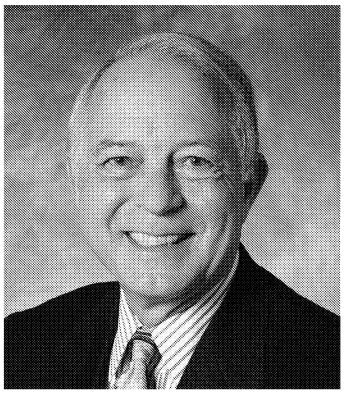
Comprehensive Annual Financial Report
City of Marietta, Georgia

For the Fiscal Year Ended June 30, 2010

DEPARTMENT OF FINANCE
Sam Lady
Finance Director

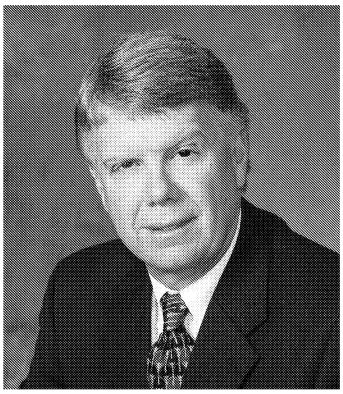
MAYOR AND CITY COUNCIL



William B. Dunaway
Mayor



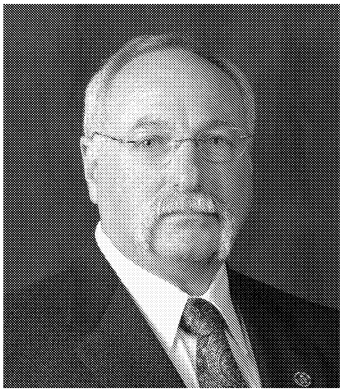
Annette Paige Lewis
Councilmember, Ward 1



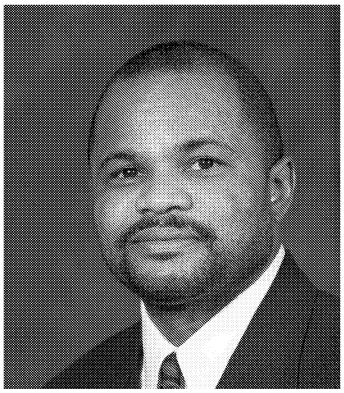
Griffin Chalfant
Councilmember, Ward 2



Holly Marie Walquist
Councilmember, Ward 3



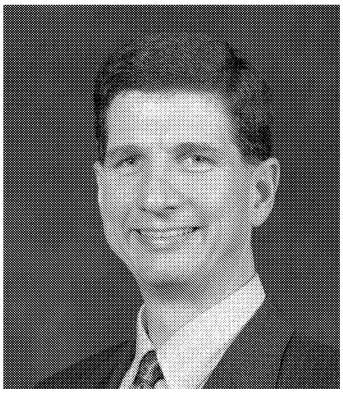
Irvan Alan Pearlberg (Van)
Councilmember, Ward 4



Rev. Anthony Coleman
Councilmember, Ward 5



James King
Councilmember, Ward 6



Philip M. Goldstein
Councilmember, Ward 7

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INTRODUCTORY SECTION

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Marietta, GA 30061-0609
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December 20, 2010

THE HONORABLE R. STEVE TUMLIN, JR. MAYOR
MEMBERS OF CITY COUNCIL AND CITIZENS OF THE
CITY OF MARIETTA
MARIETTA, GEORGIA 30060

The Comprehensive Annual Financial Report (CAFR) for the City of Marietta, Georgia, for the fiscal year ended June 30, 2010, is submitted herewith. Georgia state law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements.

The report was prepared by the City's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures rests with the City. We believe the report, as presented, is accurate in all material aspects. We also believe it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. Finally, we believe that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Moore & Cubbedge, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Marietta's financial statements for the fiscal year ended June 30, 2010. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Incorporated in 1834, the City of Marietta is the county seat for Cobb County, Georgia. Marietta is named for the wife of U.S. Senator Thomas Cobb, for whom the county is named. The surrounding area was part of the Cherokee Indian Territory when the first settlers arrived in the early 1800s. Gold fever brought the first European immigrants, but a stable agricultural community took root in the broken dreams of the "gold rush".

The City became a center for trade and attracted wealthy visitors to its mild climate and "health giving" mineral springs. During the Civil War, Sherman destroyed much of the City on his "March to the Sea" in 1864. Recovery was slow; however, an economic boom took hold during World War II with the construction of the Bell bomber plant. The Lockheed Aircraft Corporation modernized the plant and has kept it in operation since 1951, now operating it under the Lockheed Martin Aeronautical Systems name. Current production includes the C-130J Hercules, the sustainment of P-3 Orion, modernization upgrade of the C-5, and production of the advanced F-22 Raptor.

The construction of Interstate 75 during the 1960s and 1970s opened up the area for increased metro and regional growth. This accessibility has brought hundreds of thousands of new residents to live in Cobb County, which has elevated the City's role as the county seat and a center for commercial activity.

Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and seven council members, all elected on a non-partisan basis. The Council appoints the government's manager, which in turn appoints the heads of the various departments. The mayor and council members serve four-year terms; all elected members' terms run concurrently. The mayor runs at large; the council members are elected by ward.

The City maintains budgetary controls to ensure compliance with legal provisions of the annual appropriated budget approved by the Mayor and Council. Activities of the general fund, the special revenue funds, the debt service fund and the capital project funds are included in the annual appropriated budget. The official level of city budget control (the level on which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. Administrative budgetary control, however, is maintained at an object of expenditure level within the department or function. Administrative transfers of appropriations within a department may be authorized by the City Manager to meet unforeseen needs without Council action. Transfers of appropriations between departments or functions within a fund are reviewed with Council prior to approval. The City's budget procedures are more fully explained in the accompanying Notes to the Financial Statements. The City maintains an encumbrance accounting system as one means of accomplishing budgetary control. Encumbered amounts at year-end are carried forward to the ensuing year's budget.

The City of Marietta provides a full range of municipal government and utility services to approximately 61,500 citizens and customers. Included in these services are traditional City functions such as police and fire protection, sanitation, road and traffic signal maintenance, parks, recreation, planning, cultural affairs, courts, and utility functions including electric, water, wastewater. Furthermore, the City exercises fiduciary responsibility for the City's General Pension.

Local economy

Marietta is located about 20 miles northwest of downtown Atlanta. The Atlanta Metropolitan area continues to be one of the fastest growing economies in the United States. The region has significantly lower unemployment rates than most places in the U.S. and led the nation in job creation several times in the 1990s. Cobb County has become one of the fastest growing economically robust counties in Georgia. The business environment outlook for Marietta continues to be favorable despite the economic downturn experienced by other regions of the country; in fact there are a number of redevelopment projects in the advanced planning and construction stages. The City of Marietta's primary focus will be given to fostering small business growth and land uses oriented toward office, industrial, and business parks, which will be offering a variety of employment opportunities.

Redevelopment and revitalization of several areas throughout the City have been identified and when completed, will create financially sound development, therefore increasing a stronger tax base. Marietta offers one of the lowest millage rates in the Metro Atlanta region at 29.943 mills per thousand dollars (combined City, County, and School). Marietta will continue to promote a strong tourism program for the 5 historic districts, churches and homes as identified by the National Historic & Georgia Register. Our economic activity centers include multi-million dollar corporations such as YKK Corp of America, Solvay Pharmaceuticals, Matria Healthcare, Columbian Chemical, and Coloplast Corporation. To assist manufacturing companies in relocating or expanding their facilities, the Marietta Development Authority was created to develop and promote trade, commerce, industry and employment opportunities through issuance of revenue bonds.

Marietta and the Marietta Census Tracts have been and will continue to be a population growth area. The City's population was estimated to be 64,988 on June 30, 2010.

Long-term financial planning

Unreserved, undesignated fund balance in the general fund (40.1 percent of total general fund revenues) exceeds the policy guidelines set by the Council for budgetary and planning purposes (i.e. minimum fund balance calculation is slightly over $6 million).

Over the past five years the City has devoted its attention to the redevelopment of various areas of the City. This is further discussed in the major initiatives section of this letter.

Major Initiatives

The City of Marietta worked diligently last year to improve the quality of life of our citizens as we continued to develop our City into the most livable community in the Atlanta metro region. In order to progress toward this goal, we undertook the following major initiatives:

The popular Concert in the Square series and new happenings such as the expansion of the farmers market, the first Friday art walks, programs for kids and adults at the renovated Strand Theatre and Theatre in the Square, and the Historic Marietta Trolley all draw large numbers of people to the downtown area, making downtown Marietta a popular destination. The economic development office and the parks and recreation staff collaborate in attracting vendors and consumers alike to the vibrant Square.

Marietta is in the midst of the largest makeover in Marietta's history with over $97 million in streetscapes, sidewalks, trails, road, electrical and park improvements underway. 1% SPLOST funding will provide for gateway improvements at Roswell Street, Powder Springs Road, Franklin Road and Fairground Street. Improvements will span Fairground Street from Allgood Road to S. Marietta Parkway and will include a traffic calming roundabout at the Allgood Road and N. Fairground Street intersection. Roswell Street streetscape improvements provide a pedestrian-oriented street with new sidewalks, street trees and street lights from Park Street to the Square. Roswell Street will be improved by providing 4 lanes with a landscaped median from Victory Drive to Cobb Parkway. Funding is included for the replacement of the Kennesaw Avenue Bridge, the Kennesaw Mountain to Chattahoochee River multi-use trail, decorative street signs and new sidewalks. The BLW is making improvements in electric, water and sewer projects in all the makeover areas, by relocating and upgrading utilities, while moving some underground. Federal funding, private donations, TAD funding, BLW and City contributions are funding 307 new pedestrian lights and 169 new decorative street lights, the planting of more than 500 trees, renovations to Henry Park and Lewis Park, new sidewalks and traffic signals, and significant investments in the Renaissance District.

Marietta Square and Glover Park received a total makeover as well. The fountain was repainted and refurbished and the bricks in the park and along the sidewalks have just been replaced for visitor safety. Other upgrades include new black ornamental traffic poles, decorative bases and mast arms with special downtown signage. All old traffic signals were replaced with new LEDs to increase visibility and decrease the amount of energy required to operate the signals. The city installed wireless communication among the stop lights on all four corners of the Square so businesses won't be disturbed by workers installing wiring under the sidewalks. The city upgraded controller equipment including battery back-up capability to ensure traffic lights work during storms and power outages. Additional improvements to the Square included repaving city streets and constructing brick paver crosswalks and pedestrian areas.

Marietta's economic development office worked with the Georgia Department of Community Affairs to create Opportunity Zones within the city limits. This program encourages new businesses to locate in the city or expand existing businesses. When two or more jobs are created, businesses may be eligible to receive $3,500 in employee state tax credits for each new job through October 2019. It was recently announced that at least 350 new technology jobs are coming to Marietta over the coming year as a Fortune 500 company moves two offices from California to a 260,000 square foot building on Canton Road off I-75. Marietta was chosen not only for its Opportunity Zone but also because of the community's plentiful, skilled workers and affordable real estate and energy. The establishment of Opportunity Zones is the most important economic development tool we have ever had.

Voters last fall approved a parks bond to improve Marietta's park system, and a citizen committee appointed by City Council is developing plans to implement the changes based on public input. The $25 million bond can be spent on land acquisition; improvements to existing parks and facilities; development of parks, facilities, trails and greenspace; planning and design of improvements; and administration and contingencies. The first purchase of new park space occurred this spring, as the city bought the Preston Chase apartment complex on Franklin Road to expand the city's park system. The 13-acre property is inside the city limits and adjacent to greenspace Marietta already owns and along a proposed multi-use trail that would connect Kennesaw Mountain with the Chattahoochee River. Planning is underway for improvements to most of Marietta's parks, including a baseball/softball facility at Aviation, a soccer complex at Custer, and indoor facility on the North Loop and an outdoor recreation park at Hickory Hills.

Marietta's efforts to secure grant funding were successful last year. Marietta was selected to receive over $1 million in grant funds as part of the American Recovery and Reinvestment Act (ARRA) for streetscape improvements on Roswell Street. In addition, the Atlanta Regional Commission (ARC) awarded Marietta $3 million to fund streetscape and traffic improvements on Franklin Road. The Marietta Police Department is the recipient of two federal stimulus grants totaling over $1 million to hire additional officers for up to three years. The city was also awarded $785,000 to fund energy-efficiency improvements to the government campus and providing energy audits to the business community. A federal grant for almost a half million dollars was awarded to the city for the Safe Routes to School program to improve sidewalks at four city schools, improving the safety of students walking or bicycling to school. The City also received a Georgia DOT Gateway Grant for $45,575 for landscaping projects along the North Loop from Polk Street to the Kennesaw Avenue overpass.

Marietta is putting in place the infrastructure needed to support new redevelopment projects. Marietta's current work to prepare for redevelopment will jumpstart the construction process and local economy when it begins to improve. By having the infrastructure in place, including power, water and sewage lines, developers building in Marietta will be able to more quickly construct homes and businesses when the economy begins to recover.

Marietta was reviewed by the Insurance Services Office (ISO) and was awarded a Class Two ranking based on several criteria including how well the fire department is distributed through the city, the quality and maintenance of the water system, 911 communications system, the number of firefighters assigned to reported fires and firefighter training. Marietta is now the highest rated department in Cobb County and one of the highest in the State of Georgia. This will decrease insurance for property owners in Marietta.

The MINT program is also seeing great success with new attractive single family houses being built and sold to first-time home buyers in the neighborhoods surrounding our downtown. The City has made a concerted effort to improve the design of these MINT houses, and they are now leading redevelopment on the streets on which they are built.

Marietta's commitment to upgrading and replacing the water and sewer systems has been evident in projects completed in 2009 including the US-41 20-inch Water Main Replacement, major rehabilitation work on water storage tanks, and on-going replacement and rehabilitation of priority water and sewer infrastructure. In addition there are now over 4,000 feet of large water main replacements, 5,000 feet of water distribution line replacements, and 12,000 feet of sewer line replacements presently in design. System reliability and infrastructure improvements will continue to be realized due to the ability to achieve departmental goals set for critical areas of operation.

The BLW continued its massive capital improvement program designed to upgrade and enhance services in preparation for our future downtown redevelopment and the requirements of our SPLOST program. This new infrastructure will bring in additional revenue and allow the City to grow for decades to come. When the economy improves, Marietta will be ahead of our competition in our readiness to accept new development opportunities.

In the sanitation area, the city is also making substantial changes. In addition to picking up garbage at cost-effective rates, the city is now saving $320,000 each year by providing recycling pickup using city staff instead of continuing to contract the service to a provider. Marietta's Sanitation division analyzed staffing schedules and shifted manpower to allow the City to bring its recycling program in-house.

In May 2010 the national bond rating agency Fitch Ratings increased the City of Marietta's bond rating from 'AA' to 'AA+', making Marietta the highest rated Georgia city Fitch evaluates. Marietta's bond rating is based on the City's ability to pay its debts and is a positive statement by outside third-party experts on the City's management, financial strength and future. Having bond ratings increase during a tough recession is a reaffirmation of the City's financial management and economic outlook.

The City continued its year-long celebration of Marietta's 175th anniversary to honor the great communities in Marietta, including business, culture, education, government,

history, neighborhood, civic, and religious. These events bring great numbers of people not only to Marietta Square, but to different parts of town. A commemorative book honoring Marietta's history was published containing more than 175 facts and pictures about the city from its founding in 1834 to the present.

Marietta was chosen to host the re-premiere of "Gone With the Wind" on the movie's 70th anniversary after receiving the support of Warner Brothers and Turner Classic Movies. The two-day event included a restaging of the 1939 gala including remaining cast members and VIPs walking the red carpet, autograph signings with actors who starred in the original movie and book authors, a costume ball, and the largest Virginia Reel performed on Marietta Square by costumed participants from Marietta and across the world.

The combination of Marietta's rich history and our progress in economic development has not gone unnoticed throughout the nation. NBC's the "Today Show" in New York called Marietta one of the top 4 places in America for house hunting to "get the most bang for your buck". Another great honor came when CNNmoney.com editors picked the 100 places to live in the country and Marietta was on the list.

Awards

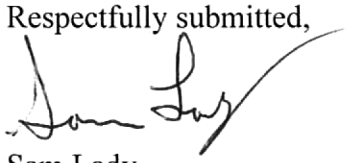
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marietta for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. This represented the twenty-third consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting from the GFOA a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated July 1, 2009 for fiscal year 2010. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the staff of the Accounting Division and the entire staff of the Finance Department and the cooperation of the various elected officials and appointed management. My sincere appreciation is extended to each individual for the contributions made in the preparation of this report.

Respectfully submitted,



Sam Lady
Finance Director
City of Marietta

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Marietta
Georgia

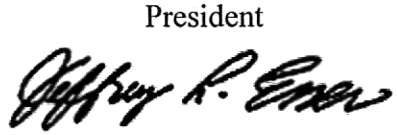
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



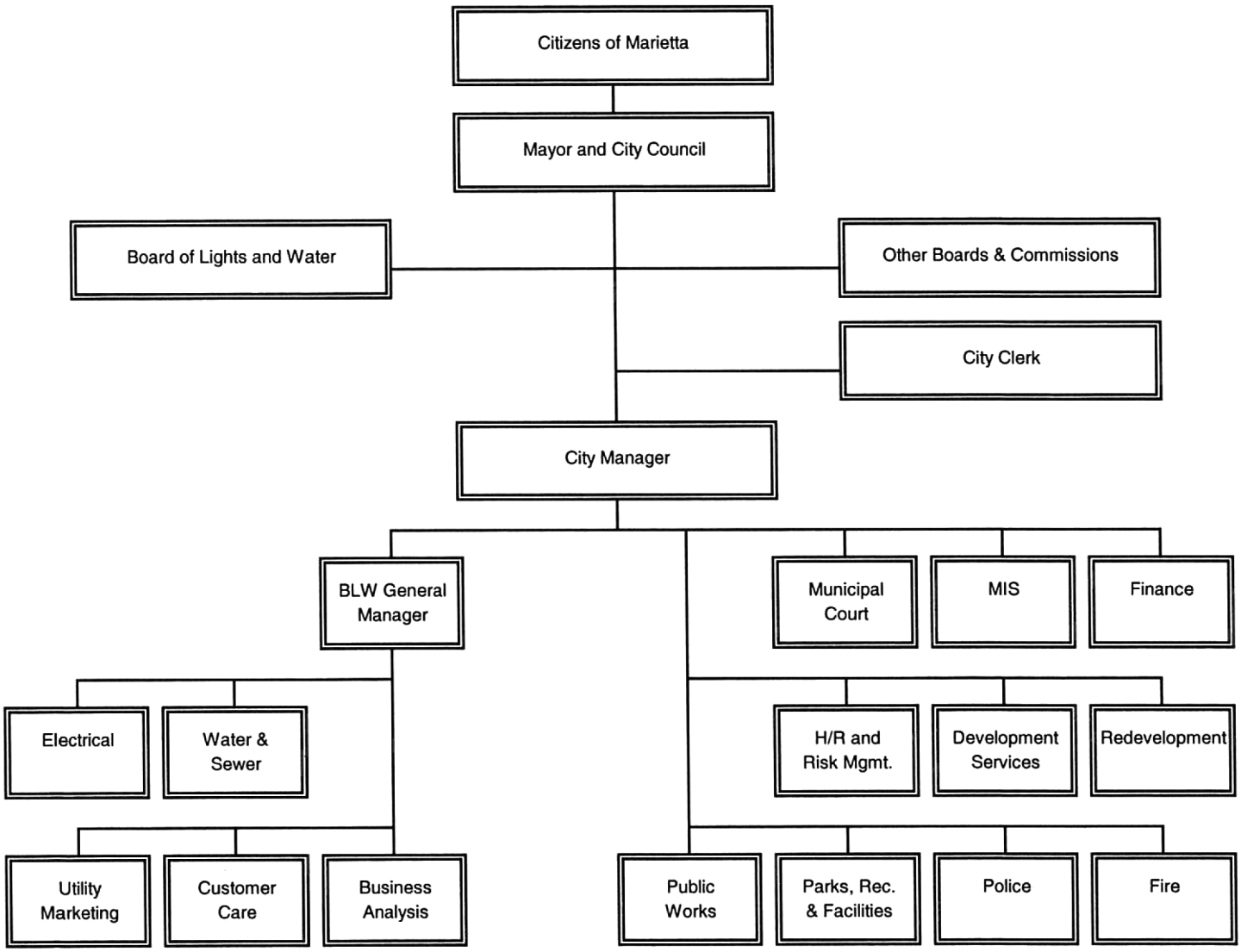


President



Executive Director

CITY OF MARIETTA ORGANIZATION CHART



OFFICIALS

Mayor and City Council

R. Steve Tumlin, Jr.
Mayor

Annette Paige Lewis	Ward 1
Griffin L. Chalfant, Jr.	Ward 2
Johnny Sinclair	Ward 3
Irvan A. Pearlberg	Ward 4
Rev. Anthony C. Coleman	Ward 5
James W. King	Ward 6
Philip M. Goldstein	Ward 7

Board of Lights and Water

R. Steve Tumlin, Jr., Mayor
Chairman

Griffin L. Chalfant, Jr. Council Member	Board Member
Bruce E. Coyle	Board Member
Harlon D. Crimm	Board Member
Charles L. George	Board Member
Terry G. Lee	Board Member
Alice Summerour	Board Member

City / BLW Administration

William F. Bruton, Jr.
City Manager

Pamela Allen	Municipal Court Administrator
Shannon Barrett	Assistant to the City Manager
Thomas Bell	Electrical Director
Brian Binzer	Development Services Director
Richard Buss	Parks, Recreation and Facilities Director
Daniel Conn	Public Works Director
Shannon Barrett	Acting Human Resources and Risk Management Director
Bruce Bishop	Acting MIS Director
Barry Echols	Utility Marketing Director
Herbert Edwards	Business Analysis Director
Daniel Flynn	Police Chief
Jackie Gibbs	Fire Chief
Stephanie Guy	City Clerk
Douglas Haynie	City Attorney
Sam Lady	Finance Director
Robert W. Lewis	BLW General Manager
J. Kevin Moore	BLW Attorney
Ronald Mull	Customer Care Director
Robert Snelson	Water and Sewer Director
Reggie Taylor	Marietta Redevelopment Corp Executive Director

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FINANCIAL SECTION

MOORE & CUBBEDGE LLP
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

The Honorable R. Steve Tumlin Jr., Mayor
Members of the City Council
City of Marietta
Marietta, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Marietta, Georgia, as of and for the year ended June 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. We have audited the component unit and the fiduciary fund of the City. We have also audited the financial statements of each of the City's nonmajor governmental and internal service funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information as well as each component unit and fiduciary fund of the City of Marietta, Georgia, as of June 30, 2010, and the respective changes of financial position and the cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each of the nonmajor governmental and internal service funds of the City of Marietta, Georgia at June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Michael R. Crace Jean K. Hawkins Richard H. Lewis Tammy A. Galvis Donald L. McGrath Jr. Retired: C. Frank Moore Edwin W. Cubbedge III

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In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2010, on our consideration of the City of Marietta, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis, the Schedule of Funding Progress, and the budgetary comparison for the General Fund on pages 3 through 15, page 60 and page 61 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Marietta's basic financial statements. The accompanying supplementary information listed as the Introductory Section and the Statistical Section in the table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the City of Marietta, Georgia. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Moore & Cubbedge, LLP

Moore & Cubbedge, LLP

December 20, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the City of Marietta for the fiscal year ended June 30, 2010. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- Marietta's assets exceed liabilities by $200 million at the end of fiscal year 2010. This is an increase of $.6 million when compared to the previous year. Of this amount, $184.5 million is invested in capital assets (net of depreciation and related debt). Total unrestricted assets are negative $6.1 million, a decrease of $35.1 million from last year. Unrestricted net assets from governmental activities are a negative $7.8 million, a decrease of $9.5 million from last year. This decrease is due mainly to the City issuing two bond issues in 2010 that restricts the use of funds. The city also retired the revenue bonds that were issued for the construction and renovation of the Marietta Conference Center and Resort. Business-type activities unrestricted net assets are $1.7 million.

- The City's total net assets increased $600 thousand over the previous year with a $.5 million decrease generated from governmental activities and a $1.1 million increase resulting in the business-type activities.

- The City's General Fund's fund balance was $30.3 million as of June 30, 2010. Of this amount, $1 million is reserved for encumbrances. $573 thousand is reserved or designated for park improvements (that were funded through a donation and a bond issue) and for tourism purposes. $16.5 million reserved for advances of the city wide capital projects bond. $51 thousand is designated for future expenditures and the remaining $12.1 million is undesignated, but will be appropriated by the City Council for subsequent year's expenditures and other future purposes. The General Fund's fund balance increased by $13.8 million from June 30, 2009.

- The total liabilities of the City's governmental-type and business-type funds outstanding at June 30, 2010 are $142.4 million and $29 million respectively. $135 million of this total represents liabilities that are due in more than one year, such as long-term debt, leases payable, and compensated absences. This is an increase of $62.9 million for the governmental-type funds and a decrease of $29.9 million for the business-type funds.

Total general bonded debt increased $18.8 million in fiscal year 2010. This is largely due to the City's issuance of a 2009 General Obligation Bond issue to fund park improvements in fiscal year 2010. The amount of the bond issue is $25 million and is designated for park improvements and additional parks for the city.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Marietta's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for non-major funds, and a statistical section.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private sector business.

The statement of net assets presents information on all the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the City's financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City of Marietta's governmental activities include general government, public safety, streets and highways, and recreation. The City has three business type activities, the Board of Lights & Water that provides electric, water and wastewater services, City Club Golf Course, and the Marietta Conference Center and Resort that is a hotel and conference facility.

The government-wide financial statements include not only the City of Marietta itself (known as the primary government), but also one legally separate entity that has a significant operational or financial relationship with the City. This entity, known as a discretely presented component unit, is the Marietta Redevelopment Corporation. More information on the functions of this entity can be found in note 1 to the financial statements.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the

funds of the City can be divided into three categories: governmental, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains 16 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, SPLOST fund, Citywide Projects fund, and City Parks Bond fund which are considered to be major funds. Data from the other 11 funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 18 through 20 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains three enterprise funds, the Board of Lights and Water, the City Club Golf Course, and the Marietta Conference Center & Resort. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance and motor transport activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Board of Lights and Water, City Club Golf Course, and the Marietta Conference Center and Resort, which are considered to be major funds of the City. The internal service funds are presented in the proprietary fund financial

statements. Individual fund data for each of these funds is provided in the form of individual fund statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 21 through 25 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of government. Fiduciary funds are *not* included in the government-wide financial statements because the resources of these funds are not available to support the City's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 26 through 27 of this report.

Budgetary comparisons. The City of Marietta adopts an annual budget for all of its governmental funds. Budget to actual comparisons for each of the governmental funds are provided in individual schedules elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 through 59 of this report.

Other information. The combining and individual fund statements and schedules referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements and can be found on pages 60 through 135 of this report.

CITY-WIDE FINANCIAL ANALYSIS

A government-wide financial report represents the approach mandated by the Governmental Accounting Standards Board (GASB). GASB set the uniform standards for presenting government financial reports. This report provides comparative financial information to the previous year's actual results in this Management Discussion and Analysis.

Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. As of June 30, 2010, assets exceeded liabilities by $200.6 million.

The following table provides a summary of the City's governmental and business-type net assets for fiscal year 2009 and 2010.

