

# COBB COUNTY

## FY 14 AUDITED YEAR END RESULTS



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Director/Comptroller

# FY14 AUDITED YEAR END RESULTS

Based on Financial Statements audited  
by  
Crace Galvis McGrath, LLC  
Prepared by the Finance Department

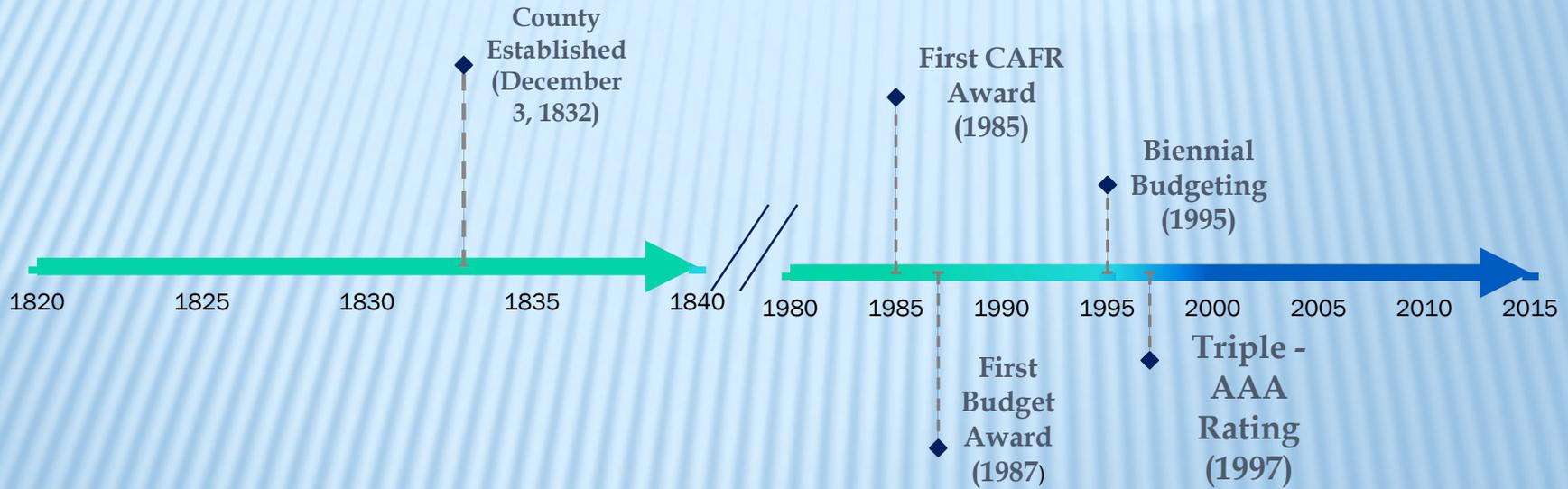
# COBB COUNTY TRADITION

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- Property tax millage maintained as lowest in the metro area
- General Fund Reserves in place (9% Reserve)
  - Maintained 3% economic contingency
  - Maintained 3% for Title Ad Valorem Tax
- Fire District Fund Reserves in place (5% Reserve)
  - Maintained 5% additional economic contingency reserve
- Debt Service Fund Reserves in place
  - (100% FY 14 Debt Service requirements)
- Unmodified audit opinion
- AAA Rated for 18 consecutive years

# COBB COUNTY

Going from "Good" to "Great"



# DISTINGUISHING COBB COUNTY

## ➤ General Obligation

- Moody's           Aaa
- Fitch               AAA
- S & P             AAA

## ➤ Water System Revenue

- Moody's           Aaa
- Fitch               AAA
- S & P             AAA

## ➤ TANS

- Moody's           MIG1
- Fitch               F1+
- S & P             SP-1+

## ➤ S&P Ratings Scale

- 10% - Institutional Framework
- 30% - Economy
- 20% - Management
- 10% - Liquidity
- 10% - Budgetary Performance
- 10% - Budgetary Flexibility
- 10% - Debt and Contingent Liabilities

# WHAT THEY ARE SAYING

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“The Aaa rating is based on the county's sizeable and diverse economic and employment base, a sound financial position supported by conservative fiscal management and satisfactory fund balance levels, and a low debt burden”.

