenditures</b>	<b>\$1,536,035,384</b>
<b>FY2024 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>94.21%</b> of the General Fund	
- Instruction - 72.19% of the General Fund Budget	
- Gen Admin - <b>1.02%</b> of the General Fund Budget	
<b>OTHER FUNDS EXPENDITURE HIGHLIGHTS</b>	
<b>Special Revenue Funds</b>	\$141,293,740
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>	\$2,000,000
Miscellaneous Small Projects	
<b>Internal Service Funds</b>	\$7,900,000
Unemployment, Self-insurance	
<b>Total Other Funds Exps</b>	<b>\$151,193,740</b>
<b>GENERAL FUND &amp; OTHER FUNDS EXPENDITURES</b>	<b>\$1,687,229,124</b>

**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

CUSD 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 CUSD 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**

**(2) FY2024 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 \$7-\$9 Million.

Fiscal Year	Digest Year	Gross Digest	Exemptions	Net Digest	Increase
FY2024	2023	\$52,866,921,287	(\$12,690,657,388)	\$40,176,263,899	\$5,076,549,889
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	FY2024 Property Value Exemptions	Property Exemptions	Revenue Exempt	Revenue Exempt
	Homestead (\$10,000) - Property tax break-legal residence	(\$868,436,854)	(\$16,239,769)	(\$16,379,818)
	Age 62 and Older - Property tax break for older citizens	(\$10,491,882,812)	(\$196,198,209)	(\$167,343,658)
	Disabled Veteran	(\$125,202,548)	(\$2,341,288)	(\$1,839,706)
	Social Security Disability	(\$4,664,000)	(\$87,217)	(\$98,129)
	Unmarried Surviving Spouse (Firefighter/Police Officer)	(\$779,172)	(\$14,571)	(\$12,916)
	Conservation - Real property devoted to conservation uses	(\$124,007,003)	(\$2,318,931)	(\$1,553,155)
	Environmentally Sensitive Property	(\$1,577,402)	(\$29,497)	(\$28,041)
	Freeport - Business Inventory Exempt from property taxes	(\$1,041,648,063)	(\$19,478,819)	(\$16,823,900)
	Personal Property - Property not attached to home or bldg	(\$5,169,934)	(\$96,678)	(\$96,982)
	Brownfield Property - Potentially hazardous real property	<u>(\$27,289,600)</u>	<u>(\$510,316)</u>	<u>(\$495,066)</u>
	Totals	(\$12,690,657,388)	(\$237,315,295)	(\$204,671,371)

Note: Exemption % of Total Gross Property Value Digest 24%      24%

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

FY2024	Reduction
FY2024	(\$207,828,997)
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) FY2024 State of GA QBE Revenue**

Revenue	FY2024 Budget
QBE Earnings	\$831,321,736
Transportation	\$5,918,658
Nurses	\$2,460,955
Local Five Mill Share	<u>(\$207,828,997)</u>
Total QBE Revenue	\$631,872,352

**(5) Age 62 Revenue Exempt**

FY2024	FY2024 Budget
FY2024	(\$196,198,209)
FY2023	(\$167,343,658)
FY2022	(\$144,461,759)
FY2021	(\$132,178,610)
FY2020	(\$122,730,091)

**(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	<u>X 0.40</u>
Assessed Value	\$130,000
Cobb Homestead Exemption	<u>(\$10,000)</u>
Tax Base for Property Tax	\$120,000
18.700 Cobb County School District Millage Rate	<u>X 0.0187</u>
FY2024 General Fund School Taxes Calculation	<b>\$2,244</b>

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

	Metro Atlanta FY2024 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
Cobb County School District ( <b>Second Lowest</b> )	18.700	\$10,000	<b>\$2,244</b>
Fulton County School District	17.590	\$4,000	\$2,278

Note: Cobb Schools General Fund Millage Rate of 18.70 Mills is 1.30 Mills below the 20 Mill State of GA Millage Rate Cap  
 Note: The Value of 1.0 Mill is \$38.5 Million & the value of 1.3 Mills is \$44 Million