Table 1

Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Assets						
Current and other assets	$ 84,880,722	$137,273,048	$ 57,513,984	$ 26,584,995	$142,394,706	$163,858,043
Capital assets	59,615,879	69,603,858	136,458,740	138,631,021	196,074,619	208,234,879
Total assets	144,496,601	206,876,906	193,972,724	165,216,016	338,469,325	372,092,922
Liabilities						
Current and other liabilities	7,039,713	9,181,296	13,133,425	12,471,290	20,173,138	21,652,586
Non-current liabilities	72,493,056	133,250,201	45,803,677	16,568,657	118,296,733	149,818,858
Total liabilities	79,532,769	142,431,497	58,937,102	29,039,947	138,469,871	171,471,444
Net Assets						
Invested in capital assets, net of related debt	40,647,949	50,033,057	105,531,822	134,507,898	146,179,771	184,540,955
Restricted	22,613,208	22,224,649	2,287,694		24,900,902	22,224,649
Unrestricted	1,702,675	(7,812,297)	27,216,106	1,668,171	28,918,781	(6,144,126)
Total net assets	$ 64,963,832	$ 64,445,409	$135,035,622	$136,176,069	$199,999,454	$200,621,478

The largest portion of the City's net assets, $184.5 million, represents investments in capital assets.

The investment in capital assets included land, buildings, machinery, and equipment, as well as infrastructure acquired and identified that was purchased and installed in previous fiscal years. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional $22 million of the City's net assets represent resources that are subject to external restrictions on how they may be used. Included in this category are reserves for debt service, public safety grants, culture and recreation donations and uncommitted bond funds.

Changes in Net Assets. Governmental and business-type activities increased the City's net assets by $600 thousand in fiscal year 2010. The following table indicates the changes in net assets for governmental and business-type activities in fiscal year 2009 and 2010.

Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2009	2010	2009	2010	2009	2010
Revenues						
Program revenues:						
Charges for services	$ 14,169,717	$ 13,121,813	$123,504,438	$130,638,176	$137,674,155	$143,759,989
Operating grants and contributions	39,392,897	5,216,433	0	0	39,392,897	5,216,433
Capital grants and contributions	10,016,452	10,752,277	661,994	237,175	10,687,446	10,989,452
General Revenues:						
Property taxes	13,492,266	13,356,484	0	0	13,492,266	13,356,484
Other taxes	11,687,834	11,597,323	0	0	11,687,834	11,597,323
Investment earnings	536,713	356,084	712,646	223,404	1,249,359	579,488
Other revenues	1,812,951	1,772,162	165,386	280,904	1,978,337	2,053,066
Total Revenues	91,108,830	56,172,576	125,044,464	131,379,659	216,153,294	187,552,235
Expenses						
General government	5,918,941	8,652,513	0	0	5,918,941	8,652,513
Public works	13,760,889	14,065,683	0	0	13,760,889	14,065,683
Culture and recreation	5,124,263	2,083,996	0	0	5,124,263	2,083,996
Public safety	30,378,175	31,887,909	0	0	30,378,175	31,887,909
Urban redevelopment and housing	6,046,710	6,353,078	0	0	6,046,710	6,353,078
Interest on long-term debt	2,526,939	3,341,989	0	0	2,526,939	3,341,989
Water & sewer	0	0	24,501,021	25,731,472	24,501,021	25,731,472
Electric	0	0	84,808,669	85,525,058	84,808,669	85,525,058
Golf	0	0	1,725,593	1,599,511	1,725,593	1,599,511
Conference	0	0	3,496,708	7,689,002	3,496,708	7,689,002
Total expenses	63,755,917	66,385,168	114,531,991	120,545,043	178,287,908	186,930,211
Increase in net assets before transfers	27,352,913	(10,212,592)	10,512,473	10,834,616	37,865,386	622,024
Transfers in (out)	9,185,750	9,694,169	(9,185,750)	(9,694,169)	0	0
Increase (decrease) in net assets	$ 36,538,663	$ (518,423)	$ 1,326,723	$ 1,140,447	$ 37,865,386	$ 622,024

Governmental Activities. Governmental activities decreased the City's net assets by $10.2 million in fiscal year 2010 before transfers. Key elements of this decrease are as follows:

Total revenues are 56.1 million, down 38% from the prior year. The majority of the decrease is from operational grant revenues. This revenue increase is attributable to the Special Local Option Sales Tax (SPLOST), a one percent sales tax approved by the county-wide voters in September 2008, all of which will be used by the Marietta City School System to pay off General Obligation Bonds that were issued by the city for the benefit on the school system. This contributed over $30 million in 2009. The

property tax millage rate remained the same as the previous year however the property value increased resulting in increased revenue. Permit revenue decreased due to a slowing in the areas housing market. Investment earnings decreased from the previous year, this is attributable to the decrease in the rates. Fines and forfeits also saw a decrease due to a decrease in violations.

Expenses totaled $66.3 million. The decrease over the previous year was due to a decrease in public works and redevelopment projects in the City and a general decrease in all operational budgets. The City is still involved in several transportation and road improvement projects as a result of the voter approved Special Local Option Sales Tax (SPLOST). Construction, engineering and design work, right-of-way appraisals, and property acquisition are underway.

The City of Marietta has prepared the financial statements as required by GASB 34 as a phase I implementer. This required the City of Marietta to recognize all previous accumulated depreciation of its capital assets. Infrastructure assets are added to the capital assets as values are being determined.

Business-Type Activities. The City's business-type activities, which include the Board of Lights and Water, City Club Golf Course, and the Marietta Conference Center & Resort increased net assets by $10.8 million in fiscal year 2010 before transfers to the governmental funds.

Table 3
Enterprise Net Operating Income (Loss)
Non-operating revenues (expenses)
and Transfers in (out)

	Fiscal Year 2009	2010
Operating income (loss):		
Board of Lights & Water	$ 10,889,563	$ 15,924,619
City Club Golf Course	213,534	177,791
Marietta Conference Center & Resort	277,934	105,773
Total	11,381,031	16,208,183
Non-operating revenues (expenses)	(1,390,111)	(5,597,425)
Contributed capital from developers	661,994	237,175
Income (loss) before operating transfers	10,652,914	10,847,933
Transfers in (out)	(9,699,985)	(10,216,280)
Change in net assets	$ 952,929	$ 631,653

The Board of Lights and Water's operating revenues increased 6.4% from the previous year while operating expenses increased by 2.4% resulting in an operating

income increase of 46.2% from 2009. Contributions from developers decreased by $424 thousand from 2009.

The City Club golf course operating revenues decreased 10.9% from the previous year while operating expenses decreased by 5.3% resulting in an operating gain of $105,773.

The City has entered into a long-term lease for The Marietta Conference Center and Resort with a private party and is no longer involved in the daily operations. The Center is leased for a flat monthly fee sufficient to cover the debt service payments. As a result the operating revenues and expenses are no longer reflected in the financial report. The City is now reporting lease income, depreciation, and operating costs related to bond trustee expenses, and similar items.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Marietta uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds Overview. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of fiscal 2010, the combined ending fund balances of the City's governmental funds were $101 million. Approximately $71.4 million of this consists of unreserved/undesignated fund balance, which is available as working capital for current spending in accordance with the purposes of the specific funds. The majority of the remaining fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: a) reserve for encumbrances ($6.3 million); b) reserved for debt service ($3.4 million); c) reserved for culture and recreation ($573 thousand); d) reserved for advances to conference center fund ($18.7 million).

The City has five major governmental funds, which are the general fund, debt service fund, SPLOST fund, Citywide Projects fund, and City Parks Bond fund.

General fund. This is the primary operating fund of the City of Marietta government. It accounts for many of the City's core services such as law enforcement, fire protection, planning, roads and streets, solid waste sanitation, and administration. The general fund balance was $30.3 million as of June 30, 2010. Of this amount, $1.6 million is reserved for encumbrances and culture and recreation. The fiscal year 2010 fund balance is $13.8 million higher than the previous year. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance

represents 28% of total fiscal year 2010 expenditures and transfers, while total fund balance is 70% of the same amount.

Debt service Fund. This fund provides debt service for the city's debt obligations. The debt service fund had a balance of $5.6 million as of June 30, 2010. That is an increase of 900 thousand from the prior year. This increase is due to additional bonds being issued in the current year and additional debt service due in future years.

Splost Fund. The Special Purpose Local Option Sales Tax fund tracks expenditures related to the 1% sales tax used for transportation and communications. Sidewalks, bridge rehabilitation, multi-use trails, road improvements, general street and drainage rehabilitation, street resurfacing and new roads are all construction projects on the Transportation Projects list approved by the voters in 2005. In an effort to accelerate project completion, the city also undertakes County projects that are located within the City limits and receives reimbursement by the county for these projects. A county-wide 800 MHz communications system is also funded under this SPLOST. The fund balance as of June 30, 2010 is $14.3 million this is a decrease of $2.2 million from the last year. Construction was prefunded with a bond issue which created a large fund balance that will decrease as the projects are completed. This decrease was expected and will continue in future years.

Citywide Projects fund. The Citywide Projects fund was established in FY2010 after the City issued revenue bonds to support the construction of major projects, purchase of major equipment and vehicles. The debt service for the revenue bonds is paid through the Lease Income fund.

City Parks Bond fund. The City Parks Bond fund was established in FY2010 after the approval of a $25 million bond referendum. Funding is provided for land acquisition; improvements to existing parks, facilities, trails and greenspace; development of new parks; administration fees and contingencies. There is a Citizens Advisory Committee set up to submit project recommendations for Council approval.

Proprietary funds overview. The City's proprietary fund statements provide the same type of information found in the government-wide statements, but in more detail.

The City operates the Board of Lights and Water (BLW) which provides electric, water, and wastewater utilities for residential and commercial customers. Unrestricted net assets of this fund at the end of the year amounted to $33.9 million. The unrestricted net assets increased by $1.4 million during the year.

The City operates an 18-hole golf course known as the City Club. The total net assets of this fund at the end of the fiscal year amounted to $2.8 million, an 11.56% increase.

The Marietta Conference Center & Resort is a conference center facility owned by the City. The total net assets of this fund at the end of the fiscal year were $(11.8)

million. The total net assets decreased by $5.1 million during the year. As stated earlier the City has leased the facility to a private operator and is no longer reporting the daily operations. The City will continue to pay the debt payments from lease revenues and hotel/motel tax revenues designated towards the bond repayment. The City will also continue to report the asset depreciation.

Other factors concerning the finances of these funds were discussed under business-type activities.

The City maintains two internal service funds. Information on these funds is aggregated in the Proprietary Fund financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City's budget is prepared according to the Georgia statues and the City of Marietta Code. The most significant budgeted fund is the General Fund.

In June 2009, the City Council appropriated $50.2 million for general fund expenditures. The budget was amended 17 times during the fiscal year.

Table 4
2010 General Fund Budget

	Original Budget	Amendments	Final Budget	Actual
Revenue and other financing sources	$50,241,422	$41,930,969	$92,172,391	$61,859,690
Expenditures and other financing uses	50,140,677	8,328,938	58,469,615	49,060,521

Mid-year budget amendments include:

		General Fund	Weed & Seed	Grants	Parks & Rec	Total
	Prior Yr encumbrances	$ 914,502	-	$ 65,205	$ 411	$ 980,118
1	Community Development	-	$ 20,250	75,000	-	95,250
2	Parks & Culture	500	-	1,100	-	1,600
3	Public Safety	1,511,872	-	555,389	-	2,067,261
4	Public Works	160,000	-	785,500	-	945,500
5	General Administration	57,000	-	-	-	57,000
6	Project Rollovers from previous yrs	-	32,009	4,105,343	44,857	4,182,209
		$2,643,874	$ 52,259	$5,587,537	$ 45,268	$8,328,938

1 Federal Grant for Franklin Road Early Learning Initiative in W&S; Federal Grant for Marietta Growth Fund to Summit Industries.

2 Appropriations of donations for parks program & fire museum project.

3 General Fund: DOJ grants for Police Officers; Appropriation of prior yr savings for down payment on Fire truck.

Grants: DOJ grant for defibrillators; DOJ grant for school system security.

4 General Fund: Appropriation of prior yr savings for parking deck project.
Grants: DOE grant for energy efficiency projects.

5 General Fund: Appropriation of reimbursement revenue from back taxes to cover collection agency expenses.

6 Project rollovers are for project budgets adopted in a previous year that are for the life of the project. The majority of project rollovers are related to the Roswell Streetscape project and bike trail construction.

Actual expenditures were 16.1% below anticipated budget. Revenues exceeded expenses by $12.8 million on a budgetary basis.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2010 total $208.2 million (net of accumulated depreciation and related debt). This investment includes land, buildings, machinery and equipment, as well as infrastructure. To comply with GASB 34, the City researched historical records to determine the value of infrastructure and calculated appropriate depreciation. The City has reported all assets acquired during fiscal years 2002 through 2010, and all assets that could be identified from previous periods. The total investment in capital assets (net of accumulated depreciation and debt) for the current fiscal year increased from the previous year by 6.2% after depreciation. Major capital assets events during the current fiscal year included the following:

Governmental activities:

- Land acquisition for parks and economic development programs $2.8 million
- Buildings and machinery and equipment $1.4 million
- Infrastructure 11.3 million

Business-type activities:

- System improvements $12.3 million
- Buildings and machinery & equipment $8.1 million

On-going construction commitments include:

The water department is continuing its water line replacement program. Utility relocations have also begun for the Roswell Street improvement project.
The City intends to capitalize the infrastructure assets and depreciate them over the estimated useful life.

Additional information on the City's capital assets can be found in Note 6 of this report. Construction commitments are currently included in the fund balance reserved for encumbrances for governmental funds.

Long-term debt. At June 30, 2010, the City of Marietta had the following outstanding long-term debt (principal amount):

- $3.97 million 2009C School General Obligation Bonds
- $7.1 million 2009B Public Safety Refunding Bonds
- $24.75 million 2009A School Refunding Bonds
- $25 million 2009D General Obligation Parks Bond
- $9.15 million 2007 DMDA Revenue Bonds
- $526 thousand note payable for property
- $4.2 million capital lease funded through the City Club for the golf course
- $157 thousand capital leases for golf carts
- $7.38 million Series 2005 Tax Allocation District bonds
- $31.66 million Series 2009 Revenue Bonds City Wide Projects
- The City has received a credit rating of Aa2 from Moody's Investor Services, Inc. and an AA+ rating from Standard & Poor's Corporation along with an AA+ rating from Fitch's Inc. Standard & Poor's upgraded the city debt in 2010. The other two agencies upgraded the City's ratings in 2010.

Georgia Revised Statues provide for a general obligation debt limit of 10% of the assessed valuation. The City has a general obligation debt capacity of $233 million at the end of fiscal year 2010.

Additional information on the City of Marietta's debt can be found in Note 7.

Other Matters. The following factors are expected to have a significant effect on the City's financial position or results of operations and were taken into account in developing the fiscal year 2011 budget:

- In fiscal year 2003 the Georgia Department of Community Affairs (DCA) awarded the City of Marietta a grant for Roswell Street improvements of $1,678,400 that has been supplemented by an additional $720,000 grant from the Atlanta Regional Commission (ARC) in fiscal year 2004 and a second grant of $800,000 in fiscal year 2005. The funding for this project will total approximately $4 million over the three years, which includes the City's matching

requirements for receiving the grants. The City needed to match 25% of the total project, which was funded from the Capital Project Fund.

- No fee increases were imposed for fiscal year 2010

- Redevelopment efforts will continue to be a major focus of the City. The Marietta Redevelopment Corporation was established during fiscal year 2004, three Tax Allocation Districts have been established, a number of redevelopment projects are currently under construction.

- Increasing home ownership will also be a major focus of our redevelopment efforts. Several new mixed-use developments are planned such as the former Johnny Walker homes site on Powder Springs Road, the Clay Homes redevelopment project and Emerson Overlook, both along Roswell Street near Marietta Square. These large-scale projects along with their surrounding neighborhoods will have a tremendous influence in revitalizing the City Center.

- The utility's capital improvement plan has committed millions of dollars toward the areas of redevelopment that are coming on line in the near future. The electrical utility plans to add a new substation with eight feeders on North Marietta Parkway, complete additional feeder projects along Powder Springs Street and Roswell Street, install underground facilities at Johnny Walker Homes, Manget Street, Clay Homes, and Wynhaven, and upgrade and convert Roswell Street from overhead to underground. Likewise, the water department will replace old water and sewer mains in these neighborhoods to meet the needs of these growing areas. Total capital budget for fiscal year 2011 is $15 million.

- The Public Works has budgeted over $15 million for transportation and road projects. Projects such as new road construction, general street, drainage and intersection improvements, sidewalk and multi-use trail construction, and street resurfacing and repairs are funded by collections from a 1% special purpose local option sales tax (SPLOST) enacted as of January 1, 2006.

- In developing the budget the City was anticipating the budget would slowly recover from the economic slowdown and predicted that revenues would not grow as they have in the past years and therefore cut budgeted operating expenses to zero growth in fiscal year 2011 for most departments.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Marietta's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 205 Lawrence Street, Marietta, GA 30060.

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BASIC FINANCIAL STATEMENTS

CITY OF MARIETTA, GEORGIA
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Marietta Redevelopment Corporation
Assets:				
Cash and cash equivalents	$ 8,098,111	$ 1,647,664	$ 9,745,775	168,237
Equity in pooled cash	11,056,889	417,411	11,474,300	-
Investments	9,826,810	9,855,178	19,681,988	4,953,993
Inventories	129,497	2,845,998	2,975,495	-
Receivables, net	1,364,857	16,722,142	18,086,999	-
Internal balances	16,080,911	(16,080,911)	-	-
Due from other governments	28,519,357	-	28,519,357	-
Prepaid items	31,048	-	31,048	-
Restricted assets	60,900,101	7,247,245	68,147,346	881,516
Other assets, net	1,265,467	3,930,268	5,195,735	-
Capital assets, non depreciated	13,557,199	8,752,260	22,309,459	-
Capital assets, depreciated, net	56,046,659	129,878,761	185,925,420	-
Total assets	206,876,906	165,216,016	372,092,922	6,003,746
Liabilities:				
Accounts payable and other current liabilities	6,884,741	11,954,950	18,839,691	7,763
Claims and judgements payable	2,162,843	-	2,162,843	-
Unearned revenue	133,712	516,340	650,052	-
Liabilities payable from:				
Restricted assets	-	-	-	-
Noncurrent liabilities:				
Due within one year	13,683,109	1,108,542	14,791,651	4,108,345
Due in more than one year	119,567,092	15,460,115	135,027,207	-
Total liabilities	142,431,497	29,039,947	171,471,444	4,116,108
Net Assets				
Invested in capital assets, net of related debt	50,033,057	134,507,898	184,540,955	-
Restricted for:				
Debt service	5,628,326	-	5,628,326	-
Capital projects	-	-	-	-
Culture and recreation	14,778,624	-	14,778,624	-
Urban redevelopment and housing	1,817,699	-	1,817,699	-
Other purposes	-	-	-	-
Unrestricted	(7,812,297)	1,668,171	(6,144,126)	1,887,638
Total net assets	$ 64,445,409	$ 136,176,069	$ 200,621,478	$ 1,887,638

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Marietta Redevelopment Corporation
Primary Government								
Governmental activities:								
General government	$ 8,652,513	$ 8,619,196	$ 4,650	$ -	$ (28,667)	$ -	$ (28,667)	
Public works	14,065,683	3,505,071	-	10,575,887	15,275	-	15,275	
Culture and recreation	2,083,996	319,375	24,438	-	(1,740,183)	-	(1,740,183)	
Public safety	31,887,909	102,531	1,117,026	165,718	(30,502,634)	-	(30,502,634)	
Urban redevelopment and housing	6,353,078	575,640	5,616,806	10,672	(149,960)	-	(149,960)	
Interest & fiscal charges on long-term debt	3,341,989	-	(1,546,487)	-	(4,888,476)	-	(4,888,476)	
Total governmental activities	66,385,168	13,121,813	5,216,433	10,752,277	(37,294,645)	-	(37,294,645)	
Business-type activities:								
Water & Sewer	25,731,472	31,488,553	-	237,175	-	5,994,255	5,994,255	
Electric	85,525,058	95,689,883	-	-	-	10,164,826	10,164,826	
Golf	1,599,511	1,516,966	-	-	-	(82,545)	(82,545)	
Conference Center	7,689,002	1,942,774	-	-	-	(5,746,228)	(5,746,228)	
Total business-type activities	120,545,043	130,638,176	-	237,175	-	10,330,308	10,330,308	
Total Primary Government	$ 186,930,211	$ 143,759,989	$ 5,216,433	$ 10,989,452	$ (37,294,645)	$ 10,330,308	$ (26,964,337)	
Component Unit:								
Marietta Redevelopment Corporation	272,651	73,199	-	-				(199,452)
Total Component Units	$ 272,651	$ 73,199	$ -	$ -				$ (199,452)
General Revenues:								
Property Taxes					13,356,484	-	13,356,484	-
Insurance premium tax					3,257,172	-	3,257,172	-
Alcohol taxes					790,828	-	790,828	-
Hotel, motel tax					1,738,399	-	1,738,399	-
Franchise taxes					5,455,136	-	5,455,136	-
Auto rental tax					355,788	-	355,788	-
Unrestricted investment earnings					356,084	223,404	579,488	14,112
Gain on extinguishment of debt					-	168,042	168,042	-
Gain on sale of capital assets					70,215	112,862	183,077	-
Operating grants not restricted to a specific program					1,701,947	-	1,701,947	-
Transfers					9,694,169	(9,694,169)	-	-
Total general revenues and transfers					36,776,222	(9,189,861)	27,586,361	14,112
Change in net assets					(518,423)	1,140,447	622,024	(185,340)
Net assets - beginning					64,963,832	135,035,622	199,999,454	2,072,978
Net assets - ending					$ 64,445,409	$ 136,176,069	$ 200,621,478	$ 1,887,638

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010

	General	Debt Service	SPLOST Fund	Citywide Projects Fund	City Parks Bond Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 1,398,256	$ 336,231	$14,462,699	$ -	$23,998,055	$ 2,104,799	$ 42,300,040
Cash with fiscal agent	-	-	-	20,987,224	-	1,882,373	22,869,597
Equity in pooled cash	4,710,512	1,867,902	48,568	-	-	1,536,064	8,163,046
Investments	5,176,345	1,115,892	-	-	-	387,373	6,679,610
Receivables, net	849,021	214,589	1,901	-	-	145,041	1,210,552
Prepaid items	31,048	-	-	-	-	-	31,048
Due from other funds	4,244,830	-	-	-	-	-	4,244,830
Advances to other funds	16,481,565	2,262,175	-	-	-	-	18,743,740
Due from other governments	453,655	19,274	2,523,193	-	-	563,051	3,559,173
Inventories	-	-	-	-	-	27,532	27,532
Total assets	$ 33,345,232	$5,816,063	$17,036,361	$20,987,224	$23,998,055	$ 6,646,233	$107,829,168
Liabilities and fund balances							
Liabilities:							
Accounts payable	$ 1,487,990	$ -	$ 2,103,946	$ -	$ -	$ 327,701	$ 3,919,637
Retainage payable	-	-	327,977	-	-	31,746	359,723
Accrued liabilities	1,033,992	-	-	-	-	-	1,033,992
Due to other funds	160,459	-	-	516	-	181,623	342,598
Due to component unit	45,129	-	-	-	-	-	45,129
Deferred revenue	344,299	187,737	221,568	-	-	366,520	1,120,124
Total liabilities	3,071,869	187,737	2,653,491	516	-	907,590	6,821,203
Fund balances:							
Reserved for:							
Encumbrances	1,018,410	-	4,931,930	-	10,500	395,491	6,356,331
Prepaids	31,048	-	-	-	-	-	31,048
Culture and recreation	573,852	-	-	-	-	-	573,852
Debt service	-	3,366,151	-	-	-	-	3,366,151
Advances	16,481,565	2,262,175					18,743,740
Unreserved - designated, reported in:							
General fund	19,976	-	-	-	-	-	19,976
Capital projects funds	-		164,504	-	-	44,850	209,354
Special revenue funds	-	-	-	-	-	342,891	342,891
Unreserved - undesignated, reported in:							
General fund	12,148,512	-	-	-	-	-	12,148,512
Special revenue funds	-	-	-	-	-	4,633,179	4,633,179
Capital projects funds	-	-	9,286,436	20,986,708	23,987,555	322,232	54,582,931
Total fund balances	30,273,363	5,628,326	14,382,870	20,986,708	23,998,055	5,738,643	101,007,965
Total liabilities and fund balances	$ 33,345,232	$5,816,063	$17,036,361	$20,987,224	$23,998,055	$ 6,646,233	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	68,874,917
Revenues earned but unavailable are not reported in the funds.	986,412
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Receivable from other governments	24,955,025
Unamortized bond issue costs	1,265,467
Internal service funds are used by management to charge the costs of fleet management and insurance to individual funds. The assets and liabilities of the internal service funds and a receivable from business type activities are included in governmental activities in the statement of net assets.	1,773,992
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Net OPEB obligation	(14,088,760)
Net pension obligation	(783,146)
Unmatured bonds	(109,020,694)
Unamortized deferred loss on refunding	1,362,251
Unamortized bond premium	(7,466,331)
Accrued compensated absences	(2,704,101)
Accrued interest payable	(1,191,883)
Loans payable	(525,705)
Net assets of governmental activities	$ 64,445,409

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	General	Debt Service	SPLOST Fund	Citywide Projects Fund	City Parks Bond Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	$ 17,368,295	$ 4,953,346	$ -	$ -	$ -	$ 2,503,453	$ 24,825,094
Licenses and permits	5,297,444	-	-	-	-	-	5,297,444
Intergovernmental	2,814,029	3,700,691	10,186,055	-	-	5,786,323	22,487,098
Charges for services	4,014,459	-	-	-	-	177,959	4,192,418
Fines and forfeits	3,255,124	-	-	-	-	-	3,255,124
Investment earnings	145,392	34,829	40,482	-	25,000	17,520	263,223
Other	433,715	-	-	-	-	48,781	482,496
Total revenues	33,328,458	8,688,866	10,226,537	-	25,000	8,534,036	60,802,897
Expenditures:							
Current:							
General government	7,450,955	-	-	-	-	-	7,450,955
Public works	6,989,397	-	-	-	-	373,787	7,363,184
Culture and recreation	4,081,417	-	-	-	-	217,485	4,298,902
Public safety	24,617,919	-	-	-	-	27,503	24,645,422
Urban redevelopment and housing	-	-	-	-	-	6,353,078	6,353,078
Debt service:							
Principal retirement	52,225	6,300,000	675,000	-	-	520,111	7,547,336
Interest & fiscal charges	27,711	1,762,945	364,322	616,430	213,552	331,044	3,316,004
Capital projects	-	-	11,392,973	-	2,785,096	185,791	14,363,860
Total expenditures	43,219,624	8,062,945	12,432,295	616,430	2,998,648	8,008,799	75,338,741
Excess (deficiency) of revenues over expenditures	(9,891,166)	625,921	(2,205,758)	(616,430)	(2,973,648)	525,237	(14,535,844)
Other financing sources (uses):							
Proceeds of refunding bonds	-	41,027,190	-	34,109,492	26,971,703	-	102,108,385
Debt service-principal	-	(40,605,000)	-	-	-	-	(40,605,000)
Payment to refunded bond escrow agent	-	(96,056)	-	-	-	-	(96,056)
Sale of capital assets	70,215	-	-	-	-	-	70,215
Transfers in	28,461,017	-	-	-	-	-	28,461,017
Transfers out	(4,822,487)	(25,236)	-	(12,506,354)	-	(2,126,032)	(19,480,109)
Total other financing sources (uses)	23,708,745	300,898	-	21,603,138	26,971,703	(2,126,032)	70,458,452
Net change in fund balance	13,817,579	926,819	(2,205,758)	20,986,708	23,998,055	(1,600,795)	55,922,608
Fund balances at beginning of year	16,455,784	4,701,507	16,588,628	-	-	7,339,438	45,085,357
Fund balances at end of year	$ 30,273,363	$ 5,628,326	$ 14,382,870	$ 20,986,708	$ 23,998,055	$ 5,738,643	$ 101,007,965