- *Moody's March 2013*

“Strong management, with sustainable formalized financial policies and a consistent ability to maintain balanced budgets”

- *Standard & Poors November 2013*

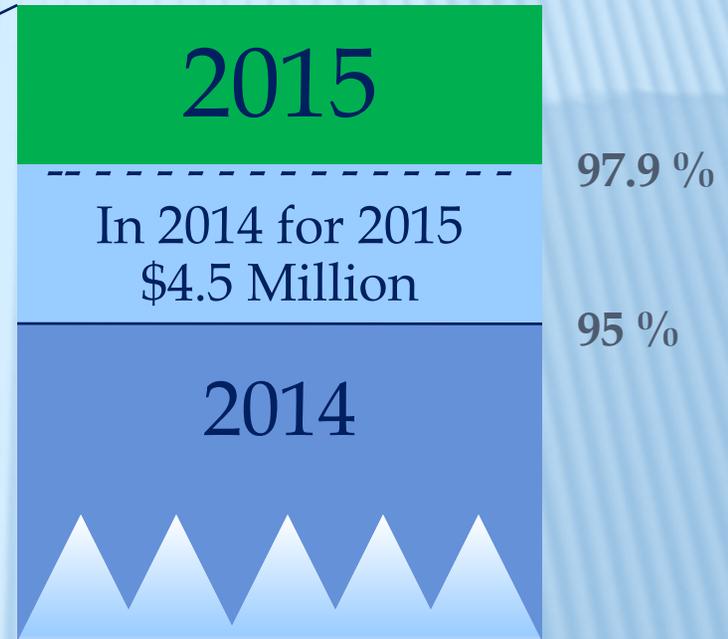
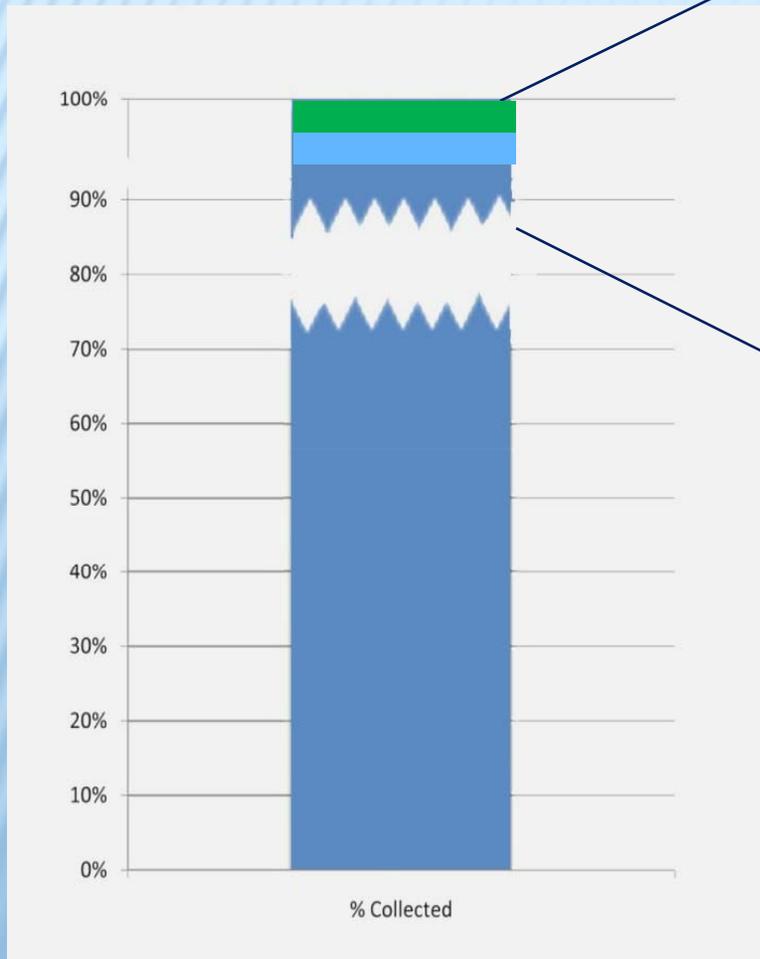
“The county's sound financial position is supported by proactive management, comprehensive fiscal policies and planning, and healthy financial operations”.

- *Moody's November 2013*

“Strong management practices are evidenced in the general fund's generally stable financial performance over time and sizable reserves. Notably low taxing rates provide significant operating flexibility going forward”.

