

A. FY2019 Unaudited Year End Financial Statement
 (Estimate as of June 30, 2019)

Column A

	June 30, 2019
	FY2019
	<u>Actual</u>
	YE Closing
	Estimates
Beginning Fund Balance	\$140,720,650
Revenue	\$1,122,620,048
Expenditures	\$1,075,677,033
Total Fund Balance Subtotal not including Assignments	\$187,663,665
<u>Fund Balance Usage - June 30</u>	
a. Reserve Fund Balance (Nonspendable)	\$827,692
b. Reserve Fund Balance (Commitments)	\$0
c. Reserve Fund Balance (Assignments)	<u>\$66,130,906</u>
Total	\$66,958,598
Ending Unassigned Fund Balance - June 30	\$120,705,067

Notes:

A. **One Month Fund Balance Reserve Calculation: (Based on Budget Numbers)**

One Month Reserve Target - (One Month Fund Balance Estimate) **\$107,611,659**


Note: Best financial practices (Government Finance Officers Association GFOA and the District's independent financial auditor Mauldin & Jenkins CPAs) state that the district should strive for Two Month's Unassigned Fund Balance Reserve.

Detailed Listing of Fund Balance Assignments

B. <u>NonSpendable Fund Balance</u>	\$827,692
Inventory and Prepays	
C. <u>Committed Fund Balance</u>	\$0
D. <u>Assigned Fund Balance - June 30</u>	
FY2020 Budget - Utilize Fund Balance Reserve	\$18,699,944
FY2019 Encumbrances, Property Proceeds & Other	<u>\$47,430,962</u>
	\$66,130,906
Total	\$66,958,598

B. Cobb County Schools General Fund Financial Safety Net

Current General Fund Millage Rate	18.90
State of GA Legal Millage Rate Cap	20.00
Difference	1.10
Estimate Value of 1.0 Mill	\$26,000,000
Estimated Value of 1.1 Mills	\$28,000,000
<u>Unassigned Fund Balance</u>	
June 30, 2019 Unaudited Reserve Estimate	\$120,705,067




D. FY2019 & FY2020 Budget Metrics & Considerations

1	State of Georgia Austerity Budget Cuts																																																																	
	FY2020 Austerity Cuts \$0																																																																	
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	FY2018 Austerity Cuts (\$10,388,627)																																																																	
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	FY2016 Austerity Cuts (\$28,518,269)																																																																	
	FY2015 Austerity Cuts (\$45,821,472)																																																																	
	FY2014 Austerity Cuts (\$65,900,761)																																																																	
	FY2013 Austerity Cuts (\$72,171,373)																																																																	
	Note: Cumulative Austerity Cuts since FY2003 (\$586,388,466)																																																																	
	Note: The State of GA ended Austerity Cuts in the FY2019 Budget																																																																	
2	Property Value Digest Growth																																																																	
	The Property Digest growth rate is unknown in future years. For every 1%, our estimate is off, the district could lose \$4-5 Million. The following is a history of Net Digest growth since 2008:																																																																	
	<table border="1"> <thead> <tr> <th>Fiscal Year</th> <th>Digest Year</th> <th>Net Digest</th> <th>Inc/(Decrease)</th> <th>%Dec</th> </tr> </thead> <tbody> <tr> <td>FY2020</td> <td>2019</td> <td>\$28,382,745,859</td> <td>\$1,464,499,475</td> <td>5.44%</td> </tr> <tr> <td>FY2019</td> <td>2018</td> <td>\$26,918,246,384</td> <td>\$2,041,461,432</td> <td>8.21%</td> </tr> <tr> <td>FY2018</td> <td>2017</td> <td>\$24,876,784,952</td> <td>\$1,512,995,114</td> <td>6.48%</td> </tr> <tr> <td>FY2017</td> <td>2016</td> <td>\$23,363,789,838</td> <td>\$1,322,091,701</td> <td>6.00%</td> </tr> <tr> <td>FY2016</td> <td>2015</td> <td>\$22,041,698,137</td> <td>\$686,852,377</td> <td>3.22%</td> </tr> <tr> <td>FY2015</td> <td>2014</td> <td>\$21,354,845,760</td> <td>\$878,684,663</td> <td>4.29%</td> </tr> <tr> <td>FY2014</td> <td>2013</td> <td>\$20,476,161,097</td> <td>(\$265,089,430)</td> <td>-1.28%</td> </tr> <tr> <td>FY2013</td> <td>2012</td> <td>\$20,741,250,527</td> <td>(\$514,169,080)</td> <td>-2.42%</td> </tr> <tr> <td>FY2012</td> <td>2011</td> <td>\$21,255,419,607</td> <td>(\$1,275,364,432)</td> <td>-5.66%</td> </tr> <tr> <td>FY2011</td> <td>2010</td> <td>\$22,530,784,039</td> <td>(\$2,339,577,299)</td> <td>-9.41%</td> </tr> <tr> <td>FY2010</td> <td>2009</td> <td>\$24,870,361,338</td> <td>(\$356,210,335)</td> <td>-1.41%</td> </tr> <tr> <td>FY2009</td> <td>2008</td> <td>\$25,226,571,673</td> <td></td> <td></td> </tr> </tbody> </table>	Fiscal Year	Digest Year	Net Digest	Inc/(Decrease)	%Dec	FY2020	2019	\$28,382,745,859	\$1,464,499,475	5.44%	FY2019	2018	\$26,918,246,384	\$2,041,461,432	8.21%	FY2018	2017	\$24,876,784,952	\$1,512,995,114	6.48%	FY2017	2016	\$23,363,789,838	\$1,322,091,701	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		
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3	Financial Impact of One Percent																																																																	
	The approved FY2020 Budget was prepared using an estimated Lapse factor (Actual Revenue > Budgeted Revenue & Actual Expenditures < Budgeted Expenditures) where estimated budgets are conservative. In FY2020, 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 \$23.4 Million (See Below):																																																																	

C. DISTRICT DEBT SERVICE

Current Debt Service Millage Rate	0.00
Note:	
Since FY2007, the Cobb County School District has NO LONG TERM DEBT.....	



4	State of Georgia Local Five Mill Share
	FY2020 (\$161,428,591)
	FY2019 (\$155,355,360)
	Local Five Mill Share Increase (\$6,073,231)
5	Age 62 Exemption (Exempt Revenue)
	FY2020 (\$122,730,091)
	FY2019 (\$111,918,432)
	Increase (\$10,811,659)
6	Cobb County School District Credit Rating Summary - Current
	Aaa LT Credit Rating
	Aaa Moody's Investor Service Credit Rating (Highest in Industry)
	MIG1 ST Credit Rating
	MIG1 Moody's Investor Service Credit Rating (Highest in Industry)



FY2020 Original Budget	Calculation
FY2020 Budgeted Revenue	\$1,160,929,101
FY2020 Budgeted Appropriations	<u>\$1,179,629,045</u>
Total	\$2,340,558,146
X .01	\$23,405,581