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Net change in fund balances - total governmental funds		$ 55,922,608
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss.		
Depreciation expense	(5,439,091)	
Capital outlays	15,469,614	10,030,523
Receipts of long-term receivables are reported as revenues in the governmental funds but entering into a long-term receivable agreement is included in the Statement of Net Assets:		
Receipts of long-term receivables		(5,265,368)
The issuance of long-term debt provides current financial resources and the repayment of principal on long-term debt consumes current financial resources in the governmental funds.		
Bond proceeds		(102,095,375)
Matured principal on bonds payable		48,100,111
Matured principal on note payable		52,225
Bond issuance costs		1,154,257
The net effect of revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		481,634
Internal service funds are used by management to charge the costs of fleet management and self-insurance to individual funds.		(482,378)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Amortization of bond issuance costs, bond premium, and loss on bond refunding	94,688	
Actuarial costs in excess of pension contributions	370,927	
Actuarial costs in excess of OPEB contributions	(7,644,114)	
Accrued interest expense	(1,191,883)	
Accrued compensated absences	(46,278)	(8,416,660)
Change in net assets of governmental activities		$ (518,423)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
JUNE 30, 2010

	Major				Governmental Activities - Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	
ASSETS					
Current assets:					
Cash and cash equivalents	$ 1,630,703	$ 9,981	$ 6,980	$ 1,647,664	$ 2,712,683
Equity in pooled cash	417,411	-	-	417,411	2,893,843
Investments	9,854,930	59	189	9,855,178	4,263,092
Receivables, net	16,712,009	-	10,133	16,722,142	154,305
Due from other funds	7,311,769	127,968	-	7,439,737	-
Due from other governments	-	-	-	-	5,159
Inventories, at cost	2,845,998	-	-	2,845,998	101,965
Total current assets	38,772,820	138,008	17,302	38,928,130	10,131,047
Noncurrent assets:					
Restricted assets:					
Investments	7,247,245	-	-	7,247,245	-
Advances to other funds	8,977,685	-	-	8,977,685	-
Total noncurrent assets	16,224,930	-	-	16,224,930	-
Property, plant and equipment:					
Land and land improvements	1,382,976	769,284	6,600,000	8,752,260	-
Buildings and improvements	15,833,036	23,326,210	2,028,342	41,187,588	496,340
Electrical plant in service	98,179,406	-	-	98,179,406	-
Water and sewer system	78,114,643	-	-	78,114,643	-
Machinery and equipment	48,088,051	12,354,692	3,618,466	64,061,209	1,017,630
	241,598,112	36,450,186	12,246,808	290,295,106	1,513,970
Less: accumulated depreciation	(130,362,853)	(17,177,895)	(4,123,337)	(151,664,085)	(785,028)
Net property, plant and equipment	111,235,259	19,272,291	8,123,471	138,631,021	728,942
Other assets:					
Inventories, at cost	-	118,998	-	118,998	-
Unamortized costs	-	-	81,304	81,304	-
Investment	3,729,966	-	-	3,729,966	-
Net other assets	3,729,966	118,998	81,304	3,930,268	-
Total noncurrent assets	131,190,155	19,391,289	8,204,775	158,786,219	728,942
Total assets	$ 169,962,975	$ 19,529,297	$ 8,222,077	$ 197,714,349	$ 10,859,989

See accompanying notes to financial statements.
Continued on next page.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS (CONT'D)
JUNE 30, 2010

	Major				Governmental Activities - Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	
LIABILITIES					
Current liabilities:					
Accounts payable	$ 10,826,602	$ -	$ 73,432	$ 10,900,034	$ 312,424
Accrued salaries	431,451	-	-	431,451	21,953
Accrued sales tax	623,465	-	-	623,465	-
Accrued compensated absences	296,546	-	-	296,546	10,985
Due to other funds	-	3,633,622	1,152,510	4,786,132	6,555,837
Capital lease obligations	-	-	706,846	706,846	-
Accrued interest payable	-	-	57,314	57,314	-
Claims and judgements payable	-	-	-	-	2,162,843
Total current liabilities:	12,178,064	3,633,622	1,990,102	17,801,788	9,064,042
Long-term liabilities (net of current portion):					
Accrued compensated absences	498,247	-	-	498,247	12,730
Deferred revenue	516,340	-	-	516,340	-
Net pension obligation	195,786	-	-	195,786	-
Net OPEB obligation	4,150,396	-	-	4,150,396	-
Customer deposits	7,247,245	-	-	7,247,245	-
Advances from other funds	-	27,721,425	-	27,721,425	-
Capital lease obligations	-	-	3,416,277	3,416,277	-
Total long-term liabilities	12,608,014	27,721,425	3,416,277	43,745,716	12,730
Total liabilities	24,786,078	31,355,047	5,406,379	61,547,504	9,076,772
NET ASSETS					
Invested in capital assets, net of related debt	111,235,259	19,272,291	4,000,348	134,507,898	728,942
Unrestricted	33,941,638	(31,098,041)	(1,184,650)	1,658,947	1,054,275
Total net assets	$ 145,176,897	$ (11,825,750)	$ 2,815,698	136,166,845	$ 1,783,217
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				9,224	
Net assets of business-type activities				$ 136,176,069	

See accompanying notes to financial statements.
Continued from previous page.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDING JUNE 30, 2010

	Major				Goverrnmental Activities - Internal Service Funds
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	
Operating revenues:					
Charges for services	$ 125,890,257	$ -	$ 1,516,966	$ 127,407,223	$ 3,176,689
Lease income	-	1,942,774	-	1,942,774	-
Other	1,277,575	-	-	1,277,575	222,888
Contributions	-	-	-	-	8,604,600
Total operating revenues	127,167,832	1,942,774	1,516,966	130,627,572	12,004,177
Operating expenses:					
Personal services	16,456,159	-	-	16,456,159	713,525
Operating	85,241,014	158,772	1,207,871	86,607,657	3,994,933
Other	915,876	-	-	915,876	-
Depreciation	8,630,164	1,606,211	203,322	10,439,697	45,672
Benefits and claims	-	-	-	-	8,542,200
Total operating expenses	111,243,213	1,764,983	1,411,193	114,419,389	13,296,330
Operating income (loss)	15,924,619	177,791	105,773	16,208,183	(1,292,153)
Nonoperating revenues (expenses):					
Investment earnings	223,313	91	-	223,404	83,198
Interest and fiscal charges	-	(787,174)	(171,782)	(958,956)	-
Swap termination fee	-	(5,111,000)	-	(5,111,000)	-
Amortization	-	(25,845)	(16,536)	(42,381)	-
Gain (loss) on sale of capital assets	112,862	-	-	112,862	-
Gain on extinguishment of debt	-	168,042	-	168,042	-
Other	10,604	-	-	10,604	-
Total nonoperating revenues (expenses)	346,779	(5,755,886)	(188,318)	(5,597,425)	83,198
Contributed capital from developers	237,175	-	-	237,175	-
Income (loss) before transfers	16,508,573	(5,578,095)	(82,545)	10,847,933	(1,208,955)
Transfers					
Transfers in	15,612,888	522,729	399,345	16,534,962	1,325,946
Transfers out	(26,726,221)	-	(25,021)	(26,751,242)	(90,574)
Total transfers	(11,113,333)	522,729	374,324	(10,216,280)	1,235,372
Change in net assets	5,395,240	(5,055,366)	291,779	631,653	26,417
Net assets at beginning of year	139,781,657	(6,770,384)	2,523,919		1,756,800
Net assets at end of year	$ 145,176,897	$ (11,825,750)	$ 2,815,698		$ 1,783,217
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				508,794	
Change in net assets of business-type activities				$ 1,140,447	

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDING JUNE 30, 2010

	MAJOR				
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	Governmental Activities- Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	$123,042,245	$ -	$1,513,003	$124,555,248	$ 11,777,522
Cash received from other operating activities	1,277,575	-	-	1,277,575	-
Cash payments goods and services	(86,816,518)	2,898,339	(1,062,422)	(84,980,601)	(4,133,785)
Cash payments for benefits and claims	-	-	-	-	(8,555,132)
and fringe benefits	(14,191,333)	-	-	(14,191,333)	(712,367)
Cash payments for other operating activities	-	-	-	-	2,829,069
Cash received from lease	-	1,942,774	-	1,942,774	-
Net cash from (to) operating activities	23,311,969	4,841,113	450,581	28,603,663	1,205,307
Cash flows from noncapital financing activities:					
Transfers in	15,612,888	522,729	399,345	16,534,962	1,325,946
Transfers out	(26,726,221)	-	(25,021)	(26,751,242)	(90,574)
Net cash from (to) noncapital financing	(11,113,333)	522,729	374,324	(10,216,280)	1,235,372
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(12,385,025)	-	(11,237)	(12,396,262)	(3,128)
Advances from (to) other funds	(8,977,685)	27,721,425	-	18,743,740	-
Proceeds from asset sales	112,862	-	-	112,862	-
Payments on capital leases	-	-	(631,451)	(631,451)	-
Bond principal payments	-	(30,420,000)	-	(30,420,000)	-
Swap termination fee	-	(5,111,000)	-	(5,111,000)	-
Interest and fiscal charges	-	(954,188)	(180,372)	(1,134,560)	-
Net cash from (to) capital and related financing activities	(21,249,848)	(8,763,763)	(823,060)	(30,836,671)	(3,128)
Cash flows from investing activities:					
Rental income received (paid)	10,604	-	-	10,604	-
Investment income received (paid)	189,745	91	-	189,836	85,240
Investment (purchases) sales	9,050,771	3,409,811	(189)	12,460,393	(804,936)
Net cash from (to) investing activities	9,251,120	3,409,902	(189)	12,660,833	(719,696)
Net increase (decrease) in cash and cash equivalents	199,908	9,981	1,656	211,545	1,717,855
Cash and cash equivalents at beginning of year:					
Cash	165,646	-	5,324	170,970	3,888,671
Equity in pooled cash	1,682,560	-	-	1,682,560	-
Total cash and cash equivalents, beginning of year	1,848,206	-	5,324	1,853,530	3,888,671
Cash and cash equivalents at end of year:					
Cash	1,630,703	9,981	6,980	1,647,664	2,712,683
Equity in pooled cash	417,411	-	-	417,411	2,893,843
Total cash and cash equivalents, end of year	$ 2,048,114	$ 9,981	$ 6,980	$ 2,065,075	$ 5,606,526

See accompanying notes to financial statements.
Continued on next page.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDING JUNE 30, 2010

	MAJOR				
	Board of Lights and Waterworks	Marietta Conference Center & Resort	City Golf Course	Totals	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 15,924,619	$ 177,791	$ 105,773	$ 16,208,183	$ (1,292,153)
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	8,630,164	1,606,211	203,322	10,439,697	45,672
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	-	(3,963)	(3,963)	-
(Increase) decrease in contributions receivable	-	-	-	-	(3,705)
(Increase) decrease in utility accounts receivable	(1,854,760)	-	-	(1,854,760)	-
(Increase) decrease in due from other funds	(2,043,711)	-	-	(2,043,711)	-
(Increase) decrease in inventories	338,533	158,772	-	497,305	(54,374)
(Increase) decrease in net pension asset/obligation	(92,298)	-	-	(92,298)	-
(Increase) decrease in due from other governments	-	-	-	-	(3,994)
Increase (decrease) in accounts payable	(1,103,526)	(17,540)	8,189	(1,112,877)	(34,815)
Increase (decrease) in accrued salaries	52,828	-	-	52,828	3,016
Increase (decrease) in accrued sales tax	105,365	-	-	105,365	-
Increase (decrease) in accrued compensated absences	(16,746)	-	-	(16,746)	(1,858)
Increase (decrease) in net OPEB obligation	2,321,042	-	-	2,321,042	-
Increase (decrease) in other accrued expenses	-	(21,330)	-	(21,330)	-
Increase (decrease) in due to other funds	-	2,937,209	137,260	3,074,469	2,560,450
Increase (decrease) in interfund payable	516,340			516,340	
Increase (decrease) in customer deposits	534,119	-	-	534,119	-
Increase (decrease) in claims and judgments payable	-	-	-	-	(12,932)
Net cash from (to) operating activities	$ 23,311,969	$ 4,841,113	$ 450,581	$ 28,603,663	$ 1,205,307

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2010, assets contributed by developers totaled $237,175 in the Board of Lights and Waterworks.
During 2010, gain on extinguishment of debt totaled $168,042.

See accompanying notes to financial statements.
Continued from previous page.

CITY OF MARIETTA, GEORGIA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2010

	OPEB Trust Fund	Pension Trust Fund
Assets		
Cash and cash equivalents	$320,840	$ 6,788,252
Prepaid expenses	-	23,502
Receivables:		
Accrued interest	28	308,286
Contributions:		
Employer	-	153,007
Employee	-	37,713
Total receivables	28	499,006
Investments, at fair value		
United States government securities	-	12,176,070
Corporate notes and debentures	-	17,909,721
Common stock	-	23,389,277
Mutual funds	-	4,526,786
Convertible preferred stock	-	907,653
Total investments	-	58,909,507
Total assets	320,868	66,220,267
Liabilities		
Accrued expenses	417	117,822
Total liabilties	417	117,822
Net assets:		
Held in trust for:		
OPEB benefits (See required supplementary information)	320,451	-
Pension benefits (See required supplementary information)	-	66,102,445
Total Net Assets	$ 320,451	$ 66,102,445

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	OPEB Trust Fund	Pension Trust Fund
Additions:		
Employer contributions	$ -	$ 5,243,109
Employee contributions	-	1,235,691
Contributions from others	246,505	-
	246,505	6,478,800
Investment income (expenses):		
Net appreciation (depreciation) of fair value of investments	-	4,610,877
Interest and dividends	117	1,952,131
Total investment income	117	6,563,008
Less investment expenses	-	(374,799)
Net investment income (expenses)	117	6,188,209
Total additions	246,622	12,667,009
Deductions:		
Pension benefits paid	-	7,580,225
Administrative costs	5,000	110,869
Total deductions	5,000	7,691,094
Change in net assets	241,622	4,975,915
Net assets - beginning of year	78,829	61,126,530
Net assets - end of year	$ 320,451	$66,102,445

See accompanying notes to financial statements.

The accounting methods and procedures adopted by the City of Marietta, Georgia, conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the City's Comprehensive Annual Financial Report.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Marietta (City) was created in 1852 and operates under an elected Mayor/Council form of government. The City's major operations include social services, public safety, fire protection, culture-recreation, regulation and control of the water, light, and sewer systems, highways and streets, sanitation, public improvements, planning and zoning, and general administrative services.

The financial statements of the reporting entity include those of the City of Marietta (the primary government) and its component unit. The component unit discussed below is included in the reporting entity because of the significance of their operational or financial relationship with the City.

In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14. "The Financial Reporting Entity", which was adopted by the City as of July 1, 1993, the financial statements of the component unit has been included as a discretely presented component unit. The component unit column in the government-wide financial statements includes the financial data for the City's component unit, as reflected in their most recent audited financial statements. The fiscal year end of the component unit is June 30. Financial information of the component unit is reported in a column separate from the City's financial information to emphasize that they are legally separate from the City.

A brief description of the discretely presented component unit is as follows:

Marietta Redevelopment Corporation:

The Marietta Redevelopment Corporation was created by the City of Marietta, pursuant to the Downtown Development Authorization Law (Chapter 42 of Title 36 of the Official Code of Georgia) in February 2003. It was incorporated on February 12, 2003 and was granted tax exempt status by the Internal Revenue Code of 1986. The Internal Revenue Service determined that the Corporation is not a private foundation under Section 509(a) of the Code. The purpose of the Corporation is to strengthen the economic and residential base of the City of Marietta by reutilizing property for neighborhood and community redevelopment and other public purposes.

The City Council appoints all members of the Board of Directors of the Corporation. The City provides a majority of the Corporation’s resources.

The Corporation did not issue separate Component Unit Financial Statements. Financial information for the Corporation is included in the City of Marietta’s Comprehensive Annual Financial Report. An annual budget is not adopted for the Corporation.

The City's financial statements had previously included the Marietta Welcome Center and Visitors Bureau, Inc. (MWCVB) as a component unit of the City. However, the financial information of the MWCVB is not material to the City and therefore is not included in the current year presentation.

Related Organization: The Marietta Housing Authority is a related organization which has not been included in the reporting entity. The Authority provides low-income housing to eligible families in the City. The Board consists of five members appointed by the City Council; however, the City does not have the ability to impose its will or have a financial benefit or burden relationship. The Department of Housing and Urban Development subsidizes Housing Authority operations and sets rates charged for housing. The debts of the Housing Authority are not secured by the City and deficits are not financed by the City. No budgetary or financial relationship exists between the City of Marietta and the Marietta Housing Authority.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from the legally separate *component unit* for which the primary government is financially accountable. The City's net assets are reported in three parts- invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when a payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

SPLOST Fund - The SPLOST fund accounts for the proceeds received from Cobb County Special Purpose Local Option Sales Tax collections to be used for transportation, sidewalks, and public safety radio system improvements within the City.

Citywide Projects Fund – The Citywide Projects Fund accounts for revenue bond expenditures that support the construction of major projects and the purchase of major equipment and vehicles within the City.

City Parks Bond Fund – The City Parks Bond Fund accounts for the proceeds of the 2009 Park Bond referendum to be used towards land acquisition; improvements to existing parks, facilities, trails and greenspace; development of new parks; administration fees and contingencies.

The government reports the following major proprietary funds:

The Board of Lights and Waterworks Fund accounts for the operations of the electric and water distribution, and sewer collection services.

The Marietta Conference Center and Resort Fund accounts for the assets and debt of the City's conference center.

Additionally, the government reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Enterprise Funds – Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business.

Internal Service Funds - Internal Service Funds account for services performed by a central service department for other departments or agencies of the governmental unit. The City has a Self-Insurance internal service fund which is used for the purpose of providing self-funding for casualty, liability, workers' compensation and medical claims. The City also has a Motor Transport internal service fund which is used to provide repair and maintenance services for vehicles owned by various City departments.

Trust Funds – Trust Funds account for assets held by the City in a trustee capacity for individuals.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's electric, water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

D. Budgets and Budgetary Accounting

An operating budget is legally adopted each fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds.

Budgets for the General Fund, Special Revenue Funds, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Investment earnings are not budgeted for in the HUD-Housing Assistance Payments Program, Local Law Enforcement Block Grant, Tree Preservation, Local Option Sales Tax, SPLOST, and City Parks Bond Funds. Certain intergovernmental revenues are budgeted as tax revenues in the Tax Allocation District Fund. Actual GAAP expenditures and revenues in the General, Special Revenue, Debt Service, and Capital Projects Funds have been adjusted to the budgetary basis for comparison within this report.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

General Fund; Special Revenue Funds; Debt Service Fund; Capital Project Funds:

1. Prior to May 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at locations throughout the City to obtain taxpayer comments.
3. Prior to June 30, the budget is legally enacted through passage of an ordinance.

The City Manager is authorized to transfer budgeted amounts among divisions within departments within any fund; however, any revisions that alter the total expenditures of any department must be approved by the City Council. During fiscal year 2010, approximately $51.3 million in appropriations for expenditures were made in the governmental type funds. Of this amount $47.7 million was to refund three General Obligation Bonds.

The level of control (the level at which expenditures may not legally exceed appropriations) for each of the above legally adopted budgets is at the department level.

Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted, or as amended, by the City Council. For budgetary comparison purposes presented in this report, actual amounts have been adjusted to the non-GAAP budgetary basis when necessary.

Unencumbered appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Projects Funds. Encumbrances outstanding at year end are treated as expenditures on the budgetary basis of accounting and as reservations of fund balances on the GAAP basis of accounting.

E. Cash and Investments

Cash and cash equivalents include amounts in demand deposits and all highly liquid investments with a maturity of three months or less when purchased. Equity in Pooled Cash represents each fund's equity share of total pooled cash held in a demand deposit account at a local financial institution. For purposes of the statement of cash flows, cash and cash equivalents includes both of these categories.

Investments are stated at fair value. Fair value of the external investment pool, Georgia Fund I, is equal to the value of the pool shares. The Office of the Treasury and Fiscal Services is the oversight agency for Georgia Fund I.

Statutes authorize the City to invest in U.S. Government obligations, U.S. Government Agency obligations, State of Georgia obligations, obligations of other municipalities, and repurchase agreements. The Pension Trust is authorized to invest in corporate bonds, domestic common stocks, and equity real estate through pooled investment accounts.

The City invests in an external investment pool, the Municipal Competitive Trust, which is administered by the Municipal Electric Authority of Georgia ("MEAG"), a governmental entity. The City is a beneficiary of this trust. The Municipal Competitive Trust permits the investment of funds in direct obligations of the United States Government, direct and general obligations of states, certain Federal agency discount notes and repurchase agreements collateralized by securities, which would otherwise be permissible under the laws of the State of Georgia. The fair value of the City's position in the pool changes with market conditions, and is calculated based on the fair market value of net assets held in the pool at the close of each business day.

See Note 2 for additional information regarding Cash and Investments.

F. Short-Term / Long-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds."

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either interfund receivables/payables (i.e., the current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans).

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

G. Inventories

Inventories are valued at cost, which approximates market, using the average cost method. Inventory in the Enterprise Funds consist of expendable supplies held for guest room supplies and items needed for repairs or improvements to the utility system. The cost is recorded as an asset at the time individual inventory items are purchased. The consumption method is used to account for inventories within the City's Funds.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2010 are recorded as prepaid items. The consumption method is used to account for prepaid items within the City's Funds.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASBS No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The City fully implemented the retroactive infrastructure provisions in the fiscal year ended June 30, 2006.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The capitalization threshold for capital assets is $1,000.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. Depreciation has been calculated on a percentage basis or estimated useful life as follows:

	Board of Lights & Waterworks	Marietta City Golf Course	Conference Center and Resort	Motor Transport	Governmental Activities
Buildings	50 years	40 years	40 years	40 years	40 Years
Electric utility system	25-30 years	--	--	--	--
Machinery and equipment	12 years	15 years	5-7 years	5-25 years	5 years
Water and sewer utility system	40 years	--	--	--	--
Streets/Sidewalks/Storm sewers	--	--	--	--	20 years
Bridges	--	--	--	--	30 years

J. Compensated Absences

Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. A liability in the governmental funds is reported only if the benefit has matured.

Accumulated sick pay benefits for City employees have not been recorded as a liability because the payment of the benefits is contingent upon the future illness of an employee. It is not expected that any unrecorded sick pay benefits will exceed a normal year's accumulation.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

M. Comparative Data/Reclassifications

Comparative total data of the prior years has been presented in the accompanying combining and individual fund financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain reclassifications have been made to the prior year columns to conform to the classifications used in the current year columns.

N. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) DEPOSITS AND INVESTMENTS

Custodial Credit Risk –Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City limits its exposure to custodial credit risk by requiring deposits to be collateralized 110% in accordance with State law. As of June 30, 2010, the City was exposed to custodial credit risk. The City had deposits totaling $365,864 that were uninsured and collateralized at 59%.

As of June 30, 2010, the City's reporting entity had the following investments:

Type of Investment	Rating	Investment Maturities (in Years)				Fair Value
		Less than 1	1 - 5	6 - 10	More than 10	
PRIMARY GOVERNMENT						
Georgia Fund 1	AAAm	$ 906,584	$ -	$ -	$ -	$ 906,584
Municipal Competitive Trust	not rated	2,811,096	5,468,899	-	-	8,279,995
US Agencies	AAA	5,844,628	7,079,189	440,449	994,751	14,359,017
Total Primary Government (non-fiduciary)		9,562,308	12,548,088	440,449	994,751	23,545,596
FIDUCIARY FUND						
Common Stocks	n/a	n/a	n/a	n/a	n/a	23,389,277
Convertible Preferred Stocks	A-	-	-	-	232,750	232,750
	BBB+	152,082	-	-	-	152,082
	BBB	-	-	-	77,597	77,597
	BBB-	-	-	-	41,664	41,664
	BB-	-	-	-	156,060	156,060
	NR	139,000	-	-	108,500	247,500
Equity Mutual Fund	N/A	4,526,786	-	-	-	4,526,786
Money Market Mutual Fund	AAA	5,925,012	-	-	-	5,925,012
Corporate Bonds	A+	-	1,932,632	1,039,411	189,967	3,162,010
	A	-	1,574,788	2,122,680	75,504	3,772,972
	AA	-	528,528	102,874	77,289	708,691
	AA+	-	-	212,775	-	212,775
	AAA	-	112,502	695,907	787,647	1,596,056
	A-	-	1,031,946	559,260	554,751	2,145,957
	AA-	-	952,904	371,325	171,247	1,495,476
	BBB+	-	488,559	977,568	718,121	2,184,248
	BBB	-	226,102	851,291	335,395	1,412,788
	BBB-	-	251,209	160,257	408,770	820,236
	BB+	-	-	30,075	129,688	159,763
	BB	-	-	-	99,897	99,897
	NR	-	136,600	-	-	136,600
Government Bonds	AAA	-	1,997,534	3,079,434	2,790,948	7,867,916
US Agencies	AAA	-	111	2,376,592	1,933,703	4,310,406
Total Fiduciary Fund		$ 10,742,880	$ 9,233,415	$ 12,579,449	$ 8,889,498	$ 64,834,519

Investments of the primary government include $7,247,245 grouped in restricted assets, and $5,844,628 grouped in cash and cash equivalents, and excludes $10,344,157 of certificates of deposits.

Investments of the fiduciary fund include $5,925,012 grouped with the cash and cash equivalents.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the maximum maturity or average life by investment type of the investments of the primary government to 3 years. The City's investment policy limits the weighted average maturity of the fiduciary fund's fixed income portfolio to 10 years.

Credit Risk. The City does not have a formal policy addressing credit risk.

Custodial Credit Risk. This is the risk that in the event of failure by a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Per the City's investment policy, the City manages its exposure to custodial credit risk by requiring all investment securities be secured through third-party custody and safekeeping procedures.

(3) RECEIVABLES

Receivables at June 30, 2010 for the government's individual major funds, and nonmajor and internal service funds in the aggregate consist of the following:

	Taxes and Fines	Accrued Interest	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	$ 358,820	$ 24,524	$ 227,087	$ 266,340	$ (27,750)	$ 849,021
Board of Lights and Waterworks Fund	-	36,510	17,173,499	-	(498,000)	16,712,009
SPLOST Fund	-	1,901	-	-	-	1,901
Debt Service Fund	226,596	2,414	-	-	(14,421)	214,589
Nonmajor and Other Funds	144,672	996	-	10,133	(627)	155,174
Total	$ 730,088	$ 66,345	$ 17,400,586	$ 276,473	$ (540,798)	$ 17,932,694

(4) INTERFUND RECEIVABLES, ADVANCES AND TRANSFERS

Interfund receivable and payable balances for the fiscal year ended June 30, 2010 are summarized as follows:

	RECEIVABLE TO			
PAYABLE FROM	General Fund	BLW	MCCR	Total
General Fund	$ -	$ 32,491	$ 127,968	$ 160,459
Citywide Projects Fund	-	516	-	516
Nonmajor Governmental	-	181,623	-	181,623
Golf Course	1,000,000	152,510	-	1,152,510
Internal Service	-	6,555,837	-	6,555,837
MCCR	3,244,830	388,792	-	3,633,622
Total	$ 4,244,830	$ 7,311,769	$ 127,968	$ 11,684,567

Generally, outstanding balances between funds reported as "due to/from other funds" include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding at year-end, and other miscellaneous receivables/payables between funds. These balances are expected to be repaid within one year.