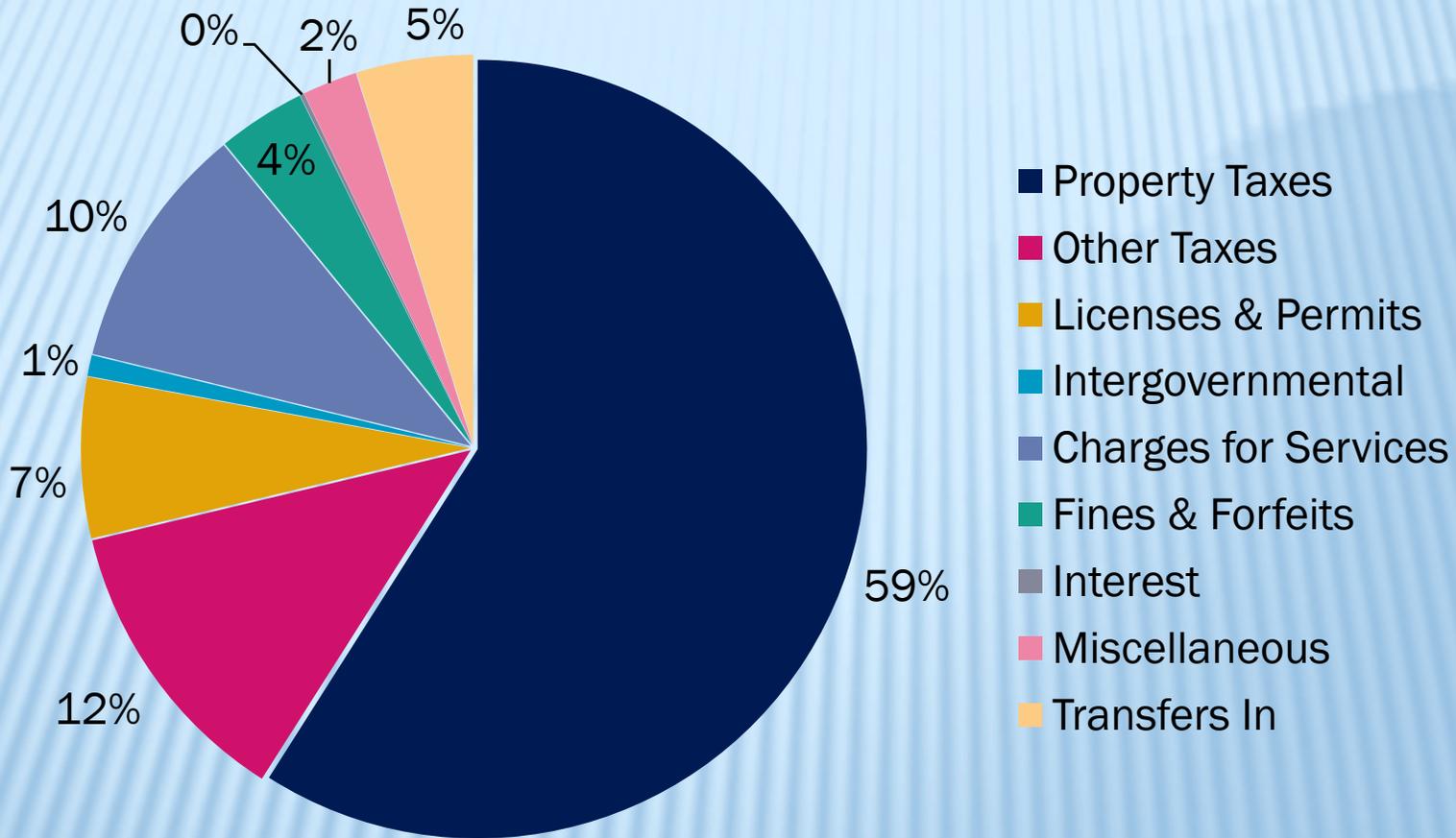
- *Fitch March 2013*

# 2014 PROPERTY TAX COLLECTION RATES



FY 2014's Property Tax Collection rate of 97.9% was higher than the budgeted rate of 95%. The 2.9% difference represents approximately \$4.5 M in revenues that were reserved into FY 2015 to remain consistent with the budget.

# GENERAL FUND REVENUES



\$16.4 million or 4.6% of Property Taxes generated from TAVT revenues

# GENERAL FUND

In Millions	Budget	Actual	Variance
Revenues	\$331.5	\$348.5	\$17.0
Expenditures			
-Current	\$324.1	\$312.9	\$11.2
-Debt Service	\$0.3	\$0.1	\$0.2
-Operating Transfers	\$28.6	\$27.0	\$1.6
Total Expenditures	\$353.0	\$340.0	\$13.0
Net Change		\$8.5	

# FIRE DISTRICT FUND

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In millions	Budget	Actual	Variance
Revenues	\$70.7	\$75.4	\$4.7
Expenditures	\$70.7	\$70.3	\$0.4
Net Change		\$5.1	