Advances from/to other funds for the current year were as follows:

	ADVANCES TO
ADVANCES FROM	MCCR
General Fund	$ 16,481,565
Debt Service	2,262,175
BLW	8,977,685
Total	$ 27,721,425

The amounts payable to the general and debt service funds relate to long-term receivables issued in the current year. None of the balance is specifically scheduled to be collected in the subsequent year.

Interfund transfers for the current year were as follows:

	Transfer out from							
Transfer in/to	General Fund	Citywide Projects	Nonmajor Governmental	Debt Service	BLW	Internal Services	Golf Course	Total
Primary Government:								
General Fund	$ -	$ -	$ 2,123,935	$ 24,169	$ 26,201,243	$ 87,707	$ 23,963	$ 28,461,017
Internal Services	800,968	-	-	-	524,978	-	-	1,325,946
BLW	3,099,445	12,506,354	2,097	1,067	-	2,867	1,058	15,612,888
Golf Course	399,345	-	-	-	-	-	-	399,345
MCCR	522,729	-	-	-	-	-	-	522,729
Total	$ 4,822,487	$ 12,506,354	$ 2,126,032	$ 25,236	$ 26,726,221	$ 90,574	$ 25,021	$ 46,321,925

Transfers are used to 1) move unrestricted general fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs, 2) move unrestricted BLW funds to the general fund to generate revenue to forestall the need for property tax increases, 3) to transfer revenues between various funds to the general fund and BLW fund for the indirect cost allocations to pay for services provided by either the general fund or BLW fund.

The City receives designated tax and pays it to the Component Unit to fund culture and recreation expense. Such payments are reported as expenditures/expenses and general revenues as appropriate.

(5) RESTRICTED ASSETS

The City's restricted assets in the Enterprise Funds include investments held as security for utility customer deposits on record as of June 30, 2010.

Governmental Activities	Total
Capital Project Funds:	
SPLOST projects	$ 14,462,699
Citywide projects	20,987,224
City Parks	23,998,055
Debt Service Fund:	
Debt service	1,452,123
Total governmental activities	$ 60,900,101
Business Type Activities	
Board of Lights and Waterworks:	
Customer deposits	$ 7,247,245

Resources accumulated in the SPLOST, Citywide projects, and City Parks capital project funds for completion of projects are classified as restricted assets on the balance sheet.

Customer deposits received by the Board of Lights and Waterworks to initiate service are classified as a restricted asset on the balance sheet because the funds will be returned to the customer when service is terminated.

Resources accumulated in the Debt Service Fund for debt service payments over the next twelve months are classified as restricted assets on the balance sheet.

(6) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 9,846,018	$ 1,242,927	$ -	$ 11,088,945
Construction in progress	329,667	2,138,587	-	2,468,254
Total capital assets, not being depreciated:	10,175,685	3,381,514	-	13,557,199
Capital assets, being depreciated:				
Buildings	32,668,781	2,830,434	-	35,499,215
Improvements other than buildings	5,512,530	-	-	5,512,530
Machinery and equipment	35,267,758	404,254	(495,238)	35,176,774
Infrastructure	170,647,083	8,856,540	-	179,503,623
Total capital assets being depreciated	244,096,152	12,091,228	(495,238)	255,692,142
Less accumulated depreciation for:				
Buildings	(15,225,899)	(819,612)	-	(16,045,511)
Improvements other than buildings	(3,230,691)	(188,059)	-	(3,418,750)
Machinery and equipment	(30,977,943)	(1,338,532)	495,238	(31,821,237)
Infrastructure	(145,221,425)	(3,138,560)	-	(148,359,985)
Total accumulated depreciation	(194,655,958)	(5,484,763)	495,238	(199,645,483)
Total capital assets, being depreciated, net	49,440,194	6,606,465	-	56,046,659
Governmental activities capital assets, net	$ 59,615,879	$ 9,987,979	$ -	$ 69,603,858

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 8,752,260	$ -	$ -	$ 8,752,260
Capital assets, being depreciated:				
Buildings and improvements	40,988,536	199,052	-	41,187,588
Plant in service and water/sewer system	165,869,601	10,424,448	-	176,294,049
Machinery and equipment	62,072,732	1,988,477	-	64,061,209
Total capital assets being depreciated	268,930,869	12,611,977	-	281,542,846
Less accumulated depreciation for:				
Buildings and improvements	(15,118,162)	(967,439)	-	(16,085,601)
Plant in service and water/sewer system	(79,234,491)	(5,834,984)	-	(85,069,475)
Machinery and equipment	(46,871,736)	(3,637,273)	-	(50,509,009)
Total accumulated depreciation	(141,224,389)	(10,439,696)	-	(151,664,085)
Total capital assets, being depreciated, net	127,706,480	2,172,281	-	129,878,761
Business-type activities capital assets, net	$ 136,458,740	$ 2,172,281	$ -	$ 138,631,021

The beginning balances have been adjusted to correctly classify certain costs and accumulated depreciation amounts.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 206,400
Public safety	1,712,718
Public Works, including depreciation of general infrastructure assets	3,510,818
Culture and recreation	9,155
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	45,672
Total depreciation expense – governmental activities	$ 5,484,763
Business-type activities:	
Water & Sewer	2,880,251
Electric	5,749,912
Conference Center	1,606,211
Golf	203,322
Total depreciation expense – business-type activities	$ 10,439,696

(7) LONG-TERM OBLIGATIONS

Operating Leases
The City has several operating leases for equipment that are not material.

Governmental Activities:

General Obligation Bonds:

General obligation bonds have been issued for governmental activities and are comprised of the following individual issues at June 30, 2010:

$25,270,000 Series 2009A General Obligation School Refunding serial bonds due in annual installments commencing February 1, 2010 of $520,000 to $710,000 through February 1, 2019; interest at 2.0 to 5.0 percent ($24,750,000 outstanding at June 30, 2010). The bonds were issued to current refund the 2008 General Obligation School Refunding bond issue.

$7,115,000 Series 2009B General Obligation Refunding serial bonds due in annual installments commencing July 1, 2010 of $1,125,000 to $950,000 through July 1, 2016; interest at 2.0 to 4.0 percent ($7,115,000 outstanding at June 30, 2010). The bonds were issued to current refund the 2007 General Obligation Refunding bond issue.

$5,240,000 Series 2009C General Obligation School Refunding serial bonds due in annual installments commencing June 1, 2010 of $1,270,000 to $1,405,000 through June 1, 2012; interest at 3.0 percent ($3,970,000 outstanding at June 30, 2010). The bonds were issued to current refund the 2002 General Obligation School Refunding bond issue.

$25,000,000 Series 2009D General Obligation Parks and Recreational Facilities serial bonds due in annual installments commencing July 1, 2010 of $955,000 to $1,750,000 through July 1, 2025; interest at 2.5 to 5.0 percent ($16,970,000 outstanding at June 30, 2010). The issue includes a term bond due January 1, 2030, interest at 5.0 percent ($8,030,000 outstanding). The bonds were issued to acquire, construct, and install park and recreational facilities.

A receivable from the Marietta School Board is reflected in the Statement of Net Assets. Payments will be received from the School Board to offset principal and interest payments on the Series 2009A bonds.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2011	$ 7,285,000	$ 2,514,965	$ 9,799,965
2012	6,260,000	2,289,000	8,549,000
2013	5,005,000	2,096,300	7,101,300
2014	5,145,000	1,977,350	7,122,350
2015	5,370,000	1,752,850	7,122,850
2016-2020	17,185,000	5,555,875	22,740,875
2021-2025	6,555,000	3,003,150	9,558,150
2026-2030	8,030,000	1,239,500	9,269,500
Total	$ 60,835,000	$ 20,428,990	$ 81,263,990

$3,366,151 is available in the Debt Service Fund to service the general obligation bonds.

The amount of defeased debt outstanding but removed from the City's records amounted to $26,760,000 at June 30, 2010.

Tax Allocation District Bonds:

During fiscal year 2006, the City issued $8,400,000 in limited obligations bonds to undertake certain redevelopment projects within a tax allocation district established by the City. The issuance is a limited obligation of the City, not secured by the full faith and credit of the City, but is secured solely by, and payable solely from, pledged revenues. The pledged revenues are defined as the tax allocation increments, the amount of property taxes generated within the district area which exceed the amount collected from the same area prior to development, from the City, Cobb County, and the Marietta City Schools Board of Education. The property tax increments are pledged until the payment in full of the bonds. The bonds are due in annual installments commencing December 15, 2008 of $499,195 to $816,926 through December 15, 2020; interest rate at 4.19%. For the current year, principal and interest paid and total tax allocation incremental revenues were $851,155 and $905,251 respectively.

Year Ending June 30,	Principal	Interest	Total
2011	$ 541,904	$ 309,251	$ 851,155
2012	564,610	286,545	851,155
2013	588,267	262,888	851,155
2014	612,915	238,240	851,155
2015	638,596	212,559	851,155
2016-2020	3,617,477	638,296	4,255,773
2021	816,925	34,230	851,155
Total	$ 7,380,694	$ 1,982,009	$ 9,362,703

Revenue Bonds:

During fiscal year 2008, the Downtown Marietta Development Authority issued $9,820,000 series 2007 Revenue Bonds (City of Marietta Project) for the purpose of financing the cost of acquiring, constructing, reconstructing, equipping, and improving public streets, sidewalks, and streetscape and median improvements in the City of Marietta. The debt service payments on the bonds are secured by the full faith and credit and taxing power of the City. The bonds are due in annual installments commencing June 1, 2010 of $675,000 to $5,370,000 through June 1, 2012; interest rate at 3.71%.

During fiscal year 2010, the Downtown Marietta Development Authority issued $31,660,000 series 2009 Revenue Bonds (City of Marietta Project) for the purpose of financing the cost of certain replacements, additions, extensions and improvements to the electric and water and sewerage system which are operated by the City of Marietta. The debt service payments on the bonds are secured by the full faith and credit and taxing power of the City. The bonds are due in annual installments commencing July 1, 2010 of $865,000 to $1,900,000 through July 1, 2027; interest rates at 3.00% to 5.125%.

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2011	$ 4,640,000	$ 1,749,053	$ 6,389,053
2012	6,800,000	1,549,533	8,349,533
2013	1,470,000	1,498,683	2,968,683
2014	1,530,000	1,430,077	2,960,077
2015	1,610,000	1,358,671	2,968,671
2016-2020	9,130,000	4,695,597	13,825,597
2021-2025	11,270,000	2,457,500	13,727,500
2026-2027	4,355,000	175,375	4,530,375
Total	$ 40,805,000	$ 14,739,114	$ 55,544,114

Note Payable:

The City entered into a note agreement with a third party for $800,000 during the fiscal year 2005 for the purchase of property. The note is payable in equal monthly installments of $6,661 beginning August 2004 through June 2018. Interest on the note is at 5%. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2011	$ 54,897	$ 25,035	$ 79,932
2012	57,706	22,226	79,932
2013	60,658	19,274	79,932
2014	63,762	16,174	79,936
2015	67,023	12,911	79,934
2016-2018	221,659	17,452	239,111
Total	$ 525,705	$ 113,072	$638,777

Business-Type Activities:

Capital Leases

A contract dated July 1, 1990 was supplemented and amended as of September 1, 1995 between the City and the Downtown Marietta Development Authority. This agreement obligates the City to make lease payments directly to the bond sinking fund custodian by December 15 and June 15 of each year for the purpose of paying the principal and interest on the unrefunded outstanding balance of the 1990 Golf Course Redevelopment and Acquisition Bonds and the 1995 Public Golf Course Refunding Revenue Bonds issued by the Authority, and subsequently, as refunded by the Series 2008 Golf Course Refunding Revenue Bonds. This contract enables the City to lease from the Authority the former Marietta Country Club facilities purchased by the Authority with the bond proceeds. The lease has been recorded as a direct financing lease in accordance with generally accepted accounting principles in the City Golf Course Enterprise Fund. This contract qualifies as a conduit debt obligation in accordance with Governmental Accounting Standards Board Interpretation - 2 Disclosure of Conduit Debt Obligations and therefore the obligation for the bonds is not reported on the financial statements of the Downtown Marietta Development Authority. The contract will not expire until full payment of the bonds on July 1, 2015, at which time ownership of the facilities will transfer to the City. The City will be responsible for all operations and maintenance cost of the facilities and will be entitled to all revenues generated by the facilities. Total assets associated with the City Club facilities that have been capitalized in the City Golf Course Enterprise Fund are $12,246,808. Accumulated depreciation associated with these facilities is $4,123,337.

On March 1, 2008, a lease agreement was entered into with Yamaha Motor Corporation for golf carts. The lease agreement is for 48 months and requires a balloon payment at the end of the lease. The lease qualifies as a capital lease and has been recorded in the Golf Course Operating Enterprise Fund. The amount capitalized for the carts is $268,550. Accumulated depreciation associated with the golf carts is $156,654.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2010:

Year ending June 30	City Club Golf Course & Carts
2011	$ 828,254
2012	875,264
2013	768,509
2014	769,699
2015	765,345
2016	775,581
Total minimum lease payments	4,782,652
Less amounts representing interest	(420,347)
Present value of lease payments	4,362,305
Less deferred loss on refunding	(239,182)
Total	$ 4,123,123

The following is a summary of changes in long-term liabilities for the year ended June 30, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 45,115,000	$ 62,625,000	$ (46,905,000)	$ 60,835,000	$ 7,285,000
Less deferred amounts on refunding	(1,234,885)	(1,442,383)	1,315,017	(1,362,251)	-
Tax Allocation District Bonds	7,900,805	-	(520,111)	7,380,694	541,904
Unamortized bond premium	32,091	7,810,375	(376,135)	7,466,331	-
Revenue bonds	9,820,000	31,660,000	(675,000)	40,805,000	4,640,000
Note payable	577,930	-	(52,225)	525,705	54,897
Compensated absences	2,683,396	1,221,857	(1,177,437)	2,727,816	1,161,308
Pension obligation	1,154,073	4,872,180	(5,243,107)	783,146	-
OPEB obligation	6,444,646	10,052,958	(2,408,844)	14,088,760	-
Governmental activity Long-term liabilities	$ 72,493,056	$ 116,799,987	$ (56,042,842)	$ 133,250,201	$ 13,683,109
Business-type activities:					
Bonds payable:					
Revenue bonds	$ 30,420,000	$ -	$ (30,420,000)	$ -	$ -
Bond premium/discount	987,000	-	(987,000)	-	-
Capital leases	5,041,592	-	(679,287)	4,362,305	706,846
Deferred amounts on refunding	(287,018)	-	47,836	(239,182)	47,836
Compensated absences	811,539	286,955	(303,701)	794,793	296,546
Pension obligation	288,084	1,593,661	(1,685,959)	195,786	-
OPEB obligation	1,829,354	2,803,864	(482,822)	4,150,396	-
Customer Deposits	6,713,126	534,119	-	7,247,245	-
Accrued interest payable	202,461	57,314	(202,461)	57,314	57,314
Business-type activity Long-term liabilities	$ 46,006,138	$ 5,275,913	$ (34,713,394)	$ 16,568,657	$ 1,108,542

For Governmental Activities, compensated absences, pension and OPEB liabilities are typically liquidated in the general fund.

(8) COMMITMENTS AND CONTINGENCIES

A. Litigation

The City of Marietta is a defendant in other various lawsuits at June 30, 2010. However, no additional accrual or disclosure of these lawsuits is required.

B. Commitments

Marietta Conference Center

On April 1, 1995, the City executed a Conference Center Funding Agreement with the Downtown Marietta Development Authority (the Authority). Under this agreement, the City pledged 30.25% of its hotel/motel tax collections to the Downtown Marietta Development Authority to be used solely for the principal and interest payments on the Downtown Marietta Development Authority Revenue Bond (the Marietta Conference Center Project), Series 1996A and 1996B, totaling $25,810,000 which was issued by the Authority for the purpose of obtaining funds to pay the costs of acquiring, constructing, furnishing, and equipping the Marietta Conference Center, and the costs of issuing the bonds. The City, as an agent for the Authority, and Remington Hotel Corporation had entered into an agreement effective July 1, 2006 to lease the facilities of Marietta Conference Center and Resort. The lease was set to terminate on May 31, 2008 with three optional extensions through 2023. On March 1, 2008, the City, as agent for the Authority, entered into a new management agreement with Marietta Leasehold, L.P., a partnership including the former lessee, Remington Hotel Corporation, for the management of the renovation and operations of the conference center. The lease is effective January 1, 2008 and expires June 30, 2028. On March 6, 2008, additional bonds were issued and were referred to as The Marietta Conference Center Project Revenue Bonds, Series 2008 in the amount of $7,000,000, for the improvement and renovation of the Conference Center and to implement the Hilton Hotels Corporation's Property Improvement Plan. The Lease agreement provides for the Marietta Leasehold, L.P to pay to the City rent in the amount of $2,444,700 per year payable in equal monthly installments in 2010. Future minimum rentals total $ $2,803,800 for each of fiscal years 2011-2014. Hotel/motel taxes, from which the appropriations are made, have averaged $2.3 million per year over the last 10 years. The agreement also provides for the City to receive additional rent payments equal to 3% of the amount, if any, that gross revenues exceed $14 million. The agreement also provides for Marietta Leasehold, L.P to receive 30.25% of Hotel/Motel Taxes collected, up to a maximum of $900,000. All property, plant, and equipment in the Marietta Conference Center and Resort fund are included in the lease.

In fiscal year 2010, the City paid off all principal and interest on the 1996A, 1996B, 2003, and 2008 Bonds. The Marietta Conference Center operations are reported in an enterprise fund within the financial statements.

Municipal Electric Authority of Georgia

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (the "Authority"). The contracts require the City to purchase from the Authority all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. The Authority is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's payment obligations, which extend approximately through the year 2056, are general obligations to the payment of which the City's full faith and credit and taxing powers are pledged. The City purchased bulk power totaling $66,418,326 from the Authority during the year ended June 30, 2010. The City's future minimum payment obligations to the Authority will be based on the Authority's costs.

The City also has active construction projects at June 30, 2010.

Component Units:

The Marietta Redevelopment Corporation has a $6,000,000 line of credit with a local financial institution, of which $4,108,345 was outstanding at June 30, 2010. The original line matured on August 2007 and was renewed in November 2007 for an additional 24 months. The line of credit is at the prime rate of interest. $1,000,000 of the Redevelopment Corporation’s cash balance serves as an interest reserve on the line of credit. The line is secured by the Redevelopment Corporation’s investments.

During November 2009, the line of credit was renewed for another 12 months in the amount of $5,000,000 bearing interest at a rate of prime plus 1%, not to exceed 5%. The financial institution requires the Redevelopment Corporation to maintain cash balances which serve as an interest reserve. The interest reserve at June 30, 2010, was $879,516.

Operating Leases
The City has several operating leases for equipment that are not material.

(9) PROPERTY TAX

The City bills and collects its own real and personal property taxes. Ad valorem tax on motor vehicles and mobile homes is collected by the Cobb County Tax Commissioner and remitted to the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes are levied in August or September of each year on the assessed valuation of property as of the preceding January 1 and are due within 60 days. Taxes levied on August 28, 2009 were due on October 28, 2009.

Liens were attached to property for unpaid taxes on March 1, 2010.

Assessed values are established by the Cobb County Tax Assessor's office and are currently calculated at 40% of the market value. The assessed value of property at January 1, 2009 was $2,481,302,362.

Based on the 2009 City General, Debt Service, and Cemetery Maintenance millage levy of 4.68, a property owner would pay $4.68 per $1,000 of assessed valuation.

Current tax collections of $11,660,045 for the fiscal year ended June 30, 2010 were 97 percent of the tax levy.

(10) FUND BALANCE RESERVES AND DESIGNATIONS

The City maintains reserves in various funds for specific purposes or as required by bond ordinances. The nature and purpose of these reserves is explained below.

Fund Balances:

Reserved for encumbrances - Encumbrances outstanding at year end represent the estimated amount the City intends to honor as a commitment regardless of the lapse in the appropriation. The following is a detail of the reserved for encumbrance balances at June 30, 2010:

Primary Government:	
General Fund	$ 1,018,410
Special Revenue Funds:	
HUD Housing Assistance	79,609
Tax Allocation District	194,767
Marietta Housing	60,467
Cemetery Maintenance	30,402
Gone with the Wind Museum	1,574
Capital Projects Funds:	
City Parks Bond	10,500
Local Option Sales Tax	28,672
SPLOST	4,931,930

Reserved for Prepaids - This reserve represents net assets reserved for prepaid expenditures.

Primary Government:	
General Fund	$31,048

Reserved for culture and recreation - This reserve represents net assets reserved for culture and recreation expenditures.

Primary Government:	
General Fund	$573,852

Reserved for debt service - This reserve was established by the City in conformance with the general obligation (G.O.) bond ordinances. The net assets of this reserve are for the sole purpose of retiring debt. The total in the Debt Service Fund at June 30, 2010 was $3,366,151.

Reserved for advances – This reserve represents long-term loans to other funds.

Primary Government:	
General Fund	$ 16,481,565
Debt Service Fund	$ 2,262,175

Designated for projects – These designations represent management's intended use of available expendable financial resources in the following funds:

Primary Government:	
General Fund	$ 19,976
Special Revenue Funds:	
Tax Allocation District	219,952
Tree Preservation	122,939
Capital Projects Funds:	
Local Option Sales Tax	44,850
SPLOST	164,504

(11)PENSION PLANS

The City withdrew from the Social Security system on December 31, 1980. The City of Marietta, Georgia Supplemental Pension plan was adopted in lieu of Social Security. A professional pension management company was selected as the providers of a money-purchase (defined contribution) pension plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

Monthly contributions to the plan are equivalent to 6.13% of regular full-time employees' pay and are 100% contributed by the City. Total contributions to the plan for the fiscal years ended June 30, 2010 and 2009 were $2,042,878 and $1,998,652 respectively.

All regular full-time employees may be eligible for participation upon completing one continuous year of service. Amounts paid in to the plan become 100% vested in each employee's behalf. Funds accumulated in this plan shall be paid to employees only upon retirement, death, disability or termination of employment. Benefit provisions and contribution requirements are established and amended by the authority of the City's governing body.

On July 1, 2000, fiduciary responsibility and custody of Trust assets for the defined contribution pension plan (Supplemental Pension Plan) was transferred to a professional pension management company. An annual certified financial report for this plan will be prepared by the professional pension management company. The Pension Board serves as Plan Administrators of this plan.

The City of Marietta Public Employee Retirement System (PERS) administers a defined benefit pension plan (General Pension Plan).

The City maintains a single-employer defined benefit pension plan covering full-time, part-time, seasonal, and temporary employees on the first day of the month coinciding with or following their employment date. Pension costs are recorded in the amount of the City's and employee's contribution to the Pension Trust Fund. Management of the assets of the Pension Trust Fund is handled by the City's Pension Board. Benefit provisions and contribution requirements are established and amended by the authority of the City's governing body.

The plan was amended initially on March 1, 1987. Each employee that was employed with the City of Marietta, Georgia on March 1, 1987 had the right to either retain coverage under the original plan provisions or to participate under the amended provisions of the plan. Each employee hired after March 1, 1987 participates under the amended plan provisions. On November 11, 1998, employees participating under the original plan provisions were given the opportunity to elect to participate under the amended plan provisions.

Effective Prior to March 1, 1987	Effective March 1, 1987
Normal Form of Pension	
The benefit formula provides for a life annuity benefit with a guaranteed death benefit equal to the present value of the remaining benefits. However, each participant married at retirement who does not elect otherwise will receive a joint annuity in a reduced amount for a 50% continuation to a surviving spouse	Single life annuity benefit

Summary of Significant Accounting Policies and Plan Asset Matters:

The City of Marietta Pension Plan financial statements are prepared on the accrual basis of accounting. Contributions from the City and employees are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefit payments and refunds are recognized when due and payable in accordance with the terms of the plan.

Investment income is recognized as earned by the pension plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. The net appreciation (depreciation) in the fair value of investments held by the pension plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of plan net assets.

There are no investments in, loans to, or leases with parties related to the pension plan. Administrative costs are financed through investment earnings.

Schedule of Employer Contributions:

Fiscal Year Ended	Annual Pension Cost	Annual Actual Contributions	Percentage Contributed	Net Pension Obligation
6/30/2008	$5,841,977	$4,623,599	79%	$ 238,412
6/30/2009	$6,213,812	$5,010,067	81%	$ 1,442,157
6/30/2010	$ 4,779,884	5,243,109	110%	$ 978,932

Annual Pension Cost and Net Pension (Asset) Obligation - The City's annual pension cost and net pension (asset) obligation for the current year were as follows:

Annual required contribution	$ 4,748,822
Interest on net pension obligation	112,232
Adjustment to annual required contribution	(81,170)
Annual pension cost (expense)	4,779,884
Contributions made	(5,243,109)
Increase (decrease) in net pension obligation	(463,225)
Net pension obligation-beginning of year	1,442,157
Net pension obligation-end of year	$ 978,932

Entry age normal actuarial cost method is used to establish the actuarial position of the plan and to determine an appropriate level of contributions for all benefits except death and disability. Employer contributions represented 14.5 percent of the current year covered payroll. Employees are required to contribute 4% of gross wages. The actuarially determined contribution recommendation of 16.2 percent was based on the 2010 fiscal year projected payroll determined through an actuarial valuation performed at July 1, 2009. Total employer and employee contributions to the general pension plan for the fiscal year ended June 30, 2010 were $5,243,109 and $1,235,691 respectively.

As of July 1, 2009, the date of the most recent actuarial valuation, employee membership data relevant to the pension plan was as follows:

Member of retirees and beneficiaries currently receiving benefits	397
Number of terminated employees entitled to benefits but not yet receiving them	312
Active employees:	
Fully Vested	428
Nonvested	292
Total plan participants	1,429

Actuarial assumptions used in the valuation at July 1, 2009 include the following:

Amortization Method — The greater of:

- Level payments for Early Retirement Incentive and approximate level percentage of payroll for remaining unfunded liability (plan changes for pensioners and beneficiaries are amortized as level dollar amounts).

- Amortizing the entire Unfunded Actuarial Accrued Liability 30 years from the valuation date as a level percentage of the payroll, taking into account the inflation component only.

Actuarial Value of Assets — -Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the actuarial value, and is recognized over a five year period, further adjusted, if necessary, to be within 20% of the market value.

Remaining Amortization Period	- Amortization period is closed. - 30 years
Investment Rate of Return	- 7.75%
Projected Salary Increase	- 3.5%
Inflation Rate	- 3.5%
Cost of Living	- 3.0%
No post retirement benefit increases	

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Ten-year historical trend information presenting the General Pension Plan progress in accumulating sufficient assets to pay benefits when due is presented in The City of Marietta, Georgia Public Employees Retirement System Annual Financial Report for the fiscal year ended June 30, 2010, which may be obtained from the City of Marietta Finance Department.

The following is the funding status of the Plan as of the most recent valuation date:

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2009	$ 73,351,836	$ 138,251,505	53.1%	$ 64,899,669	$ 33,079,296	196%

The following retirement plans have not been included within this report because the City has no responsibility as prescribed by the Governmental Accounting Standards Board:

Peace Officers' Annuity and Benefit Fund and Georgia Firemen's Pension Fund - Police officers and firefighters are also members of the Peace Officers' Annuity and Benefit Fund and the Georgia Firemen's Pension Fund, respectively. Police officers and firefighters contribute twenty and fifteen dollars, respectively, each month to these state administered plans. The City of Marietta contributed $20,180 to the Peace Officers' Annuity and Benefit Fund for the year ended June 30, 2010. Contributions to this fund are based on the number and amounts of fines and bond forfeiture cases each month as prescribed by State Law. The Georgia Firemen's Pension Fund is funded by the state-levied fire insurance premium tax.

(12) POSTEMPLOYMENT HEALTHCARE PLAN

The City implemented GASB 45 prospectively during the fiscal year ended June 30, 2008.

Plan Description - The City of Marietta OPEB Trust is a single-employer defined benefit healthcare plan administered by the City of Marietta. The City provides medical, dental, and life insurance benefits to retirees and spouses. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. As of July 1, 2009 there were 358 retirees and spouses eligible for the benefits, 358 retirees and spouses receiving benefits, and 740 current and active employees. The City has the authority to establish and amend benefit provisions.

Summary of significant accounting policies - The plan financial statements are prepared on the accrual basis of accounting. Contributions from the City are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefit payments and refunds are recognized when due and payable in accordance with the terms of the plan.

Investment income is recognized as earned by the plan. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. The net appreciation (depreciation) in the fair value of investments held by the plan is recorded as an increase (decrease) to investment income based on the valuation of investments as of the date of the statement of plan net assets.

There are no investments in, loans to, or leases with parties related to the pension plan. Administrative costs are financed through investment earnings.

Funding Policy - The contribution requirements are established and may be amended by the City. The required contribution was determined by an actuarial valuation. For fiscal year 2010, the City contributed $2,408,844 to the plan. If hired before August 14, 1991, 100% of the cost of employee health insurance premiums will be paid by the City. Amounts paid by the City for employees hired subsequent to August 14, 1991 are based on years of service and the date of hire and are as follow:

Years of Service	Date of Hire		
	08/14/91 thru 11/14/96	11/15/96 thru 10/31/06	After 11/01/06
20	100% HMO & PPO	100% HMO only	85% HMO only
15-19	80% HMO & PPO	80% HMO only	0%
10-14	50% HMO & PPO	50% HMO only	0%
Less than 10	0%	0%	0%

Schedule of Employer Contributions:

Fiscal Year Ended	Annual OPEB Cost	Annual Actual Contributions	Percentage Contributed	Net OPEB Obligation
6/30/2008	$ 6,399,000	$ 2,272,000	36%	$ 4,127,000
6/30/2009	6,598,000	2,451,000	37%	8,274,000
6/30/2010	12,374,000	2,408,844	19%	18,239,156

Annual OPEB Cost and Net OPEB Obligation - The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

Annual required contribution	$ 12,350,000
Interest on net OPEB obligation	331,000
Adjustment to annual required contribution	(307,000)
Annual OPEB cost (expense)	12,374,000
Contributions made	(2,408,844)
Increase in net OPEB obligation	9,965,156
Net OPEB obligation-beginning of year	8,274,000
Net OPEB obligation-end of year	$ 18,239,156

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The accompanying schedules of employer contributions present information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The following is the funding status of the Plan as of the most recent valuation date:

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered Payroll (4)/(5)
7/1/2009	$ 52,000	$ 155,919,000	0.03%	$ 155,867,000	$ 31,580,119	493.6%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

Valuation date	7/1/2009
Actuarial cost method	Projected unit credit with benefits attributed From date of hire to date of decrement
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	n/a
Actuarial assumptions:	
Discount rate	4%
Projected salary increase	3.5%
Healthcare cost trend rate	9% initial
	5% ultimate

Actuarial Methods and Assumption - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The plan does not issue separate financial statements.

(13) RISK MANAGEMENT

The City has established a limited risk management program for group health and medical, property and casualty, and workers' compensation coverage for exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. Excess coverage policies are maintained by the City to limit the potential liability of the City for extremely large claims. Premiums are paid by other funds into the Self-Insurance Internal Service Fund and are available to pay claims, excess coverage premiums to third party insurers, and administrative expenses. There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceeded the City's insurance coverage during the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are estimated based on reports available subsequent to year end from carriers that provide information regarding estimates of claims incurred but not reported at year end. Nonincremental claims adjustment expenses have not been included as part of the liability for claims and judgments.

Excess workers compensation coverage is insured under a retrospectively rated policy whereby the initial premium is adjusted based on actual calendar year payroll totals.

Changes in the balances of claim liabilities during the past year are as follows:

	Year Ending June 30, 2010	Year Ending June 30, 2009
Claims and judgments payable, beginning of fiscal year	$ 2,175,775	$ 1,978,585
Incurred claims	8,542,200	7,877,588
Claim payments	(8,555,132)	(7,680,398)
Claims and judgments payable, end of fiscal year	$ 2,162,843	$2,175,775

(14) INTRADEPARTMENTAL BILLINGS

Total operating revenues and total operating expenses in the Board of Lights and Waterworks Enterprise Fund includes $187,445 of intra departmental billings for utility usage.

(15) MUNICIPAL TRUSTS

In 1999, the City, along with other participating municipalities, entered into an agreement with the Municipal Electric Authority of Georgia ("MEAG") which created a trust referred to as the Municipal Competitive Trust (MCT). The purpose of the MCT was to provide a means for MEAG and the participating municipalities to accumulate funds for the purpose of mitigating the effect of anticipated changes in the electric industry involving completions for retail electric power supply. Subsequent amendments to the agreement called for drawdowns from the MCT, which commenced in January 2009, and extend through approximately December 2018. The withdrawals of $770,037 to $806,016 per month, totaling $9,456,498 for the fiscal year ending June 30, 2010, have been applied as a reduction of the utility expense in these financial statements. Future withdrawals under this agreement are not certain and thus have not been included as a receivable on the City's books.

In 2010, the City , along with other participating municipalities, entered into revised agreements with MEAG which provide for voluntary deposits into a New Generation and Capacity Funding Account. These account deposits help offset the cost of power to the City in future years through current MEAG power generation expansion projects. In 2010, the City has deposited $516,340 into this Funding Account. These funds have been collected from customers and are reflected as deferred revenues on the balance sheet.

(16) JOINT VENTURE

Under Georgia law, the City in conjunction with other cities and counties in the ten county Atlanta region is a member of the Atlanta Regional Commission (ARC). Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the officials of political subdivisions and private citizens representing districts with the Atlanta region. OCGA 50-8-3.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements may be obtained from:

Atlanta Regional Commission
40 Courtland Street, NE
Atlanta, Georgia 30303

(17) EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds had expenditures in excess of appropriations for the fiscal year ended June 30, 2010:

	Budget	Actual	Variance with Final Budget
General Fund:			
General government:			
General administration:			
Legislative	$480,621	$652,480	$ (171,859)
Gone With the Wind Museum	$204,285	$214,014	$ (9,729)

The over expenditures in the general fund were funded by available fund balance. Over expenditures in the Gone With the Wind Museum were funded by advances from other funds.

(18) FUND BALANCE/NET ASSETS (DEFICIT)

Gone With the Wind Museum	$ (52,074)
Motor Transport	$ (179,773)

The City is planning to transfer funds to the Gone With The Wind Museum Fund from the 3% auto taxes to fund the deficit.

The City is planning to transfer funds to the Motor Transport Fund to fund this deficit.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MARIETTA, GEORGIA
DEFINED BENEFIT PLANS
REQUIRED SUPPLEMENTARY INFORMATION

A) PUBLIC EMPLOYEE RETIREMENT SYSTEM

The funding status of the pension plan as of the most recent actuarial valuation date is as follows:

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	$ 74,195,118	$ 128,647,468	57.7%	$ 54,452,350	$ 30,170,894	180%
7/1/2008	75,215,141	131,770,821	57.1%	56,555,680	31,580,119	179%
7/1/2009	73,351,836	138,251,505	53.1%	64,899,669	33,079,296	196%

B) POST EMPLOYMENT HEALTHCARE PLAN

The funding status of the OPEB plan as of the most recent actuarial valuation date is as follows:

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1)/(2)	Unfunded AAL (UAAL) (2)-(1)	Covered Payroll	UAAL as a Percentage of Covered Payroll
7/1/2007	$ -	$ 90,530,000	0.00%	$ 90,530,000	$ 30,170,894	300.1%
7/1/2009	52,000	155,919,000	0.03%	155,867,000	31,580,119	493.6%

The schedule of funding progress for the OPEB plan is as follows:

Fiscal Year Ended	Annual OPEB Cost	Annual Actual Contributions	Percentage Contributed	Net OPEB Obligation
6/30/2008	$ 6,399,000	$ 2,272,000	36%	$ 4,127,000
6/30/2009	6,598,000	2,451,000	37%	8,274,000
6/30/2010	12,374,000	2,408,844	19%	18,239,156

CITY OF MARIETTA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes	$17,344,580	$17,344,580	$17,368,295	$ 23,715
Licenses and permits	5,676,367	5,676,367	5,297,444	(378,923)
Intergovernmental	2,297,996	8,955,379	2,814,029	(6,141,350)
Charges for services	4,008,793	4,060,793	4,014,459	(46,334)
Fines and forfeits	3,541,750	3,541,750	3,255,124	(286,626)
Investment earnings	400,000	400,000	145,392	(254,608)
Other	487,951	493,151	433,715	(59,436)
Total revenues	33,757,437	40,472,020	33,328,458	(7,143,562)
Expenditures:				
Current:				
General government:				
General administration:				
Legislative	478,245	480,621	652,480	(171,859)
Judicial	1,135,258	1,139,195	1,085,229	53,966
Executive	1,182,200	1,250,255	1,121,740	128,515
Law	525,000	525,000	445,945	79,055
Financial administration	1,773,283	1,848,140	1,811,832	36,308
Human resources	827,442	840,549	785,293	55,256
Planning and zoning	2,017,021	6,355,512	1,981,038	4,374,474
Public works	7,747,497	7,643,399	7,086,012	557,387
Culture and recreation	4,850,562	6,157,835	4,607,978	1,549,857
Public safety:				
Police	13,524,625	15,599,494	13,293,462	2,306,032
Fire	11,699,850	11,389,921	11,287,089	102,832
Debt Service:				
Principal retirement	52,225	52,225	52,225	-
Interest and fiscal charges	27,711	27,711	27,711	-
Total expenditures	45,840,919	53,309,857	44,238,034	9,071,823
Excess (deficiency) of revenues over expenditures	(12,083,482)	(12,837,837)	(10,909,576)	1,928,261
Other financing sources (uses):				
Sales of capital assets	150,000	150,000	70,215	(79,785)
Transfers in	16,333,985	51,550,371	28,461,017	(23,089,354)
Transfers out	(4,299,758)	(5,159,758)	(4,822,487)	337,271
Total other financing sources (uses)	12,184,227	46,540,613	23,708,745	(22,831,868)
Net change in fund balance	$ 100,745	$33,702,776	12,799,169	$ (20,903,607)
Reconciliation to GAAP basis:				
Encumbrances outstanding at end of year			1,018,410	
Fund balances at beginning of year - GAAP basis			16,455,784	
Fund balances at end of year - GAAP basis			$30,273,363	

GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is the principal fund of the City and is used to account for all activities of the City not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e., police, fire, recreation, public works, general government, etc.). These activities are funded by property taxes on individuals and businesses.

CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$ 1,398,256	$ 1,527,108
Equity in pooled cash	4,710,512	-
Investments	5,176,345	14,289,694
Receivables (net of allowance for estimated uncollectibles):		
Taxes	347,095	281,745
Sanitation	211,062	188,993
Accrued interest	24,524	6,786
Other	266,340	108,461
Prepaid items	31,048	31,048
Advances to other funds	16,481,565	-
Due from other funds	4,244,830	2,703,917
Due from other governments	453,655	357,234
Total assets	$ 33,345,232	$ 19,494,986
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 1,487,990	$ 1,385,562
Accrued salaries and employee benefits	1,033,992	891,222
Due to other funds	160,459	429,793
Due to component unit	45,129	47,956
Deferred revenue	344,299	284,669
Total liabilities	3,071,869	3,039,202
Fund balance:		
Reserved for encumbrances	1,018,410	1,015,031
Reserved for prepaids	31,048	31,048
Reserved for culture and recreation	573,852	599,193
Reserved for advances	16,481,565	-
Unreserved:		
Designated	19,976	48,857
Undesignated	12,148,512	14,761,655
Total fund balance	30,273,363	16,455,784
Total liabilities and fund balance	$ 33,345,232	$ 19,494,986

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Taxes	$ 17,368,295	$ 17,376,953
Licenses and permits	5,297,444	5,799,547
Intergovernmental	2,814,029	2,325,181
Charges for services	4,014,459	4,052,465
Fines and forfeits	3,255,124	3,538,722
Investment earnings	145,392	289,161
Other	433,715	722,474
Total revenues	33,328,458	34,104,503
Expenditures:		
Current:		
General government	7,450,955	7,633,637
Public works	6,989,397	7,822,994
Culture and recreation	4,081,417	4,475,321
Public safety	24,617,919	25,407,953
Debt service:		
Principal retirement	52,225	49,683
Interest and fiscal charges	27,711	30,252
Total expenditures	43,219,624	45,419,840
Excess (deficiency) of revenues over expenditures	(9,891,166)	(11,315,337)
Other financing sources (uses):		
Sale of capital assets	70,215	143,752
Transfers in	28,461,017	15,845,087
Transfers out	(4,822,487)	(4,927,883)
Total other financing sources (uses)	23,708,745	11,060,956
Net change in fund balance	13,817,579	(254,381)
Fund balance at beginning of year	16,455,784	16,710,165
Fund balance at end of year	$ 30,273,363	$ 16,455,784

See accompanying notes to financial statements.

NONMAJOR COMBINING STATEMENTS

CITY OF MARIETTA, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2010

	Special Revenue	Local Option Sales Tax	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 2,104,799	$ -	$ 2,104,799
Cash with fiscal agent	1,882,373	-	1,882,373
Equity in pooled cash	1,247,236	288,828	1,536,064
Investments	387,373	-	387,373
Receivables, net	144,924	117	145,041
Due from other governments	160,892	402,159	563,051
Inventories	27,532	-	27,532
Total assets and other debits	$ 5,955,129	$ 691,104	$ 6,646,233
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ 253,803	$ 73,898	$ 327,701
Accrued liabilities	31,746	-	31,746
Due to other funds	91,524	90,099	181,623
Deferred revenue	235,167	131,353	366,520
Total liabilities	612,240	295,350	907,590
Fund balances:			
Reserved for:			
Encumbrances	366,819	28,672	395,491
Unreserved - designated for:			
Completion of projects	342,891	44,850	387,741
Unreserved - undesignated, reported in:			
Special revenue funds	4,633,179	-	4,633,179
Capital projects funds	-	322,232	322,232
Total fund balances	5,342,889	395,754	5,738,643
Total liabilities and fund balances	$ 5,955,129	$ 691,104	$ 6,646,233

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Special Revenue	Local Option Sales Tax	Total Nonmajor Governmental Funds
Revenues:			
Taxes	$ 2,503,453	$ -	$ 2,503,453
Intergovernmental	5,749,747	36,576	5,786,323
Charges for services	177,959	-	177,959
Other	48,781	-	48,781
Investment earnings	17,185	335	17,520
Total revenues	8,497,125	36,911	8,534,036
Expenditures:			
Current:			
Public works	373,787	-	373,787
Culture and recreation	217,485	-	217,485
Public safety	27,503	-	27,503
Urban redevelopment and housing	6,353,078	-	6,353,078
Debt service:			
Principal retirement	520,111	-	520,111
Interest and fiscal charges	331,044	-	331,044
Capital projects	-	185,791	185,791
Total expenditures	7,823,008	185,791	8,008,799
Excess (deficiency) of revenues over expenditures	674,117	(148,880)	525,237
Other financing sources (uses):			
Transfers out	(2,126,032)	-	(2,126,032)
Total other financing sources (uses)	(2,126,032)	-	(2,126,032)
Net change in fund balance	(1,451,915)	(148,880)	(1,600,795)
Fund balances at beginning of year	6,794,804	544,634	7,339,438
Fund balances at end of year	$ 5,342,889	$ 395,754	$ 5,738,643

See accompanying notes to financial statements.

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenues which are legally restricted to finance specific functions or activities of the government and which, therefore, cannot be diverted to other uses.

HUD HOUSING ASSISTANCE PAYMENTS PROGRAM – To account for the receipts and disbursements of all monies received from the Department of Housing and Urban Development under the Housing Assistance Payments Program.

HUD COMMUNITY DEVELOPMENT BLOCK GRANT FUND – To account for the receipts and disbursements of all monies received from the Department of Housing and Urban Development under the Community Development Block Grant Program.

TAX ALLOCATION DISTRICT – To account for the receipts and disbursements of incremental real and personal property tax collections in the tax allocation district. Intergovernmental revenue is the incremental tax revenue received from Cobb County and Marietta City Schools.

MARIETTA HOUSING FUND – To account for the receipt of excess funds transferred from the HUD Housing Assistance Payment Program to provide assistance to low- and moderate-income residents to acquire safe, decent and affordable housing.

CEMETERY MAINTENANCE FUND – To account for the repair and maintenance of City-owned cemeteries, funded through property tax revenue.

LOCAL LAW ENFORCEMENT BLOCK GRAND FUND – To account for the receipts and disbursements of all monies received from the Department of Justice, along with related interest earnings, as established under the Local Law Enforcement Block Grant Program.

GONE WITH THE WIND FUND – To account for the receipts and disbursements of all monies received from the operations of a museum dedicated to the Gone With The Wind movie artifacts.

TREE PRESERVATION FUND – To account for the receipts and disbursements of all monies contributed by developers for trees removed and not replaced within development property sites.

HOTEL MOTEL FUND – To account for receipts and disbursements of all monies received relating to hotel motel tax collections.

AUTO RENTAL EXCISE TAX FUND – To account for receipts and disbursements of all monies received relating to the 3% auto rental excise tax collections.

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CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR JUNE 30, 2009

	Nonmajor Funds				
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Marietta Housing Fund	Cemetery Maintenance
ASSETS					
Cash and cash equivalents	$ 1,898,717	$ -	$ -	$ -	$ 205,632
Cash with fiscal agent	-	-	1,882,373	-	-
Equity in pooled cash	29,040	-	943,271	711	99,609
Investments	-	-	-	-	387,373
Receivables, net	188	642	129,030	-	11,165
Due from other governments	23,910	24,382	111,762	-	838
Inventories	-	-	-	-	-
Total assets	$ 1,951,855	$25,024	$ 3,066,436	$ 711	$ 704,617
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	$ 118,773	$ -	$ 94,061	$ -	$ 37,617
Accrued salaries and employee benefits	20,483	5,471	-	-	1,223
Due to other funds	-	15,164	-	-	-
Deferred revenue	-	-	225,736	-	9,431
Total liabilities	139,256	20,635	319,797	-	48,271
Fund balance:					
Reserved for encumbrances	79,609	-	194,767	60,467	30,402
Unreserved - designated	-	-	219,952	-	-
Unreserved - undesignated	1,732,990	4,389	2,331,920	(59,756)	625,944
Total fund balance (deficit)	1,812,599	4,389	2,746,639	711	656,346
Total liabilities and fund balance	$ 1,951,855	$25,024	$ 3,066,436	$ 711	$ 704,617

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONT'D)
JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR JUNE 30, 2009

Nonmajor Funds					Totals	
LLEBG Fund	Gone with the Wind Museum	Tree Preservation	Hotel Motel Tax	Auto Rental Tax	2010	2009
$ -	$ 450	$ -	$ -	$ -	$ 2,104,799	$ 3,046,880
-	-	-	-	-	1,882,373	936,091
5,193	-	169,412	-	-	1,247,236	2,672,117
-	-	-	-	-	387,373	329,151
3	3,799	97	-	-	144,924	99,043
-	-	-	-	-	160,892	95,291
-	27,532	-	-	-	27,532	15,271
$ 5,196	$ 31,781	$ 169,509	$ -	$ -	$ 5,955,129	$ 7,193,844
$ -	$ 3,352	$ -	$ -	$ -	$ 253,803	$ 137,243
-	4,569	-	-	-	31,746	25,668
-	76,360	-	-	-	91,524	77,399
-	-	-	-	-	235,167	158,730
-	84,281	-	-	-	612,240	399,040
-	1,574	-	-	-	366,819	65,882
-	-	122,939	-	-	342,891	983,273
5,196	(54,074)	46,570	-	-	4,633,179	5,745,649
5,196	(52,500)	169,509	-	-	5,342,889	6,794,804
$ 5,196	$ 31,781	$ 169,509	$ -	$ -	$ 5,955,129	$ 7,193,844

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Nonmajor Funds				
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Marietta Housing Fund	Cemetery Maintenance
Revenues:					
Taxes	$ -	$ -	$ 206,099	$ -	$ 220,847
Intergovernmental	4,854,554	168,542	699,152	-	-
Investment earnings	6,880	-	2,607	-	7,190
Other	-	-	-	-	-
Charges for service	-	-	-	-	-
Total revenues	4,861,434	168,542	907,858	-	228,037
Expenditures:					
Current:					
Public works	-	-	-	-	373,787
Public safety	-	-	-	-	-
Urban redevelopment and housing	5,686,481	168,542	497,967	88	-
Culture and recreation	-	-	-	-	-
Debt service:					
Principal retirement	-	-	520,111	-	-
Interest & fiscal charges	-	-	331,044	-	-
Total expenditures	5,686,481	168,542	1,349,122	88	373,787
Excess (deficiency) of revenues over expenditures	(825,047)	-	(441,264)	(88)	(145,750)
Other financing sources (uses):					
Transfers in	-	-	-	-	-
Transfers out	(46,369)	(501)	-	-	-
Total other financing sources (uses)	(46,369)	(501)	-	-	-
Net change in fund balance	(871,416)	(501)	(441,264)	(88)	(145,750)
Fund balances (deficit) at beginning of year	2,684,015	4,890	3,187,903	799	802,096
Fund balances (deficit) at end of year	$ 1,812,599	$ 4,389	$ 2,746,639	$ 711	$ 656,346

See accompanying notes to the financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Nonmajor Funds						
LLEBG Fund	Gone with the Wind Museum	Tree Preservation	Hotel Motel Tax	Auto Rental Tax	Totals 2010	Totals 2009
$ -	$ -	$ -	$ 1,720,725	$ 355,782	$ 2,503,453	$ 2,695,883
27,499	-	-	-	-	5,749,747	6,724,319
32	-	476	-	-	17,185	47,719
-	48,781	-	-	-	48,781	78,440
-	177,959	-	-	-	177,959	112,026
27,531	226,740	476	1,720,725	355,782	8,497,125	9,658,387
-	-	-	-	-	373,787	330,190
27,503	-	-	-	-	27,503	31,194
-	-	-	-	-	6,353,078	6,046,710
-	212,440	5,045	-	-	217,485	232,394
-	-	-	-	-	520,111	499,195
-	-	-	-	-	331,044	351,960
27,503	212,440	5,045	-	-	7,823,008	7,491,643
28	14,300	(4,569)	1,720,725	355,782	674,117	2,166,744
-	-	-	-	-	-	42,361
-	(2,655)	-	(1,720,725)	(355,782)	(2,126,032)	(2,436,949)
-	(2,655)	-	(1,720,725)	(355,782)	(2,126,032)	(2,394,588)
28	11,645	(4,569)	-	-	(1,451,915)	(227,844)
5,168	(64,145)	174,078	-	-	6,794,804	7,022,648
$5,196	$ (52,500)	$169,509	$ -	$ -	$ 5,342,889	$ 6,794,804

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$ 1,898,717	$ 1,391,739
Equity in pooled cash	29,040	1,410,243
Due from other governments	23,910	9,270
Receivables (net of allowance for estimated uncollectibles):		
Other receivables	188	219
Total assets	$ 1,951,855	$ 2,811,471
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 118,773	$ 111,308
Accrued salaries and employee benefits	20,483	16,148
Total liabilities	139,256	127,456
Fund balance:		
Reserved for encumbrances	79,609	2,720
Unreserved - undesignated	1,732,990	2,681,295
Total fund balance	1,812,599	2,684,015
Total liabilities and fund balance	$ 1,951,855	$ 2,811,471

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Intergovernmental	$ 4,854,554	$ 5,908,520
Investment earnings	6,880	19,269
Total revenues	4,861,434	5,927,789
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	650,131	546,911
Operating	233,312	299,800
Capital outlay	95,952	3,680
Housing assistance payments	4,707,086	4,818,210
Total expenditures	5,686,481	5,668,601
Excess of revenues over expenditures	(825,047)	259,188
Other financing sources (uses):		
Transfers out	(46,369)	(76,866)
Total other financing sources (uses)	(46,369)	(76,866)
Net change in fund balance	(871,416)	182,322
Fund balance at beginning of year	2,684,015	2,501,693
Fund balance at end of year	$ 1,812,599	$ 2,684,015

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD- HOUSING ASSISTANCE PAYMENTS PROGRAM
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 5,246,466	$ 4,854,554	$ (391,912)
Expenditures- urban redevelopment and housing:			
Current:			
Personal services	673,869	650,131	23,738
Operating	323,102	312,551	10,551
Capital outlay	115,240	96,322	18,918
Housing assistance payments	5,361,336	4,707,086	654,250
Total expenditures	6,473,547	5,766,090	707,457
Excess (deficiency) of revenues over expenditures	(1,227,081)	(911,536)	315,545
Other financing sources (uses):			
Transfers out	(46,369)	(46,369)	-
Net change in fund balance	$ (1,273,450)	(957,905)	$ 315,545
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		79,609	
Unbudgeted investment earnings		6,880	
Fund balance at beginning of year - GAAP basis		2,684,015	
Fund balance at end of year - GAAP basis		$ 1,812,599	

CITY OF MARIETTA, GEORGIA
HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Equity in pooled cash	$ -	$ 1,307
Other receivables	642	642
Due from other governments	24,382	7,725
Total assets	$ 25,024	$ 9,674
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accrued salaries and employee benefits	$ 5,471	$ 4,784
Due to other funds	15,164	-
Total liabilities	20,635	4,784
Fund balance:		
Unreserved - undesignated	4,389	4,890
Total fund balance	4,389	4,890
Total liabilities and fund balance	$ 25,024	$ 9,674

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Intergovernmental	$168,542	$129,941
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	167,271	160,056
Operating services	1,271	2,009
Total expenditures	168,542	162,065
Excess (deficiency) of revenues over expenditures	-	(32,124)
Other financing sources (uses)		
Transfers in	-	42,361
Transfers out	(501)	(272)
Total other financing sources (uses)	(501)	42,089
Net change in fund balance	(501)	9,965
Fund balance (deficit) at beginning of year	4,890	(5,075)
Fund balance (deficit) at end of year	$ 4,389	$ 4,890

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE- BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$188,996	$168,542	$ (20,454)
Total revenues	188,996	168,542	(20,454)
Expenditures - urban redevelopment and housing:			
Current:			
Personal services	174,360	167,271	7,089
Operating services	14,135	1,271	12,864
Total expenditures	188,495	168,542	19,953
Excess (deficiency) of revenues over expenditures	501	-	(501)
Other financing sources (uses)			
Transfers out	(501)	(501)	-
Net change in fund balance	$ -	(501)	$ (501)
Fund balance (deficit) at beginning of year - GAAP basis		4,890	
Fund balance (deficit) at end of year - GAAP basis		$ 4,389	

CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash with fiscal agent	$ 1,882,373	$ 2,288,658
Equity in pooled cash	943,271	890,410
Receivables (net of allowance for estimated uncollectibles):		
Taxes	129,030	85,455
Due from other governments	111,762	73,872
Total assets	$ 3,066,436	$ 3,338,395
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 94,061	$ 11,375
Deferred revenue	225,736	139,117
Total liabilities	319,797	150,492
Fund balance:		
Reserved for encumbrances	194,767	57,399
Unreserved - designated	219,952	855,288
Unreserved - undesignated	2,331,920	2,275,216
Total fund balance	2,746,639	3,187,903
Total liabilities and fund balance	$ 3,066,436	$ 3,338,395

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Taxes	$ 206,099	$ 169,597
Intergovernmental	699,152	653,553
Investment earnings	2,607	14,433
Other	-	20,000
Total revenues	907,858	857,583
Expenditures - urban redevelopment and housing:		
Current:		
Capital outlay	497,967	216,044
Debt service:		
Principal retirement	520,111	499,195
Interest & fiscal charges	331,044	351,960
Total expenditures	1,349,122	1,067,199
Excess (deficiency) of revenues over expenditures	(441,264)	(209,616)
Other financing sources (uses)		
Transfers out	-	(54,349)
Total other financing sources (uses)	-	(54,349)
Net change in fund balance	(441,264)	(263,965)
Fund balance at beginning of year	3,187,903	3,451,868
Fund balance at end of year	$ 2,746,639	$ 3,187,903

See accompanying notes to financial statements.