# DEBT SERVICE FUND

Revenues	\$ 9.7 m
Expenditures	<u>\$ 8.6 m</u>
Net Change	\$ 1.1 m



# WATER SYSTEM FUND

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Revenues / Transfers In	\$ 193.9m
Expenses / Transfers Out	<u>\$ 186.3m</u>
Operating Income	\$ 7.6m
Contributed Capital	<u>\$ 12.2m</u>
Net Change	\$ 19.8m

## GAWP Platinum Award - NPDES Permit

### Compliance

South Cobb WRF

Northwest WRF

Noonday WRF

# SOLID WASTE DISPOSAL FUND

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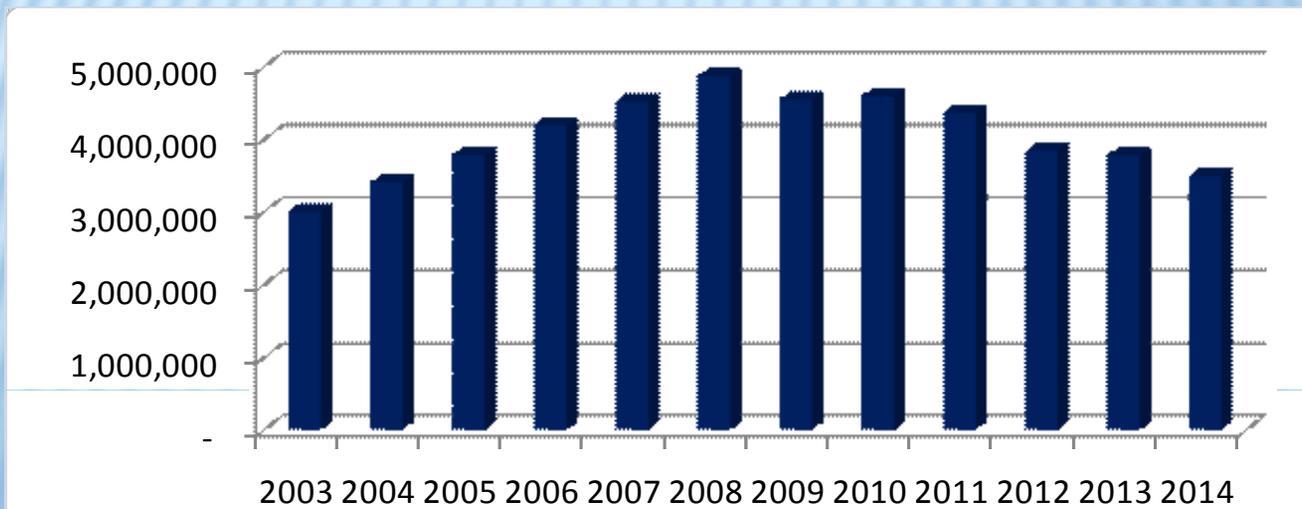
Revenues	\$ 0.3 m
Expenses	<u>\$ 0.8 m</u>
Operating Loss	\$ (0.5) m
Add GF Subsidy	<u>\$ 2.7 m</u>
Net Change	\$ 2.2 m
Revenue Bond Principal	\$ (2.1)m
Post Closure Costs	<u>\$ (0.5)m</u>
Net Activity	\$ (0.4)m

Net Position \$(18.9)m

# TRANSIT FUND

Revenues / Transfers In	\$ 12.0m
Expenses / Transfers Out	<u>\$ 22.9m</u>
Operating Loss	\$ (10.9)m
GF Contribution	<u>\$ 9.6m</u>
Net Change	\$ (1.3)m

## Ridership



# GOLF COURSE FUND

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## Cobblestone Golf Course

Revenues	\$ 1.6m
Expenses	<u>\$ 1.5m</u>
Net Change	\$ 0.1m

Net Position \$3.1m

Cash Balance

\$447,084

# CLAIMS INTERNAL SERVICE FUND

## Workers Compensation, Medical & Dental, Casualty & Liability

Revenues	\$62.9 m
Expenses	<u>\$65.7 m</u>
Net Change	\$(2.8) m

# SPECIAL REVENUE FUNDS

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## 800 MHz

Revenues	\$ 1.1m
Expenditures	<u>\$ 10.3m</u>
Net Change	\$(9.2)m
Fund Balance	\$ 0.0m

## CSSD

Revenues	\$ 5.1 m
Expenditures	<u>\$ 0.0 m</u>
Net Change	\$ 5.1 m
Fund Balance	\$ 5.1 m