CITY OF MARIETTA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	$ 720,266	$ 206,099	$ (514,167)
Intergovernmental revenue	188,339	699,152	510,813
Investment earnings	15,000	2,607	(12,393)
Total revenues	923,605	907,858	(15,747)
Expenditures- urban redevelopment and housing:			
Capital outlay	775,706	692,734	82,972
Debt service	851,155	851,155	-
Total expenditures	1,626,861	1,543,889	82,972
Excess (deficiency) of revenues over expenditures	(703,256)	(636,031)	67,225
Other financing sources (uses)			
Transfer out	(136,980)	-	136,980
Net change in fund balance	$ (840,236)	(636,031)	$ 204,205
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		194,767	
Fund balance at beginning of year		3,187,903	
Fund balance at end of year		$ 2,746,639	

CITY OF MARIETTA, GEORGIA
MARIETTA HOUSING FUND
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Equity in pooled cash	$ 711	$ 799
Total assets	$ 711	$ 799
FUND BALANCE		
Fund balance:		
Reserved for encumbrances	$ 60,467	$ -
Unreserved - undesignated	(59,756)	799
Total fund balance	$ 711	$ 799

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA HOUSING FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Expenditures - urban redevelopment and housing:		
Capital outlay	$ 88	$ -
Net change in fund balance	(88)	-
Fund balance at beginning of year	799	799
Fund balance at end of year	$ 711	$ 799

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA HOUSING FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 290,000	$ -	$ (290,000)
Expenditures- urban redevelopment and housing:			
Current:			
Capital outlay	290,000	60,555	229,445
Total expenditures	290,000	60,555	229,445
Excess (deficiency) of revenues over 'expenditures	-	(60,555)	(60,555)
Net change in fund balance	$ -	(60,555)	$ (60,555)
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		60,467	
Fund balance at beginning of year - GAAP basis		799	
Fund balance at end of year - GAAP basis		$ 711	

CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$205,632	$ 302,124
Equity in pooled cash	99,609	181,157
Investments	387,373	329,151
Receivables (net of allowance for estimated uncollectibles):		
Taxes	10,386	7,682
Interest	779	984
Due from other governments	838	837
Total assets	$704,617	$ 821,935
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 37,617	$ 11,195
Accrued salaries and employee benefits	1,223	1,573
Deferred revenue	9,431	7,071
Total liabilities	48,271	19,839
Fund balance:		
Reserved for encumbrances	30,402	4,631
Unreserved - undesignated	625,944	797,465
Total fund balance	656,346	802,096
Total liabilities and fund balance	$704,617	$ 821,935

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Taxes	$220,847	$223,479
Investment earnings	7,190	13,551
Other	-	1,770
Total revenues	228,037	238,800
Expenditures - public works:		
Current:		
Personal services	66,885	49,281
Operating services	306,902	264,534
Capital outlay	-	16,375
Total expenditures	373,787	330,190
Excess (deficiency) of revenues over expenditures	(145,750)	(91,390)
Fund balance at beginning of year	802,096	893,486
Fund balance at end of year	$656,346	$802,096

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 208,200	$ 220,847	$ 12,647
Investment earnings	13,000	7,190	(5,810)
Total revenues	221,200	228,037	6,837
Expenditures - public works:			
Current:			
Personal services	89,638	66,885	22,753
Operating services	338,284	337,304	980
Total expenditures	427,922	404,189	23,733
Excess (deficiency) of revenues over expenditures	$(206,722)	(176,152)	$ 30,570
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		30,402	
Fund balances at beginning of year - GAAP basis		802,096	
Fund balance at end of year - GAAP basis		$656,346	

CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Equity in pooled cash	$ 5,193	$ 14,123
Receivables, net	3	-
Due from other governments	-	3,587
Total assets	$ 5,196	$ 17,710
LIABILITIES AND FUND BALANCE		
Liabilities:		
Deferred revenue	$ -	$ 12,542
Total liabilities	-	12,542
Fund balance:		
Reserved for encumbrances	-	1,132
Unreserved - undesignated	5,196	4,036
Total fund balance	5,196	5,168
Total liabilities and fund balance	$ 5,196	$ 17,710

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Intergovernmental	$ 27,499	$ 32,305
Investment earnings	32	48
Total revenues	27,531	32,353
Expenditures - public safety:		
Current:		
Operating services	8,731	1,295
Capital outlay	18,772	29,899
Total expenditures	27,503	31,194
Excess (deficiency) of revenues over expenditures	28	1,159
Net change in fund balance	28	1,159
Fund balance at beginning of year	5,168	4,009
Fund balance at end of year	$ 5,196	$ 5,168

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 28,043	$ 27,499	$ (544)
Total revenues	28,043	27,499	(544)
Expenditures - public safety:			
Current:			
Operating services	8,726	8,731	(5)
Capital outlay	20,449	18,772	1,677
Total expenditures	29,175	27,503	1,672
Excess (deficiency) of revenues over expenditures	(1,132)	(4)	1,128
Net change in fund balance	$ (1,132)	(4)	$ 1,128
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		32	
Fund balance at beginning of year - GAAP basis		5,168	
Fund balance (deficit) at end of year - GAAP basis		$ 5,196	

CITY OF MARIETTA, GEORGIA
GONE WITH THE WIND MUSEUM
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$ 450	$ 450
Receivables, net	3,799	4,061
Inventories	27,532	15,271
Total assets	$ 31,781	$ 19,782
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 3,352	$ 3,365
Accrued salaries and employee benefits	4,569	3,163
Due to other funds	76,360	77,399
Total liabilities	84,281	83,927
Fund balance (deficit):		
Reserved for encumbrances	1,574	-
Unreserved - undesignated	(54,074)	(64,145)
Total fund balance (deficit)	(52,500)	(64,145)
Total liabilities and fund balance	$ 31,781	$ 19,782

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
GONE WITH THE WIND MUSEUM
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Charges for services	$ 177,959	$ 93,632
Investment income	-	70
Other	48,781	56,670
Total revenues	226,740	150,372
Expenditures - culture and recreation:		
Current:		
Personal services	62,031	55,101
Operating services	150,409	103,283
Total expenditures	212,440	158,384
Excess (deficiency) of revenues over expenditures	14,300	(8,012)
Other financing sources (uses):		
Transfers out	(2,655)	(2,655)
Total other financing sources (uses)	(2,655)	(2,655)
Net change in fund balance	11,645	(10,667)
Fund balance (deficit) at beginning of year	(64,145)	(53,478)
Fund balance (deficit) at end of year	$ (52,500)	$ (64,145)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
GONE WITH THE WIND MUSEUM
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Charges for services	$ 159,100	$ 177,959	$ 18,859
Other	47,840	48,781	941
Total revenues	206,940	226,740	19,800
Expenditures:			
Personal services	60,934	62,031	(1,097)
Operating services	143,351	151,983	(8,632)
Total expenditures	204,285	214,014	(9,729)
Excess (deficiency) of revenues over expenditures	2,655	12,726	10,071
Other financing sources (uses)			
Transfer out	(2,655)	(2,655)	-
Net change in fund balance	$ -	10,071	$ 10,071
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		1,574	
Fund balance (deficit) at beginning of year		(64,145)	
Fund balance (deficit) at end of year		$ (52,500)	

CITY OF MARIETTA, GEORGIA
TREE PRESERVATION
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Equity in pooled cash	$ 169,412	$174,078
Receivables, net	97	-
Total assets	$ 169,509	$174,078
FUND BALANCE		
Fund balance:		
Unreserved - designated	$ 122,939	$127,985
Unreserved - undesignated	46,570	46,093
Total fund balance	169,509	174,078
Total fund balance	$ 169,509	$174,078

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
TREE PRESERVATION
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Other	$ -	$ 18,394
Investment earnings	476	348
Total revenues	476	18,742
Expenditures - culture and recreation:		
Current:		
Operating services	5,045	74,010
Total expenditures	5,045	74,010
Excess (deficiency) of revenues over expenditures	(4,569)	(55,268)
Net change in fund balance	(4,569)	(55,268)
Fund balance at beginning of year	174,078	229,346
Fund balance at end of year	$ 169,509	$ 174,078

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
TREE PRESERVATION
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Expenditures - culture and recreation:			
Current:			
Operating services	$ 127,985	$ 5,045	$ 122,940
Total expenditures	127,985	5,045	122,940
Excess (deficiency) of revenues over expenditures	$ (127,985)	(5,045)	$ 122,940
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		476	
Fund balance at beginning of year - GAAP Basis		174,078	
Fund balance at end of year - GAAP Basis		$ 169,509	

CITY OF MARIETTA, GEORGIA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Taxes	$1,720,725	$1,891,608
Total revenues	1,720,725	1,891,608
Other financing sources (uses)		
Transfers out	(1,720,725)	(1,891,608)
Total other financing sources (uses)	(1,720,725)	(1,891,608)
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	$ -	$ -

See accompanying notes to financial statements.

CITY OF MARIETTA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	$1,983,000	$1,720,725	$ (262,275)
Total revenues	1,983,000	1,720,725	(262,275)
Other financing sources (uses)			
Transfer out	(1,983,000)	(1,720,725)	262,275
Net change in fund balance	$ -	-	$ -
Fund balance (deficit) at beginning of year		-	
Fund balance (deficit) at end of year		$ -	

CITY OF MARIETTA, GEORGIA
AUTO RENTAL TAX FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Taxes	$ 355,782	$ 411,199
Total revenues	355,782	411,199
Other financing sources (uses)		
Transfers out	(355,782)	(411,199)
Total other financing sources (uses)	(355,782)	(411,199)
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	$ -	$ -

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
AUTO RENTAL TAX FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	$368,000	$355,782	$ (12,218)
Total revenues	368,000	355,782	(12,218)
Other financing sources (uses)			
Transfer out	(368,000)	(355,782)	12,218
Net change in fund balance	$ -	-	$ -
Fund balance (deficit) at beginning of year		-	
Fund balance (deficit) at end of year		$ -	

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DEBT SERVICE FUND

The Debt Service Fund is used for the accumulation of resources for, and the payment of, principal and interest on general long-term debt (other than enterprise funds).

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$ 336,231	$ 900,523
Equity in pooled cash	1,867,902	-
Investments	1,115,892	5,624,081
Receivables (net of allowance for estimated uncollectibles):		
Taxes	212,175	179,797
Accrued interest	2,414	2,840
Advances to other funds	2,262,175	-
Due from other governments	19,274	19,242
Total assets	$ 5,816,063	$6,726,483
LIABILITIES AND FUND BALANCE		
Liabilities:		
Due to other funds	$ -	$1,860,370
Deferred revenue	187,737	164,606
Total liabilities	187,737	2,024,976
Fund balance:		
Reserved for advances	2,262,175	-
Reserved for debt service	3,366,151	4,701,507
Total fund balance	5,628,326	4,701,507
Total liabilities and fund balance	$ 5,816,063	$6,726,483

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Taxes	$ 4,953,346	$ 5,024,252
Intergovernmental revenue	3,700,691	3,692,565
Investment earnings	34,829	70,382
Total revenue	8,688,866	8,787,199
Expenditures:		
Debt service:		
Principal retirement	6,300,000	6,140,000
Interest on bonds	1,436,511	1,578,413
Fiscal agent fees and bond issuance costs	326,434	1,176
Total expenditures	8,062,945	7,719,589
Excess (deficiency) of revenues over expenditures	625,921	1,067,610
Other financing sources (uses):		
Proceeds of refunding bonds	41,027,190	-
Debt service-principal	(40,605,000)	-
Payment to refunded bond escrow agent	(96,056)	-
Transfers out	(25,236)	(24,491)
Total other financing sources (uses)	300,898	(24,491)
Net change in fund balance	926,819	1,043,119
Fund balance at beginning of year	4,701,507	3,658,388
Fund balance at end of year	$ 5,628,326	$ 4,701,507

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Taxes	$ 4,768,200	$ 4,953,346	$ 185,146
Intergovernmental	3,703,335	3,700,691	(2,644)
Investment earnings	75,000	34,829	(40,171)
Total revenues	8,546,535	8,688,866	142,331
Expenditures:			
Debt Service:			
Principal retirement	53,905,364	47,001,056	6,904,308
Interest and fiscal charges	1,572,782	1,762,945	(190,163)
Total expenditures	55,478,146	48,764,001	6,714,145
Excess (deficiency) of revenues over expenditures	(46,931,611)	(40,075,135)	6,856,476
Other financing sources (uses):			
Transfers out	(25,236)	(25,236)	-
Transfers in	1,707,506	-	(1,707,506)
Bond Proceeds	46,027,856	41,027,190	(5,000,666)
Total other financing sources (uses)	47,710,126	41,001,954	(6,708,172)
Net change in fund balance	$ 778,515	926,819	$ 148,304
Fund balance at beginning of year		4,701,507	
Fund balance at end of year		$ 5,628,326	

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CAPITAL PROJECTS FUNDS

LOCAL OPTION SALES TAX FUND – To account for the proceeds received from Cobb County local option sales tax collections to be used for transportation and sidewalk improvements within the City.

SPLOST FUND - To account for the proceeds received from Cobb County Special Purpose Local Option Sales Tax collections to be used for transportation, sidewalks, and public safety radio system improvements within the City.

CITYWIDE PROJECTS FUND - To account for revenue bonds expenditures that support the construction of major projects and the purchase of major equipment and vehicles within the City.

CITY PARKS BOND FUND - To account for the proceeds of the 2009 $25 Million Park Bond referendum to be used towards land acquisition; improvements to existing parks, facilities, trails and greenspace; development of new parks; administration fees and contingencies.

CITY OF MARIETTA, GEORGIA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2010 AND 2009

	Local Option Sales Tax	Citywide Projects Fund	City Parks Bond Fund	SPLOST Fund	Totals 2010	Totals 2009
ASSETS						
Cash and cash equivalents	$ -	$ -	$ 23,998,055	$ 14,462,699	$ 38,460,754	$ 12,008,032
Cash with fiscal agent	-	20,987,224	-	-	20,987,224	-
Equity in pooled cash	288,828	-	-	48,568	337,396	3,940,531
Receivables, net	117	-	-	1,901	2,018	2,378
Due from other governments	402,159	-	-	2,523,193	2,925,352	3,114,535
Total assets	$ 691,104	$ 20,987,224	$ 23,998,055	$ 17,036,361	$ 62,712,744	$ 19,065,476
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 73,898	$ -	$ -	$ 2,103,946	$ 2,177,844	$ 1,668,375
Retainage payable	-	-	-	327,977	327,977	238,508
Deferred revenue	131,353	-	-	221,568	352,921	-
Due to other funds	90,099	516	-	-	90,615	25,331
Total liabilities	295,350	516	-	2,653,491	2,949,357	1,932,214
Fund balances:						
Reserved for encumbrances	28,672	-	10,500	4,931,930	4,971,102	6,883,486
Unreserved - designated	44,850	-	-	164,504	209,354	286,670
Unreserved - undesignated	322,232	20,986,708	23,987,555	9,286,436	54,582,931	9,963,106
Total fund balances	395,754	20,986,708	23,998,055	14,382,870	59,763,387	17,133,262
Total liabilities and fund balances	$ 691,104	$ 20,987,224	$ 23,998,055	$ 17,036,361	$ 62,712,744	$ 19,065,476

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Local Option Sales Tax	Citywide Projects Fund	City Parks Bond Fund	SPLOST Fund	Totals 2010	Totals 2009
Revenues:						
Investment earnings	$ 335	$ -	$ 25,000	$ 40,482	$ 65,817	$ 290,347
Intergovernmental	36,576	-	-	10,186,055	10,222,631	9,509,619
Total revenues	36,911	-	25,000	10,226,537	10,288,448	9,799,966
Expenditures:						
Capital projects	185,791	-	2,785,096	11,392,973	14,363,860	12,863,322
Debt service:						
Interest on bonds	-	-	-	675,000	675,000	363,308
Fiscal agent fees and bond issuance cost	-	616,430	213,552	364,322	1,194,304	-
Total expenditures	185,791	616,430	2,998,648	12,432,295	16,233,164	13,226,630
Excess (deficiency) of revenues over expenditures	(148,880)	(616,430)	(2,973,648)	(2,205,758)	(5,944,716)	(3,426,664)
Other financing sources (uses):						
Proceeds of refunding bonds	-	34,109,492	26,971,703	-	61,081,195	-
Transfers out	-	(12,506,354)	-	-	(12,506,354)	(59,835)
Net change in fund balance	(148,880)	20,986,708	23,998,055	(2,205,758)	42,630,125	(3,486,499)
Fund balances at beginning of year	544,634	-	-	16,588,628	17,133,262	20,619,761
Fund balances at end of year	$ 395,754	$ 20,986,708	$ 23,998,055	$ 14,382,870	$ 59,763,387	$ 17,133,262

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Equity in pooled cash	$ 288,828	$ -
Receivables:		
Accrued interest	117	13
Due from other governments	402,159	578,420
Total assets	$ 691,104	$ 578,433
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 73,898	$ 8,468
Deferred revenue	131,353	-
Due to other funds	90,099	25,331
Total liabilities	295,350	33,799
Fund balance:		
Reserved for encumbrances	28,672	194,241
Unreserved - designated	44,850	57,079
Unreserved - undesignated	322,232	293,314
Total fund balance	395,754	544,634
Total liabilities and fund balance	$ 691,104	$ 578,433

See accompanyting notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Investment earnings	$ 335	$ 189
Intergovernmental	36,576	49,784
Total revenues	36,911	49,973
Expenditures:		
Capital projects	185,791	155,581
Total expenditures	185,791	155,581
Excess (deficiency) of revenues over expenditures	(148,880)	(105,608)
Net change in fund balance	(148,880)	(105,608)
Fund balance at beginning of year	544,634	650,242
Fund balance at end of year	$395,754	$544,634

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental	$ 1,048,001	$ 36,576	$ (1,011,425)
Total revenues	1,048,001	36,576	(1,011,425)
Expenditures:			
Capital projects	1,299,321	214,463	1,084,858
Total expenditures	1,299,321	214,463	1,084,858
Net change in fund balance	$ (251,320)	(177,887)	$ 73,433
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		335	
Encumbrances outstanding at end of year		28,672	
Fund balance at beginning of year - GAAP basis		544,634	
Fund balance at end of year - GAAP basis		$ 395,754	

CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$14,462,699	$12,008,032
Equity in pooled cash	48,568	3,940,531
Receivables:		
Accrued interest	1,901	2,365
Due from other governments	2,523,193	2,536,115
Total assets	$17,036,361	$18,487,043
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 2,103,946	1,659,907
Retainage payable	327,977	238,508
Deferred revenue	221,568	-
Total liabilities	2,653,491	1,898,415
Fund balance:		
Reserved for encumbrances	4,931,930	6,689,245
Unreserved - designated	164,504	229,591
Unreserved - undesignated	9,286,436	9,669,792
Total fund balance	14,382,870	16,588,628
Total liabilities and fund balance	$17,036,361	$18,487,043

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Revenues:		
Investment earnings	$ 40,482	$ 290,158
Intergovernmental	10,186,055	9,459,835
Total revenues	10,226,537	9,749,993
Expenditures:		
Capital projects	11,392,973	12,707,741
Debt Service		
Principal retirement	675,000	-
Interest and fiscal charges	364,322	363,308
Total expenditures	12,432,295	13,071,049
Excess (deficiency) of revenues over expenditures	(2,205,758)	(3,321,056)
Other financing sources (uses):		
Transfers out	-	(59,835)
Net change in fund balance	(2,205,758)	(3,380,891)
Fund balance at beginning of year	16,588,628	19,969,519
Fund balance at end of year	$ 14,382,870	$ 16,588,628

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental	$ 25,277,061	$10,186,055	$ (15,091,006)
Total revenues	25,277,061	10,186,055	(15,091,006)
Expenditures:			
Capital projects	33,722,898	16,324,903	17,397,995
Debt Service:			
Principal retirement	675,000	675,000	-
Interest and fiscal charges	364,322	364,322	-
Total expenditures	34,762,220	17,364,225	17,397,995
Excess (deficiency) of revenues over expenditures	(9,485,159)	(7,178,170)	2,306,989
Other financing sources (uses):			
Transfers out	(127,033)	-	127,033
Net change in fund balance	$ (9,612,192)	(7,178,170)	$ 2,434,022
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		40,482	
Encumbrances outstanding at end of year		4,931,930	
Fund balance at beginning of year - GAAP basis		16,588,628	
Fund balance at end of year - GAAP basis		$14,382,870	

CITY OF MARIETTA, GEORGIA
CITYWIDE PROJECTS
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures:			
Debt service:			
Interest and fiscal charges	$ 623,492	$ 616,430	$ 7,062
Total expenditures	623,492	616,430	7,062
Excess (deficiency) of revenues over expenditures	(623,492)	(616,430)	(7,062)
Other financing sources (uses):			
Bond proceeds	34,109,492	34,109,492	-
Transfers out	(33,486,000)	(12,506,354)	20,979,646
Net change in fund balance	$(34,109,492)	20,986,708	$ 55,096,200
Fund balance at beginning of year - GAAP basis		-	
Fund balance at end of year - GAAP basis		$20,986,708	

CITY OF MARIETTA, GEORGIA
CITY PARKS BOND
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Expenditures:			
Capital projects	$ 26,686,711	$ 2,795,596	$ 23,891,115
Debt service:			
Interest and fiscal charges	284,993	213,552	71,441
Total expenditures	26,971,704	3,009,148	23,962,556
Excess (deficiency) of revenues over expenditures	(26,971,704)	(3,009,148)	23,962,556
Other financing sources (uses):			
Bond proceeds	26,971,704	26,971,703	1
Net change in fund balance	$(26,971,704)	23,962,555	$ 50,934,259
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		25,000	
Encumbrances outstanding at end of year		10,500	
Fund balance at beginning of year - GAAP basis		-	
Fund balance at end of year - GAAP basis		$23,998,055	

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds are used to account for the acquisition, operation and maintenance of government facilities and services which are predominantly or entirely self-supporting by user charges. The operations of Enterprise Funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

BOARD OF LIGHTS AND WATERWORKS FUND – To account for the operations of the electric and water distribution, and sewer collection systems. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection. The different enterprise funds are combined as allowed by the State Statute for Combined Public Utilities Systems.

CITY GOLF COURSE FUND – To account for the receipts and disbursements of monies from the operation of the City golf course.

MARIETTA CONFERENCE CENTER AND RESORT FUND – To account for the assets of the City's conference center, along with the service of debt issued through the Downtown Marietta Development Authority.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR JUNE 30, 2009

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2010	Totals 2009
ASSETS					
Current assets:					
Cash and cash equivalents	$ 1,630,703	$ 6,980	$ 9,981	$ 1,647,664	$ 170,970
Equity in pooled cash	417,411	-	-	417,411	1,682,560
Investments	9,854,930	189	59	9,855,178	19,439,819
Restricted investments:					
Revenue bond debt service	-	-	-	-	2,418,022
Facility renovation	-	-	-	-	985,557
Furniture and fixtures reserve	-	-	-	-	6,232
Other	-	-	-	-	59
Receivables, net	16,712,009	10,133	-	16,722,142	14,829,851
Due from other funds	7,311,769	-	127,968	7,439,737	5,396,026
Inventories, at cost	2,845,998	-	-	2,845,998	3,184,531
Total current assets	38,772,820	17,302	138,008	38,928,130	48,113,627
Noncurrent assets:					
Restricted assets:					
Investments	7,247,245	-	-	7,247,245	6,713,126
Advances to other funds	8,977,685	-	-	8,977,685	-
Total noncurrent assets	16,224,930	-	-	16,224,930	6,713,126
Property, plant and equipment:					
Land and land improvements	1,382,976	6,600,000	769,284	8,752,260	8,752,260
Buildings and improvements	15,833,036	2,028,342	23,326,210	41,187,588	40,988,536
Electrical plant in service	98,179,406	-	-	98,179,406	94,009,926
Water and sewer system	78,114,643		-	78,114,643	71,859,675
Machinery and equipment	48,088,051	3,618,466	12,354,692	64,061,209	62,072,732
	241,598,112	12,246,808	36,450,186	290,295,106	277,683,129
Less: accumulated depreciation	(130,362,853)	(4,123,337)	(17,177,895)	(151,664,085)	(141,224,389)
Net property, plant and equipment	111,235,259	8,123,471	19,272,291	138,631,021	136,458,740
Other assets:					
Inventories, at cost	-	-	118,998	118,998	256,309
Unamortized costs	-	81,304	-	81,304	1,505,859
Investment	3,729,966	-	-	3,729,966	3,729,966
	3,729,966	81,304	118,998	3,930,268	5,492,134
Less: accumulated amortization	-	-	-	-	(593,670)
Net other assets	3,729,966	81,304	118,998	3,930,268	4,898,464
Total noncurrent assets	131,190,155	8,204,775	19,391,289	158,786,219	148,070,330
Total assets	$169,962,975	$8,222,077	$ 19,529,297	$197,714,349	$196,183,957

See accompanying notes to financial statements.
Continued on next page.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS (CONT'D)
JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR JUNE 30, 2009

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2010	Totals 2009
LIABILITIES					
Current liabilities:					
Accounts payable	$ 10,826,602	$ 73,432	$ -	$ 10,900,034	$ 12,012,911
Accrued salaries	431,451	-	-	431,451	378,623
Accrued sales tax	623,465	-	-	623,465	518,100
Other accrued liabilities	-	-	-	-	21,330
Accrued compensated absences	296,546	-	-	296,546	303,701
Due to other funds	-	1,152,510	3,633,622	4,786,132	1,711,663
Capital lease obligations	-	706,846	-	706,846	679,289
Bonds payable	-	-	-	-	1,045,000
Accrued interest payable	-	57,314	-	57,314	202,461
Total current liabilities	12,178,064	1,990,102	3,633,622	17,801,788	16,873,078
Long-term liabilities (net of current portion):					
Accrued compensated absences	498,247	-	-	498,247	507,838
Deferred revenue	516,340	-	-	516,340	-
Net pension obligation	195,786	-	-	195,786	288,084
Net OPEB obligation	4,150,396	-	-	4,150,396	1,829,354
Customer deposits	7,247,245	-	-	7,247,245	6,713,126
Capital lease obligations	-	3,416,277	-	3,416,277	4,075,285
Advances from other funds	-	-	27,721,425	27,721,425	-
Revenue bonds	-	-	-	-	30,362,000
Total long-term liabilities	12,608,014	3,416,277	27,721,425	43,745,716	43,775,687
Total liabilities	24,786,078	5,406,379	31,355,047	61,547,504	60,648,765
NET ASSETS					
Invested in capital assets, net of related debt	111,235,259	4,000,348	19,272,291	134,507,898	105,531,822
Restricted for:					
Debt Service	-	-	-	-	2,281,462
Other	-	-	-	-	6,232
Unrestricted	33,941,638	(1,184,650)	(31,098,041)	1,658,947	27,715,676
Total net assets	$ 145,176,897	$ 2,815,698	$ (11,825,750)	$ 136,166,845	$ 135,535,192

See accompanying notes to financial statements.
Continued from previous page.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2010	Totals 2009
Operating revenues:					
Charges for services	$125,890,257	$1,516,966	$ -	$127,407,223	$120,541,466
Lease income	-	-	1,942,774	1,942,774	1,726,505
Other	1,277,575	-	-	1,277,575	1,220,195
Total operating revenues	127,167,832	1,516,966	1,942,774	130,627,572	123,488,166
Operating expenses:					
Personal services	16,456,159	-	-	16,456,159	15,270,637
Operating	85,241,014	1,207,871	158,772	86,607,657	84,981,088
Other	915,876	-	-	915,876	935,111
Depreciation	8,630,164	203,322	1,606,211	10,439,697	10,920,299
Total operating expenses	111,243,213	1,411,193	1,764,983	114,419,389	112,107,135
Operating income	15,924,619	105,773	177,791	16,208,183	11,381,031
Nonoperating revenues (expenses):					
Investment earnings	223,313	-	91	223,404	712,646
Interest and fiscal charges	-	(171,782)	(787,174)	(958,956)	(2,204,474)
Swap termination fee	-	-	(5,111,000)	(5,111,000)	-
Amortization	-	(16,536)	(25,845)	(42,381)	(79,941)
Gain (loss) on sale of capital assets	112,862	-	-	112,862	165,386
Gain on extinguishment of debt	-	-	168,042	168,042	-
Other	10,604	-	-	10,604	16,272
Total nonoperating revenues (expenses)	346,779	(188,318)	(5,755,886)	(5,597,425)	(1,390,111)
Capital contributions from developers	237,175	-	-	237,175	661,994
Income (loss) before transfers	16,508,573	(82,545)	(5,578,095)	10,847,933	10,652,914
Transfers:					
Transfers in	15,612,888	399,345	522,729	16,534,962	4,150,038
Transfers out	(26,726,221)	(25,021)	-	(26,751,242)	(13,850,023)
Total transfers	(11,113,333)	374,324	522,729	(10,216,280)	(9,699,985)
Change in net assets	5,395,240	291,779	(5,055,366)	631,653	952,929
Net assets at beginning of year, before restatement	139,781,657	2,523,919	(6,770,384)	135,535,192	134,900,080
Restatement	-	-	-	-	(317,817)
Net assets at beginning of year, after restatement	139,781,657	2,523,919	(6,770,384)	135,535,192	134,582,263
Net assets at end of year	$145,176,897	$2,815,698	$ (11,825,750)	$136,166,845	$135,535,192

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2010	Totals 2009
Cash flows from operating activities:					
Cash received from customers	$ 123,042,245	$ 1,513,003	$ -	$ 124,555,248	$ 117,372,034
Cash received from other operating activities	1,277,575	-	-	1,277,575	1,223,189
Cash received from lease	-	-	1,942,774	1,942,774	1,726,505
Cash payments goods and services	(86,816,518)	(1,062,422)	2,898,339	(84,980,601)	(84,529,745)
Cash payments for employee services and fringe benefits	(14,191,333)	-	-	(14,191,333)	(13,933,916)
Net cash from (to) operating activities	23,311,969	450,581	4,841,113	28,603,663	21,858,067
Cash flows from noncapital financing activities:					
Transfers in	15,612,888	399,345	522,729	16,534,962	4,150,038
Transfers out	(26,726,221)	(25,021)	-	(26,751,242)	(13,850,023)
Net cash from (to) noncapital financing activities	(11,113,333)	374,324	522,729	(10,216,280)	(9,699,985)
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(12,385,025)	(11,237)	-	(12,396,262)	(22,161,169)
Advances from (to) other funds	(8,977,685)	-	27,721,425	18,743,740	-
Payments on capital leases	-	(631,451)	-	(631,451)	(826,379)
Proceeds from fixed asset sales	112,862	-	-	112,862	165,386
Proceeds from bond issue	-	-	-	-	-
Bond principal payments	-	-	(30,420,000)	(30,420,000)	(990,000)
Swap termination fee	-	-	(5,111,000)	(5,111,000)	
Interest and fiscal charges	-	(180,372)	(954,188)	(1,134,560)	(2,148,505)
Issues costs on debt	-	-	-	-	17,914
Net cash from (to) capital and related financing activities	(21,249,848)	(823,060)	(8,763,763)	(30,836,671)	(25,942,753)
Cash flows from investing activities:					
Rental income received (paid)	10,604	-	-	10,604	13,278
Investment income received (paid)	189,745	-	91	189,836	757,306
Investment (purchases) sales	9,050,771	(189)	3,409,811	12,460,393	3,408,528
Net cash from (to) investing activities	9,251,120	(189)	3,409,902	12,660,833	4,179,112
Net increase (decrease) in cash and cash equivalents	199,908	1,656	9,981	211,545	(9,605,559)
Cash and cash equivalents at beginning of year:					
Cash	165,646	5,324	-	170,970	11,133,424
Equity in pooled cash	1,682,560	-	-	1,682,560	325,665
Total cash and cash equivalents, beginning of year	1,848,206	5,324	-	1,853,530	11,459,089
Cash and cash equivalents at end of year:					
Cash	1,630,703	6,980	9,981	1,647,664	170,970
Equity in pooled cash	417,411	-	-	417,411	1,682,560
Total cash and cash equivalents, end of year	$ 2,048,114	$ 6,980	$ 9,981	$ 2,065,075	$ 1,853,530

See accompanying notes to financial statements.
Continued on next page.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2010	Totals 2009
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 15,924,619	$ 105,773	$ 177,791	$ 16,208,183	$ 11,381,031
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	8,630,164	203,322	1,606,211	10,439,697	10,920,299
Miscellaneous	-	-	-	-	2,994
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	(3,963)	-	(3,963)	17,185
(Increase) decrease in utility accounts receivable	(1,854,760)	-	-	(1,854,760)	(1,215,211)
(Increase) decrease in due from other funds	(2,043,711)	-	-	(2,043,711)	(2,147,248)
(Increase) decrease in inventories	338,533	-	158,772	497,305	(37,695)
(Increase) decrease in net pension asset/obligation	(92,298)	-	-	(92,298)	240,459
Increase (decrease) in accounts payable	(1,103,526)	8,189	(17,540)	(1,112,877)	1,365,912
Increase (decrease) in accrued salaries	52,828	-	-	52,828	59,438
Increase (decrease) in accrued sales tax	105,365	-	-	105,365	37,528
Increase (decrease) in accrued compensated absences	(16,746)	-	-	(16,746)	44,262
Increase (decrease) in other accrued expenses	-	-	(21,330)	(21,330)	(6,042)
Increase (decrease) in due to other funds	-	137,260	2,937,209	3,074,469	26,751
Increase (decrease) deferred revenue	516,340	-	-	516,340	-
Increase (decrease) in net OPEB obligation	2,321,042	-	-	2,321,042	992,562
Increase (decrease) in customer deposits	534,119	-	-	534,119	175,842
Net cash from (to) operating activities	$ 23,311,969	$ 450,581	$ 4,841,113	$ 28,603,663	$ 21,858,067

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2009, assets contributed by developers totaled $661,994 in the Board of Lights and Waterworks.
During 2010, assets contributed by developers totaled $237,175 in the Board of Lights and Waterworks.
During 2010, gain on extinguishment of debt totaled $168,042.

See accompanying notes to financial statements.
Continued from previous page.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JUNE 30, 2010 AND 2009

ASSETS	2010	2009
Current assets:		
Cash and cash equivalents	$ 1,630,703	$ 165,646
Equity in pooled cash	417,411	1,682,560
Investments	9,854,930	19,439,819
Receivables:		
Accrued interest	36,510	2,942
Utility accounts (net of allowance for estimated uncollectibles of $498,000 and $498,000)	16,675,499	14,820,739
Due from other funds	7,311,769	5,268,058
Inventories	2,845,998	3,184,531
Total current assets	38,772,820	44,564,295
Noncurrent assets:		
Restricted assets:		
Investments	7,247,245	6,713,126
Property, plant and equipment:		
Land	1,382,976	1,382,976
Buildings and improvements	15,833,036	15,633,984
Electrical plant in service	98,179,406	94,009,926
Water and sewer system	78,114,643	71,859,675
Machinery and equipment	48,088,051	46,089,351
	241,598,112	228,975,912
Less: accumulated depreciation	(130,362,853)	(121,732,688)
Net property, plant and equipment	111,235,259	107,243,224
Other assets:		
Advances to other funds	8,977,685	-
Investment	3,729,966	3,729,966
Total other assets	12,707,651	3,729,966
Total noncurrent assets	131,190,155	117,686,316
Total assets	$ 169,962,975	$ 162,250,611

See accompanying notes to financial statements.
Continued on next page.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS (CONT'D)
JUNE 30, 2010 AND 2009

	2010	2009
LIABILITIES		
Liabilities:		
Current liabilities:		
Accounts payable	$ 10,826,602	$ 11,930,128
Accrued salaries and employee benefits	431,451	378,623
Accrued sales tax	623,465	518,100
Accrued compensated absences	296,546	303,701
Total current liabilities	12,178,064	13,130,552
Long-term liabilities (net of current portion):		
Accrued compensated absences	498,247	507,838
Deferred revenue	516,340	-
Net pension obligation	195,786	288,084
Net OPEB obligation	4,150,396	1,829,354
Customer deposits	7,247,245	6,713,126
Total long-term liabilities (net of current portion)	12,608,014	9,338,402
Total liabilities	24,786,078	22,468,954
NET ASSETS		
Invested in capital assets, net of related debt	111,235,259	107,243,223
Unrestricted	33,941,638	32,538,434
Total net assets	$145,176,897	$139,781,657

See accompanying notes to financial statements.
Continued from previous page.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010 AND 2009

	2010	2009
Operating revenues:		
Charges for services	$125,890,257	$118,838,617
Other	1,277,575	1,220,195
Total operating revenues	127,167,832	120,058,812
Operating expenses:		
Personal services	16,456,159	15,270,637
Operating	85,241,014	83,560,590
Other	915,876	935,111
Depreciation	8,630,164	9,402,911
Total operating expenses	111,243,213	109,169,249
Operating income	15,924,619	10,889,563
Nonoperating revenues (expenses):		
Investment earnings	223,313	673,537
Gain (loss) on sale of assets	112,862	165,386
Other	10,604	13,278
Total nonoperating revenues (expenses)	346,779	852,201
Capital contributions from developers	237,175	661,994
Income before transfers	16,508,573	12,403,758
Transfers:		
Transfers in	15,612,888	3,186,959
Transfers out	(26,726,221)	(13,822,935)
Total transfers in (out)	(11,113,333)	(10,635,976)
Change in net assets	5,395,240	1,767,782
Net assets at beginning of year, before restatement	139,781,657	138,331,692
Restatement	-	(317,817)
Net assets at beginning of year, after restatement	139,781,657	138,013,875
Net assets at end of year	$145,176,897	$139,781,657

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Cash flows from operating activities:		
Cash received from customers	$ 123,042,245	$ 115,652,000
Cash received from other operating activities	1,277,575	1,220,195
Cash payments goods and services	(86,816,518)	(83,159,596)
Cash payments for employee services and fringe benefits	(14,191,333)	(13,933,916)
Net cash from (to) operating activities	23,311,969	19,778,683
Cash flows from noncapital financing activities:		
Transfers in	15,612,888	3,186,959
Transfers out	(26,726,221)	(13,822,935)
Net cash from (to) noncapital financing activities	(11,113,333)	(10,635,976)
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(12,385,025)	(17,171,799)
Advances from (to) other funds	(8,977,685)	-
Proceeds from sale of assets	112,862	165,386
Net cash from (to) capital and related financing activities	(21,249,848)	(17,006,413)
Cash flows from investing activities:		
Rental income received	10,604	13,278
Interest received	189,745	718,197
Investment (purchases) sales	9,050,771	(1,636,766)
Net cash from (to) investing activities	9,251,120	(905,291)
Net increase (decrease) in cash and cash equivalents	199,908	(8,768,997)
Cash and cash equivalents at beginning of year:		
Cash	165,646	10,291,538
Equity in pooled cash	1,682,560	325,665
Total cash and cash equivalents, beginning of year	1,848,206	10,617,203
Cash and cash equivalents at end of year:		
Cash	1,630,703	165,646
Equity in pooled cash	417,411	1,682,560
Total cash and cash equivalents, end of year	$ 2,048,114	$ 1,848,206
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	$ 15,924,619	$ 10,889,563
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	8,630,164	9,402,911
Change in assets and liabilities:		
(Increase) decrease in other receivable	-	-
(Increase) decrease in utility accounts receivable	(1,854,760)	(1,215,211)
(Increase) decrease in due from other funds	(2,043,711)	(2,147,248)
(Increase) decrease in inventories	338,533	(35,878)
(Increase) decrease in due from other governments	-	-
(Increase) decrease in net pension asset/obligation	(92,298)	240,459
Increase (decrease) in accounts payable	(1,103,526)	1,362,405
Increase (decrease) in accrued salaries	52,828	59,438
Increase (decrease) in accrued sales tax	105,365	37,528
Increase (decrease) in accrued compensated absences	(16,746)	44,262
Increase (decrease) in net OPEB obligation	2,321,042	992,562
Increase (decrease) in due to other governments	-	-
Increase (decrease) in due to other funds	-	(27,950)
Increase (decrease) in deferred revenue	516,340	-
Increase (decrease) in customer deposits	534,119	175,842
Net cash from operating activities	$ 23,311,969	$ 19,778,683

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2010, assets contributed by developers totaled $237,175.
During 2009, assets contributed by developers totaled $661,994.

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JUNE 30, 2010 AND 2009

ASSETS	2010	2009
Current assets:		
Cash	$ 6,980	$ 5,324
Investments	189	-
Accounts receivable	10,133	6,170
Total current assets	17,302	11,494
Noncurrent assets:		
Property, plant and equipment:		
Land	6,600,000	6,600,000
Buildings and improvements	2,028,342	2,028,342
Machinery and equipment	3,618,466	3,607,228
	12,246,808	12,235,570
Less: accumulated depreciation	(4,123,337)	(3,920,017)
Net property, plant and equipment	8,123,471	8,315,553
Other assets:		
Unamortized bond costs	81,304	97,840
Total noncurrent assets	8,204,775	8,413,393
Total assets	8,222,077	8,424,887
LIABILITIES		
Liabilities:		
Current liabilites:		
Accounts payable	$ 73,432	$ 65,243
Due to other funds	1,152,510	1,015,250
Capital lease obligations	706,846	679,289
Accrued interest payable	57,314	65,901
Total current liabilities	1,990,102	1,825,683
Long-term liabilities (net of current portion):		
Capital lease obligations (net of deferred loss of $239,182 and $287,018)	3,416,277	4,075,285
Total long-term liabilities	3,416,277	4,075,285
Total liabilities	5,406,379	5,900,968
NET ASSETS		
Invested in capital assets, net of related debt	4,000,348	3,495,078
Unrestricted	(1,184,650)	(971,159)
Total net assets	$ 2,815,698	$ 2,523,919

See accompanying notes to financial statements.

CITY OF MAREITTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Operating revenues:		
Charges for services	1,516,966	$ 1,702,849
Operating expenses:		
Operating	1,207,871	1,286,685
Depreciation	203,322	202,630
Total operating expenses	1,411,193	1,489,315
Operating income (loss)	105,773	213,534
Nonoperating revenues (expenses) :		
Interest expense	(171,782)	(218,364)
Amortization of bond costs	(16,536)	(17,914)
Other	-	2,994
Total nonoperating revenues (expenses)	(188,318)	(233,284)
Income (loss) before operating transfers	(82,545)	(19,750)
Transfers:		
Transfers in	399,345	367,677
Transfers out	(25,021)	(27,088)
Total transfers	374,324	340,589
Change in net assets	291,779	320,839
Net assets at beginning of year	2,523,919	2,203,080
Net assets at end of year	$ 2,815,698	$ 2,523,919

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Cash flows from operating activities:		
Cash received from customers	$ 1,513,003	$ 1,720,034
Cash payments for goods and services	(1,062,422)	(1,851,188)
Cash received from other operating activities	-	2,994
Net Cash from (to) operating activities	450,581	(128,160)
Cash flows from noncapital financing activities:		
Transfers in	399,345	367,677
Transfers out	(25,021)	(27,088)
Net cash from (to) noncapital financing activities	374,324	340,589
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(11,237)	(88,063)
Payments on capital leases	(631,451)	(826,379)
Issue costs on debts	-	17,914
Interest and fiscal charges	(180,372)	(152,463)
Net cash from (to) capital related financing activities	(823,060)	(1,048,991)
Cash flows from investing activities:		
Investment (purchases) sales	(189)	-
Net cash from (to) investing activities	(189)	-
Net increase (decrease) in cash and cash equivalents	1,656	(836,562)
Cash and cash equivalents at beginning of year	5,324	841,886
Cash and cash equivalents at end of year	$ 6,980	$ 5,324
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	$ 105,773	$ 213,534
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	203,322	202,630
Miscellaneous revenue	-	2,994
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(3,963)	17,185
Increase (decrease) in due to other funds	137,260	(550,470)
Increase (decrease) in accounts payable	8,189	(14,033)
Net cash from (to) operating activities	$ 450,581	$ (128,160)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JUNE 30, 2010 AND 2009

ASSETS

	2010	2009
Current assets:		
Cash	$ 9,981	$ -
Unrestricted investments	59	-
Restricted investments:		
Revenue bond debt service	-	2,418,022
Facility renovation	-	985,557
Furniture and fixtures reserve	-	6,232
Other	-	59
Due from other funds	127,968	127,968
Total current assets	138,008	3,537,838
Noncurrent assets:		
Property, plant and equipment:		
Land	769,284	769,284
Buildings and improvements	23,326,210	23,326,210
Machinery and equipment	12,354,692	12,376,153
	36,450,186	36,471,647
Less: accumulated depreciation	(17,177,895)	(15,571,684)
Net property, plant and equipment	19,272,291	20,899,963
Other assets:		
Inventories, at cost	118,998	256,309
Unamortized bond costs	-	1,408,019
Less: accumulated amortization	-	(593,670)
Net other assets	118,998	1,070,658
Total noncurrent assets	19,391,289	21,970,621
Total assets	$19,529,297	$25,508,459

See accompanying notes to financial statements.
Continued on next page.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS (CONT'D)
JUNE 30, 2010 AND 2009

LIABILITIES	2010	2009
Liabilities:		
Current liabilites:		
Accounts payable	$ -	$ 17,540
Other accrued liabilities	-	21,330
Due to other funds	3,633,622	696,413
Accrued interest payable	-	136,560
Bonds payable	-	1,045,000
Total current liabilities	3,633,622	1,916,843
Long-term liabilities (net of current portion):		
Advances from other funds	27,721,425	-
Revenue bonds	-	30,362,000
Total long-term liabilities	27,721,425	31,480,000
Total liabilities	31,355,047	32,278,843
NET ASSETS		
Invested in capital assets, net of related debt	19,272,291	(5,206,480)
Restricted for:		
Debt Service	-	2,281,462
Other	-	6,232
Unrestricted	(31,098,041)	(3,851,598)
Total net assets	$ (11,825,750)	$ (6,770,384)

See accompanying notes to financial statements.
Continued from previous page.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Operating revenues:		
Lease income	$ 1,942,774	$ 1,726,505
Operating expenses:		
Operating	158,772	133,813
Depreciation	1,606,211	1,314,758
Total operating expenses	1,764,983	1,448,571
Operating income (loss)	177,791	277,934
Nonoperating revenues (expenses) :		
Investment earnings	91	39,109
Interest and fiscal charges	(787,174)	(1,986,110)
Swap termination fee	(5,111,000)	-
Gain on extinguishment of debt	168,042	-
Amortization	(25,845)	(62,027)
Total nonoperating revenues (expense)	(5,755,886)	(2,009,028)
Income (loss) before operating transfers	(5,578,095)	(1,731,094)
Transfers:		
Transfers in	522,729	595,402
Total transfers	522,729	595,402
Change in net assets	(5,055,366)	(1,135,692)
Net assets at beginning of year	(6,770,384)	(5,634,692)
Net assets at end of year	$(11,825,750)	$(6,770,384)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Cash flows from operating activities:		
Cash received from lease	$ 1,942,774	$ 1,726,505
Cash payments for goods and services	2,898,339	481,039
Net cash from (to) operating activities	4,841,113	2,207,544
Cash flows from noncapital financing activities:		
Transfers in	522,729	595,402
Net cash from (to) noncapital financing	522,729	595,402
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	-	(4,901,307)
Advances from other funds	27,721,425	-
Bond principal payments	(30,420,000)	(990,000)
Swap termination fee	(5,111,000)	-
Interest and fiscal charges	(954,188)	(1,996,042)
Net cash from (to) capital and related financing activities	(8,763,763)	(7,887,349)
Cash flows from investing activities:		
Investment income received	91	39,109
Investment (purchases) sales	3,409,811	5,045,294
Net cash from (to) investing activities	3,409,902	5,084,403
Net increase (decrease) in cash and cash equivalents	9,981	-
Cash and cash equivalents at beginning of year	-	-
Total cash and cash equivalents, end of year	$ 9,981	$ -
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	$ 177,791	$ 277,934
Adjustments to reconcile operating income to net cash from operating activities:		
Noncash transactions		
Depreciation	1,606,211	1,314,758
Change in assets and liabilities:		
(Increase) decrease in inventories	158,772	(1,817)
Increase (decrease) in accounts payable	(17,540)	17,540
Increase (decrease) in other accrued expenses	(21,330)	(6,042)
Increase (decrease) in due to other funds	2,937,209	605,171
Net cash from (to) operating activities	$ 4,841,113	$ 2,207,544

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2010, gain on extinguishment of debt totaled $168,042.

See accompanying notes to financial statements.

INTERNAL SERVICES FUNDS

Internal Services Funds account for services performed by a central service department for other departments or agencies of the government unit. The City has the following Internal Services Funds.

SELF-INSURANCE FUND – This fund is for the purpose of providing self-funding for casualty, liability, workers' compensation and medical claims.

MOTOR TRANSPORT FUND – This fund provides repair and maintenance services for vehicles owned by various City departments. The Motor Transport Fund bills the individual funds for the services rendered.

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR JUNE 30, 2009

	Self-Insurance	Motor Transport	Totals 2010	Totals 2009
ASSETS				
Current assets:				
Cash and cash equivalents	$2,712,683	$ -	$2,712,683	$3,888,671
Equity in pooled cash	2,893,843	-	2,893,843	-
Investments	4,263,092	-	4,263,092	3,458,156
Receivables, net	154,305	-	154,305	152,642
Due from other governments	-	5,159	5,159	1,165
Inventories	-	101,965	101,965	47,591
Total current assets	10,023,923	107,124	10,131,047	7,548,225
Property, plant and equipment:				
Buildings and improvements	-	496,340	496,340	496,340
Machinery and equipment	-	1,017,630	1,017,630	1,014,502
Less: accumulated depreciation	-	(785,028)	(785,028)	(739,356)
Net property, plant and equipment	-	728,942	728,942	771,486
Total assets	10,023,923	836,066	10,859,989	8,319,711
LIABILITIES				
Current liabilities:				
Accounts payable	156,789	155,635	312,424	347,239
Claims and judgements payable	2,162,843	-	2,162,843	2,175,775
Accrued salaries	-	21,953	21,953	18,937
Accrued compensated absences	-	10,985	10,985	12,442
Due to other funds	5,741,301	814,536	6,555,837	3,995,387
Total current liabilities	8,060,933	1,003,109	9,064,042	6,549,780
Long-term liabilities (net of current portion):				
Accrued compensated absences	-	12,730	12,730	13,131
Total liabilities	8,060,933	1,015,839	9,076,772	6,562,911
NET ASSETS				
Invested in capital assets, net of related debt	-	728,942	728,942	771,486
Unrestricted	1,962,990	(908,715)	1,054,275	985,314
Total net assets	$1,962,990	$(179,773)	$1,783,217	$1,756,800

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Self-Insurance	Motor Transport	Totals 2010	Totals 2009
Operating revenues:				
Charges for services	$ -	$ 3,176,689	$ 3,176,689	$ 2,996,924
Contributions	8,604,600	-	8,604,600	8,507,893
Other	218,956	3,932	222,888	37,245
Total operating revenues	8,823,556	3,180,621	12,004,177	11,542,062
Operating expenses:				
Personal services	-	713,525	713,525	704,831
Operating services	1,586,897	2,408,036	3,994,933	4,342,555
Depreciation	-	45,672	45,672	42,583
Benefits and claims	8,542,200	-	8,542,200	7,877,588
Total operating expenses	10,129,097	3,167,233	13,296,330	12,967,557
Operating income (loss)	(1,305,541)	13,388	(1,292,153)	(1,425,495)
Nonoperating revenues (expenses) :				
Investment earnings	83,198	-	83,198	129,451
Transfers:				
Transfers in	1,325,946	-	1,325,946	1,325,946
Transfers out	(70,771)	(19,803)	(90,574)	(64,251)
Total transfers	1,255,175	(19,803)	1,235,372	1,261,695
Change in net assets	32,832	(6,415)	26,417	(34,349)
Net assets at beginning of year	1,930,158	(173,358)	1,756,800	1,791,149
Net assets at end of year	$ 1,962,990	$ (179,773)	$ 1,783,217	$ 1,756,800

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2010
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Self-Insurance	Motor Transport	Totals 2010	Totals 2009
Cash flow from operating activities:				
Cash received from contributions and services provided	$ 8,600,895	$ 3,176,627	$ 11,777,522	$ 11,499,756
Cash payments for goods and services	(1,692,456)	(2,441,329)	(4,133,785)	(4,346,967)
Cash payments for employee services and fringes	-	(712,367)	(712,367)	(699,628)
Cash payments for benefits and claims	(8,555,132)	-	(8,555,132)	(7,680,398)
Cash payments for other operating activities	2,829,069	-	2,829,069	1,964,840
Net Cash from (to) operating activities	1,182,376	22,931	1,205,307	737,603
Cash flows from noncapital financing activities				
Transfers in	1,325,946	-	1,325,946	1,325,946
Transfers out	(70,771)	(19,803)	(90,574)	(64,251)
Net transfers in (out) from noncapital financing activities	1,255,175	(19,803)	1,235,372	1,261,695
Cash flows from capital and related financing activities				
Payments for capital acquisitions	-	(3,128)	(3,128)	(24,442)
Net cash from (to) capital and related financing activities	-	(3,128)	(3,128)	(24,442)
Cash flows from investing activities				
Interest received	85,240	-	85,240	128,473
Investments (purchased) sold	(804,936)	-	(804,936)	(979,615)
Net cash from (to) investing activities	(719,696)	-	(719,696)	(851,142)
Net increase (decrease) in cash and cash equivalents	1,717,855	-	1,717,855	1,123,714
Cash and cash equivalents at beginning of year	3,888,671	-	3,888,671	2,764,957
Cash and cash equivalents at end of year	$ 5,606,526	$ -	$ 5,606,526	$ 3,888,671
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	$ (1,305,541)	$ 13,388	$ (1,292,153)	$ (1,425,495)
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation	-	45,672	45,672	42,583
Changes in assets and liabilities:				
(Increase) decrease in other receivables	-	-	-	250,720
(Increase) decrease in contributions receivable	(3,705)	-	(3,705)	(133,951)
(Increase) decrease in due from other funds	-	-	-	3,783
(Increase) decrease in due from other governments	-	(3,994)	(3,994)	7,406
(Increase) decrease in inventories	-	(54,374)	(54,374)	71,549
Increase (decrease) in accounts payable	(105,559)	70,744	(34,815)	42,691
Increase (decrease) in accrued salaries	-	3,016	3,016	4,158
Increase (decrease) in accrued compensated absenses	-	(1,858)	(1,858)	1,045
Increase (decrease) in due to other funds	2,610,113	(49,663)	2,560,450	1,675,924
Increase (decrease) in claims and judgements payable	(12,932)	-	(12,932)	197,190
Net cash from (to) operating activities	$ 1,182,376	$ 22,931	$ 1,205,307	$ 737,603