## E-911

Revenues	\$11.6m
Expenditures	<u>\$11.9m</u>
Net Change	\$(0.3)m
Fund Balance	\$ 3.3m

## Law Library

Revenues	\$ 0.6 m
Expenditures	<u>\$ 0.6 m</u>
Net Change	\$ 0.0 m
Fund Balance	\$ 0.1m

# SPECIAL REVENUE FUNDS

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## Streetlight District

Revenues	\$ 5.0 m
Expenditures	<u>\$ 5.1 m</u>
Net Change	\$(0.1)m
Fund Balance	\$ 0.0 m

## Parking Deck

Revenues	\$ 0.7 m
Expenditures	<u>\$ 1.0 m</u>
Net Change	\$(0.3)m
Fund Balance	\$(0.2)m

# SPECIAL REVENUE FUNDS

## Hotel/Motel Tax

Revenues	\$12.3 m
Expenditures	<u>\$12.3 m</u>
Net Change	\$ 0.0 m
Fund Balance	\$ 0.0 m

## Grants

Revenues	\$14.1 m
Expenditures	<u>\$13.3 m</u>
Net Change	\$ 0.8 m
Fund Balance	\$ 1.9 m

### COBB COUNTY FINANCE DEPARTMENT HOTEL MOTEL TAX COLLECTIONS (8%)

#### SUMMARY (2009-2014)

Fiscal Years	Total Collections	Cobb Galleria 62.50%	Cobb County 37.50%	% Change
2009	9,327,240.98	5,829,525.61	3,497,715.37	-15.86
2010	9,450,044.06	5,906,277.54	3,543,766.52	1.32%
2011	9,887,245.23	6,179,528.27	3,707,716.96	4.63%
2012	10,366,262.87	6,478,914.29	3,887,348.58	4.84%
2013	11,244,163.04	7,027,601.90	4,216,561.14	8.47%
2014	12,330,070.90	7,706,294.31	4,623,776.59	9.66%

# SPECIAL REVENUE FUNDS

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## CDBG

Revenues	\$ 9.4 m
Expenditures	<u>\$ 9.4 m</u>
Net Change	\$ 0.0 m
Fund Balance	\$ 0.7 m

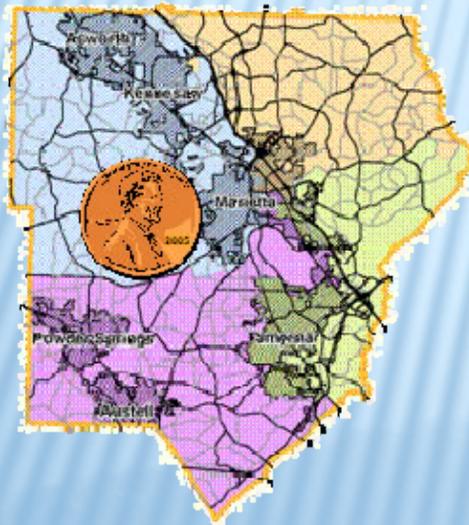
## CSBG

Revenues	\$0.6 m
Expenditures	<u>\$0.6 m</u>
Net Change	\$0.0 m
Fund Balance	\$0.0 m

# CAPITAL PROJECT FUNDS

## SPLOST Fund 2005

Revenues	\$ 6.2 m
Expenditures	<u>\$ 18.0 m</u>
Net Change	\$(11.8)m
Fund Balance	\$ 49.6m



## SPLOST Fund 2011

Revenues	\$140.5 m
Expenditures	<u>\$125.8 m</u>
Net Change	\$ 14.7 m
Fund Balance	\$121.5 m

# CAPITAL PROJECT FUNDS

## Public Facilities Fund

Revenues	\$ 32.7 m
Expenditures	<u>\$ 12.9 m</u>
Net Change	\$ 19.8 m
Fund Balance	\$ 24.8 m

## Stadium Construction Fund

Revenues	\$ 0.0 m
Expenditures	<u>\$ 3.4 m</u>
Net Change	\$ (3.4)m
Fund Balance	\$ (3.4)m



# HOW WE ACHIEVE POSITIVE RESULTS

## Conservative Financial Management



**Reserves Policy**



**Aggressive Monitoring**

**Expenditure Control**

**Balanced Biennial Budget**

# COMMITMENT - THE KEY TO SUCCESS

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- Cobb County Employees
- Board of Commissioners
- Elected Officials
- County Manager
- Department Heads
- Cobb Business Community
- Cobb County Citizens

[www.cobbcounty.org/finance](http://www.cobbcounty.org/finance)