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SELF - INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Cash and cash equivalents	$ 2,712,683	$ 3,888,671
Equity in pooled cash	2,893,843	-
Investments	4,263,092	3,458,156
Receivables:		
Accrued interest	10,120	12,162
Contributions	144,185	140,480
Total assets	10,023,923	7,499,469
LIABILITIES		
Current liabilities:		
Accounts payable	156,789	262,348
Claims and judgements payable	2,162,843	2,175,775
Due to other funds	5,741,301	3,131,188
Total liabilities	8,060,933	5,569,311
NET ASSETS		
Unrestricted	$ 1,962,990	$ 1,930,158

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SELF - INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Operating revenues:		
Contributions	$8,604,600	$8,507,893
Other	218,956	37,245
Total operating revenues	8,823,556	8,545,138
Operating expenses:		
Operating services	1,586,897	1,989,958
Benefits and claims	8,542,200	7,877,588
Total operating expenses	10,129,097	9,867,546
Operating income (loss)	(1,305,541)	(1,322,408)
Nonoperating revenues:		
Investment earnings	83,198	129,451
Income before transfers	(1,222,343)	(1,192,957)
Transfers:		
Transfers in	1,325,946	1,325,946
Transfers out	(70,771)	(48,495)
Total transfers	1,255,175	1,277,451
Change in net assets	32,832	84,494
Net assets at beginning of year	1,930,158	1,845,664
Net assets at end of year	$1,962,990	$1,930,158

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SELF-INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Cash flow from operating activities:		
Cash received from contributions	$ 8,600,895	$ 8,373,942
Cash received from other operating activities	2,829,069	1,964,840
Cash payments for operating services	(1,692,456)	(1,960,979)
Cash payments for benefits and claims	(8,555,132)	(7,680,398)
Net cash from (to) operating activities	1,182,376	697,405
Cash flows from noncapital financing activities		
Transfers in	1,325,946	1,325,946
Transfers out	(70,771)	(48,495)
Net transfers in (out) from noncapital financing activities	1,255,175	1,277,451
Cash flows from investing activities		
Interest received	85,240	128,473
Investments (purchased) sold	(804,936)	(979,615)
Net cash from (to) investing activities	(719,696)	(851,142)
Net increase (decrease) in cash and cash equivalents	1,717,855	1,123,714
Cash and cash equivalents at beginning of year	3,888,671	2,764,957
Cash and cash equivalents at end of year	$ 5,606,526	$ 3,888,671
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	$ (1,305,541)	$ (1,322,408)
Adjustments to reconcile operating income to net cash from operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in due from other funds	-	3,783
(Increase) decrease in contributions receivable	(3,705)	(133,951)
(Increase) decrease in other receivables	-	129,236
Increase (decrease) in accounts payable	(105,559)	28,979
Increase (decrease) in due to other funds	2,610,113	1,794,576
Increase (decrease) in claims and judgements payable	(12,932)	197,190
Net cash from (to) operating activities	$ 1,182,376	$ 697,405

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
JUNE 30, 2010 AND 2009

	2010	2009
ASSETS		
Current assets:		
Due from other governments	$ 5,159	$ 1,165
Inventories	101,965	47,591
Total current assets	107,124	48,756
Property, plant and equipment:		
Buildings and improvements	496,340	496,340
Machinery and equipment	1,017,630	1,014,502
Less: accumulated depreciation	(785,028)	(739,356)
Net property, plant and equipment	728,942	771,486
Total assets	836,066	820,242
LIABILITIES		
Current liabilities:		
Accounts payable	155,635	84,891
Accrued salaries and employee benefits	21,953	18,937
Due to other funds	814,536	864,199
Accrued compensated absences	10,985	12,442
Total current liabilities	1,003,109	980,469
Long-term liabilities (net of current portion):		
Accrued compensated absences	12,730	13,131
Total liabilities	1,015,839	993,600
NET ASSETS		
Invested in capital assets, net of related debt	728,942	771,486
Unrestricted	(908,715)	(944,844)
Total net assets	$(179,773)	$(173,358)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Operating revenues:		
Charges for services	$ 3,176,689	$ 2,996,924
Other	3,932	-
Total operating revenues	3,180,621	2,996,924
Operating expenses:		
Personal services	713,525	704,831
Operating services	2,408,036	2,352,597
Depreciation	45,672	42,583
Total operating expenses	3,167,233	3,100,011
Operating income (loss)	13,388	(103,087)
Transfers:		
Transfers out	(19,803)	(15,756)
Total transfers	(19,803)	(15,756)
Change in net assets	(6,415)	(118,843)
Net assets at beginning of year	(173,358)	(54,515)
Net assets at end of year	$ (179,773)	$ (173,358)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2010 AND 2009

	2010	2009
Cash flow from operating activities:		
Cash received for services provided	$ 3,176,627	$ 3,125,814
Cash payments for goods and services	(2,441,329)	(2,385,988)
Cash payments for employee services and fringes	(712,367)	(699,628)
Net cash from (to) operating activities	22,931	40,198
Cash flows from noncapital financing activities		
Transfers out	(19,803)	(15,756)
Net transfers in (out) from noncapital financing activities	(19,803)	(15,756)
Cash flows from capital and related financing activities		
Payments for capital acquisitions	(3,128)	(24,442)
Net cash from (to) capital and related financing activities	(3,128)	(24,442)
Net increase (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	$ -	$ -
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	$ 13,388	$ (103,087)
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	45,672	42,583
Changes in assets and liabilities:		
(Increase) decrease in due from other funds	-	121,484
(Increase) decrease in due from other governments	(3,994)	7,406
(Increase) decrease in inventories	(54,374)	71,549
Increase (decrease) in accounts payable	70,744	13,712
Increase (decrease) in accrued salaries	3,016	4,158
Increase (decrease) in accrued compensated absenses	(1,858)	1,045
Increase (decrease) in due to other funds	(49,663)	(118,652)
Net cash from (to) operating activities	$ 22,931	$ 40,198

See accompanying notes to financial statements.

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SUPPLEMENTAL INFORMATION

CITY OF MARIETTA, GEORGIA
MARIETTA REDEVELOPMENT CORPORATION COMPONENT UNIT
BALANCE SHEET
JUNE 30, 2010

ASSETS	
Cash	$ 168,237
Investment in real estate	4,953,993
Restricted assets	
Cash	2,000
Total assets	$ 5,124,230
LIABILITIES AND EQUITY	
Liabilities:	
Accounts payable	$ 5,763
Deposits	2,000
Total liabilities	7,763
Equity:	
Fund balance:	
Unreserved	5,995,983
Total equity	5,995,983
Amounts reported for the component unit in the statement of net assets are different because:	
Long-term liabilities are not due and payable in the current period and therefore the line of credit is not reported.	(4,108,345)
Net assets of component unit	$ 1,887,638

CITY OF MARIETTA, GEORGIA
MARIETTA REDEVELOPMENT CORPORATION COMPONENT UNIT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

Revenues:	
Charges for services	$ 73,199
Investment earnings	14,112
Total revenues	87,311
Expenditures:	
Current:	
Urban redevelopment and housing	71,581
Debt service:	
Interest	195,691
Total expenditures	267,272
Excess (deficiency) of revenues over expenditures	(179,961)
Net change in fund balance	(179,961)
Fund balance at beginning of year	6,175,944
Fund balance at end of year	$ 5,995,983

Amounts reported for the component units in the statement of activities are different because:	
Net change in fund balance - total component units	$ (179,961)
Debt proceeds provide current financial resources to the component unit but issuing debt increases long-term liabilities in the statement of net assets	(5,379)
Change in net assets of component units on the statement of activities	$ (185,340)

STATISTICAL SECTION

This part of the City of Marietta's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the City of Marietta's financial performance and well-being have changed over time.

REVENUE CAPACITY

These schedules contain information to help the reader assess the City of Marietta's most significant local source, the property tax.

DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the City of Marietta's current levels of outstanding debt and the City's ability to issue additional debt in the future.

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the City of Marietta's financial report relates to the services the City provides and the activities it performs.

Sources: unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

CITY OF MARIETTA, GEORGIA
Net Assets by Component (Unaudited)
Last nine fiscal years
(accrual basis of accounting)

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities									
Invested in capital assets, net of related debt	$ 36,465,036	$ 37,994,135	$ 40,080,663	$ 52,779,866	$ 41,105,789	$ 38,400,310	$ 40,361,421	$ 40,647,949	$ 50,033,057
Restricted	4,284,364	4,747,065	5,798,631	3,723,545	7,429,356	12,993,338	25,355,346	22,613,208	22,224,649
Unrestricted	(33,150,035)	(38,495,527)	(35,495,110)	(39,010,992)	(30,637,360)	(26,135,944)	(37,973,169)	1,702,675	(7,812,297)
Total governmental activities net assets	$ 7,599,365	$ 4,245,673	$ 10,384,184	$ 17,492,419	$ 17,897,785	$ 25,257,704	$ 27,743,598	$ 64,963,832	$ 64,445,409
Business-type activities									
Invested in capital assets, net of related debt	$ 62,746,146	$ 58,350,375	$ 78,986,306	$ 73,676,327	$ 77,610,606	90,727,135	97,486,153	105,531,822	134,507,898
Restricted	-	988,076.00	840,530	977,957	777,996	1,349,186	2,377,157	2,287,694	-
Unrestricted	58,435,288	56,268,396	36,489,959	33,144,321	41,251,724	35,394,422	34,111,843	27,216,106	1,668,171
Total business-type activities net assets	$ 121,181,434	$ 115,606,847	$ 116,316,795	$ 107,798,605	$ 119,640,326	$ 127,470,743	$ 133,975,153	$ 135,035,622	$ 136,176,069
Primary government									
Invested in capital assets, net of related debt	$ 99,211,182	$ 96,344,510	$ 119,066,969	$ 126,456,193	$ 118,716,395	$ 129,127,445	$ 137,847,574	$ 146,179,771	$ 184,540,955
Restricted	4,284,364	5,735,141	6,639,161	4,701,502	8,207,352	14,342,524	27,732,503	24,900,902	22,224,649
Unrestricted	25,285,253	17,772,869	994,849	(5,866,671)	10,614,364	9,258,478	(3,861,326)	28,918,781	(6,144,126)
Total Primary government net assets, before restatements	128,780,799	119,852,520	126,700,979	125,291,024	137,538,111	152,728,447	161,718,751	199,999,454	200,621,478
Restatement for infrastructure and related accumulated depreciation	-	-	-	585,611	-	1,391,888	415,317	-	-
Total Primary government net assets, as restated	$ 128,780,799	$ 119,852,520	$ 126,700,979	$ 125,876,635	$ 137,538,111	$ 154,120,335	$ 162,134,068	$ 199,999,454	$ 200,621,478

Note: Fiscal year 2002 the City implemented GASB 34 reporting format. Previous years not available.

CITY OF MARIETTA, GEORGIA
Changes in Net Assets (Unaudited)
Last nine fiscal years
(accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	
Expenses										
Governmental activities:										
General government	$ 7,272,726	$ 6,892,923	$ 6,795,976	$ 4,894,998	$ 7,270,290	$ 7,490,659	$ 6,759,380	$ 5,918,941	$ 8,652,513	
Public works	6,739,482	7,248,042	8,120,071	9,130,758	10,845,886	14,888,258	20,427,013	13,760,889	14,065,683	
Culture and recreation	4,625,123	5,489,588	4,238,849	4,859,976	5,279,105	5,346,638	6,443,698	5,124,263	2,083,996	
Public safety	22,339,112	22,689,033	23,162,365	22,871,162	25,171,969	24,791,734	29,165,513	30,378,175	31,887,909	
Urban redevelopment and housing	5,615,386	6,256,477	6,991,371	7,301,650	11,234,909	8,261,612	5,862,864	6,046,710	6,353,078	
Interest and fiscal charges on long-term debt	4,115,517	4,583,900	3,357,519	3,109,268	3,018,190	3,125,438	3,449,537	2,526,939	3,341,989	
Total governmental activities expenses	50,707,346	53,159,963	52,666,151	52,167,812	62,820,349	63,904,339	72,108,005	63,755,917	66,385,168	
Business-type activities:										
Water & sewer	19,563,148	22,978,757	19,992,150	21,073,686	21,738,497	22,294,414	21,209,559	24,501,021	25,731,472	
Electric	80,395,950	75,976,256	77,025,533	74,257,492	78,307,081	85,240,996	85,707,753	84,808,669	85,525,058	
Golf	2,141,851	2,008,413	2,100,474	2,066,878	2,302,256	1,912,942	1,890,486	1,725,593	1,599,511	
Fiber optic	8,461,643	8,753,884	9,464,158	1,460,454	-	-	-	-	-	(1)
Conference center	13,251,793	13,834,535	11,414,588	11,317,032	2,759,624	2,267,261	2,368,951	3,496,708	7,689,002	
Total business-type activities expenses	123,814,385	123,551,845	119,996,903	110,175,542	105,107,458	111,715,613	111,176,749	114,531,991	120,545,043	
Total Primary Government expenses	$ 174,521,731	$ 176,711,808	$ 172,663,054	$ 162,343,354	$ 167,927,807	$ 175,619,952	$ 183,284,754	$ 178,287,908	$ 186,930,211	
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 7,242,972	$ 7,246,693	$ 7,506,910	$ 9,354,010	$ 9,907,005	$ 10,606,915	$ 9,906,438	$ 9,346,589	$ 8,619,196	
Public works	2,060,894	3,035,540	3,137,059	3,275,190	3,284,627	3,338,944	3,533,668	3,518,257	3,505,071	
Culture and recreation	333,409	438,032	313,245	258,192	248,506	260,442	250,876	264,132	319,375	
Public safety	529,124	89,512	276,890	96,975	121,250	42,390	110,651	348,310	102,531	
Urban redevelopment and housing	349,169	466,146	568,440	1,090,320	1,070,269	965,210	703,452	692,429	575,640	
Operating grants and contributions	6,193,422	6,902,214	7,550,859	8,795,814	7,555,223	9,597,840	8,478,562	39,392,897	5,216,433	
Capital grants and contributions	2,551,500	1,985,281	11,933,376	5,833,603	7,281,401	9,735,992	13,865,101	10,016,452	10,752,277	
Total governmental activities program revenues	19,260,490	20,163,418	31,286,779	28,704,104	29,468,281	34,547,733	36,848,748	63,579,066	29,090,523	
Business-type activities:										
Charges for services:										
Water & sewer	22,613,910	23,561,197	24,125,227	25,090,551	26,766,387	28,115,388	28,207,449	29,694,453	31,488,553	
Electric	83,823,429	84,509,940	82,709,681	86,896,085	89,317,524	90,011,504	92,093,318	90,377,637	95,689,883	
Golf	1,609,542	1,548,715	1,711,458	1,799,114	1,857,203	1,973,016	1,801,341	1,705,843	1,516,966	
Fiber optic	8,119,916	6,203,317	6,745,390	1,135,129	-	-	-	-	-	(1)
Conference center	10,392,010	9,535,056	8,976,919	9,343,330	1,677,432	1,681,074	1,644,720	1,726,505	1,942,774	
Operating grants and contributions	-	-	-	-	-	-	-	-	-	
Capital grants and contributions	1,540,382	1,023,388	1,764,631	709,276	3,282,679	4,536,972	777,567	661,994	237,175	
Total business-type activities program revenues	128,099,189	126,381,613	126,033,306	124,973,485	122,901,225	126,317,954	124,524,395	124,166,432	130,875,351	
Total Primary Government program revenues	$ 147,359,679	$ 146,545,031	$ 157,320,085	$ 153,677,589	$ 152,369,506	$ 160,865,687	$ 161,373,143	$ 187,745,498	$ 159,965,874	
Net (expense)/revenue										
Governmental activities	$ (31,446,856)	$ (32,996,545)	$ (21,379,372)	$ (23,463,708)	$ (33,352,059)	$ (29,356,606)	$ (35,259,257)	$ (176,851)	$ (37,294,645)	
Business-type activities	4,284,804	2,829,768	6,036,403	14,797,943	17,793,767	14,602,341	13,347,646	9,634,441	10,330,308	
Total Primary Government net expense	$ (27,162,052)	$ (30,166,777)	$ (15,342,969)	$ (8,665,765)	$ (15,558,292)	$ (14,754,265)	$ (21,911,611)	$ 9,457,590	$ (26,964,337)	
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	$ 9,404,794	$ 9,418,677	$ 10,958,814	$ 10,559,446	$ 11,398,799	$ 12,293,579	$ 11,965,381	$ 13,492,266	$ 13,356,484	
Insurance premium tax	2,133,966	2,341,448	2,523,528	2,734,817	2,942,305	3,078,387	3,211,100	3,288,021	3,257,172	
Alcohol taxes	868,053	846,831	847,700	842,738	861,353	884,674	812,476	803,261	790,828	
Hotel, motel tax	2,309,916	2,105,653	2,009,839	2,067,734	2,150,995	2,182,657	2,224,497	1,893,459	1,738,399	
Franchise taxes	5,198,857	5,020,828	4,857,710	5,069,809	5,182,993	5,176,430	5,159,179	5,290,662	5,455,136	
Auto rental tax	527,429	539,024	519,884	579,170	551,863	494,156	457,952	412,431	355,788	
Unrestricted investment earnings	1,258,543	634,407	183,944	436,137	1,010,915	1,881,843	1,590,204	536,713	356,084	
Gains on sale of capital assets	83,541	46,046	46,140	47,179	-	134,434	420,929	143,752	70,215	
Operating grants not retricted	-	-	-	-	1,176,819	1,275,916	1,555,432	1,669,199	1,701,947	
Contributions not restricted	-	-	-	-	152,314	-	-	-	-	
Transfers	8,769,197	8,689,939	5,570,324	8,234,913	7,743,458	9,314,449	8,956,113	9,185,750	9,694,169	
Total governmental activities	30,554,296	29,642,853	27,517,883	30,571,943	33,171,814	36,716,525	36,353,263	36,715,514	36,776,222	
Business-type activities										
Unrestricted investment earnings	1,267,968	272,044	151,013	756,524	1,736,225	2,509,636	1,973,077	712,646	223,404	
Gain on extinguishment of debt	-	-	-	-	-	-	-	-	168,042	
Gain on sale of capital assets	-	13,540	92,856	(15,842,246)	55,187	32,889	139,800	165,386	112,862	
Transfers	(8,769,197)	(8,689,939)	(5,570,324)	(8,230,411)	(7,743,458)	(9,314,449)	(8,956,113)	(9,185,750)	(9,694,169)	
Total business-type activities	(7,501,229)	(8,404,355)	(5,326,455)	(23,316,133)	(5,952,046)	(6,771,924)	(6,843,236)	(8,307,718)	(9,189,861)	
Total primary government	$ 23,053,067	$ 21,238,498	$ 22,191,428	$ 7,255,810	$ 27,219,768	$ 29,944,601	$ 29,510,027	$ 28,407,796	$ 27,586,361	

(1) The City sold the FiberNet operations on August 31, 2004, Fiscal year 2005 includes two months operations.

CITY OF MARIETTA, GEORGIA
Changes in Net Assets (Unaudited)
Last nine fiscal years
(accrual basis of accounting)

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in Net Assets									
Governmental activities	$ (892,560)	$ (3,353,692)	$ 6,138,511	$ 7,108,235	$ (180,245)	$ 7,359,919	$ 1,094,006	$ 36,538,663	$ (518,423)
Business type activities	(3,216,425)	(5,574,587)	709,948	(8,518,190)	11,841,721	7,830,417	6,504,410	1,326,723	1,140,447
Total primary government	$ (4,108,985)	$ (8,928,279)	$ 6,848,459	$ (1,409,955)	$ 11,661,476	$ 15,190,336	$ 7,598,416	$ 37,865,386	$ 622,024

Note: Fiscal year 2002 the City implemented GASB 34 reporting format. Previous years not available.

(1) The City sold the FiberNet operations on August 31, 2004, Fiscal year 2005 includes two months operations.

CITY OF MARIETTA, GEORGIA
Fund Balances of Governmental Funds (Unaudited)
Last ten fiscal years
(modified accrual basis of accounting)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund										
Reserved	$ 2,619,214	$ 2,824,053	$ 2,618,300	$ 3,541,471	$ 2,926,287	$ 1,418,139	$ 1,951,995	$ 2,335,327	$ 1,645,272	$ 18,104,875
Unrestricted	14,401,649	12,456,974	11,067,315	7,052,523 (1)	8,824,684	14,240,675 (2)	14,570,802	14,374,838	14,810,512	12,168,488
Total general fund	$ 17,020,863	$ 15,281,027	$ 13,685,615	$ 10,593,994	$ 11,750,971	$ 15,658,814	$ 16,522,797	$ 16,710,165	$ 16,455,784	$ 30,273,363
All other governmental funds										
Reserved	$ 7,295,816	$ 6,063,784	$ 4,827,189	$ 3,794,278	$ 2,782,569	$ 2,880,403	$ 5,493,472	$ 7,725,291	$ 11,650,875	$ 10,966,247
Unreserved, reported in:										
Special revenue funds	1,619,326	1,713,180	1,848,752	1,980,587	2,084,380	6,592,067 (3)	7,444,398	6,708,071	6,728,922	4,976,070
Capital projects funds	-	-	-	-	(2,906)	3,732,152 (4)	6,026,841	16,867,435	10,249,776	54,792,285
Total all other governmental funds	$ 8,915,142	$ 7,776,964	$ 6,675,941	$ 5,774,865	$ 4,864,043	$ 13,204,622	$ 18,964,711	$ 31,300,797	$ 28,629,573	$ 70,734,602

(1) The decrease in unrestricted fund balance of the general fund was due to transfers to the Marietta Conference Center and Resort and property purchases for redevelopment.

(2) The unrestricted fund balance of the general fund increased due to sale of property City had acquired for redevelopment projects.

(3) Includes 2005 TAD bond proceeds

(4) Includes the 2005 SPLOST tax revenues

CITY OF MARIETTA, GEORGIA
Changes in Fund Balances of Governmental Funds (Unaudited)
Last ten fiscal years
(modified accrual basis of accounting)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	$13,639,470	$14,382,122	$14,160,753	$16,129,207	$24,891,288	$23,052,547	$24,054,243	$24,680,800	$25,097,088	$24,825,094
Licenses and permits	11,964,581	12,188,318	12,546,419	12,814,047	6,314,395	6,306,258	6,621,273	6,227,731	5,799,547	5,297,444
Intergovernmental	10,541,323	10,802,296	12,794,367	15,251,038	12,993,072	17,845,244	21,850,301	25,074,095	22,251,684	22,487,098
Charges for services	2,489,411	2,502,163	3,669,682	3,687,691	3,918,537	3,914,149	3,932,451	4,053,167	4,164,491	4,192,418
Fines and forfeits	2,613,043	2,501,532	2,119,515	2,151,560	3,789,735	4,127,362	4,353,147	3,797,209	3,538,722	3,255,124
Investment earnings	1,868,450	1,085,352	556,459	155,504	375,582	964,352	1,802,151	2,018,377	697,609	263,223
Other	733,421	283,283	309,749	428,813	1,340,973	551,064	453,539	616,345	800,914	482,496
Total revenues	43,849,699	43,745,066	46,156,944	50,617,860	53,623,582	56,760,976	63,067,105	66,467,724	62,350,055	60,802,897
Expenditures										
General government	7,323,277	6,419,304	5,209,312	2,476,031	5,418,240	11,715,968	7,370,697	7,435,676	7,633,637	7,450,955
Public works	6,259,310	6,149,003	6,032,895	7,576,562	6,712,946	7,284,494	7,594,840	8,027,775	8,153,184	7,363,184
Culture and recreation	3,552,807	3,251,382	5,132,803	3,326,108	4,807,994	5,150,388	5,566,985	4,931,066	4,707,715	4,298,902
Urban redevelopment and housing	4,613,434	5,531,052	6,246,521	6,996,078	7,181,872	7,071,247	8,261,612	6,665,677	25,439,147	24,645,422
Public safety	20,567,812	19,463,643	20,433,348	24,413,923	20,858,758	23,916,347	23,537,979	25,901,142	6,046,710	6,353,078
Capital	2,282,757	6,567,510	5,061,572	5,120,264	9,516,023	2,358,450	4,243,722	7,778,531	12,707,741	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Debt service										
Principal	3,205,000	3,185,000	5,585,000	7,640,000	4,657,380	4,852,776	5,059,965	5,287,265	6,189,683	7,547,336
Interest	4,276,012	4,108,381	4,581,910	3,353,311	3,107,466	2,935,530	3,101,300	4,789,241	2,824,304	3,316,004
Fiscal agent fees and bond issuance costs	-	7,136	177,928	4,208	1,802	119,830	-	186,933	-	-
Capital projects	-	-	-	-	-	-	-	2,780,066	155,581	14,363,860
Total expenditures	52,080,409	54,682,411	58,461,289	60,906,485	62,262,481	65,405,030	64,737,100	73,783,372	73,857,702	75,338,741
Excess of revenues over (under) expenditures	(8,230,710)	(10,937,345)	(12,304,345)	(10,288,625)	(8,638,899)	(8,644,054)	(1,669,995)	(7,315,648)	(11,507,647)	(14,535,844)
Other financing sources (uses)										
Transfers in	11,533,179	11,312,473	11,480,033	10,046,820	12,815,707	15,793,259	15,515,433	15,729,197	15,845,087	28,461,017
Transfers out	(2,302,030)	(3,336,683)	(2,790,094)	(3,797,032)	(4,170,090)	(8,335,765)	(6,940,497)	(7,750,252)	(7,406,797)	(19,480,109)
Sale of capital assets	60,771	83,541	46,015	46,140	239,437	5,034,982	139,123	425,157	143,752	70,215
Bond proceeds/refunding bonds issued	-	-	21,231,956	-	-	8,400,000	-	49,985,000	-	102,108,385
Payment to refunded bond escrow agent	-	-	(20,360,000)	-	-	-	-	(38,550,000)	-	(40,701,056)
Total other financing sources (uses)	9,291,920	8,059,331	9,607,910	6,295,928	8,885,054	20,892,476	8,714,059	19,839,102	8,582,042	70,458,452
Net change in fund balances	$ 1,061,210	$ (2,878,014)	$ (2,696,435)	$ (3,992,697)	$ 246,155	$ 12,248,422	$ 7,044,064	$ 12,523,454	$ (2,925,605)	$ 55,922,608
Debt service as a percentage of noncapital expenditures	15.02%	13.88%	17.97%	19.59%	14.64%	13.90%	13.11%	14.87%	14.74%	14.42%

CITY OF MARIETTA, GEORGIA
General Governmental Tax Revenues by Sources (Unaudited)
Last ten fiscal years
(modified accrual basis of accounting)

Year Ended (1) June 30	Property Tax	Intangible Tax	Alcoholic Beverage Excise Tax	Hotel Motel Tax	Real Estate Transfer Tax	Other	Total
2001	$7,946,778	$153,288	$884,965	$2,628,991	$166,789	$543,430	$12,324,241
2002	8,169,946	211,941	868,053	2,294,071	108,249	527,429	12,179,689
2003	8,995,155	285,519	846,831	2,093,875	80,592	539,024	12,840,996
2004	10,507,706	284,215	847,700	2,009,839	99,110	519,884	14,268,454
2005 (2)	15,306,659	230,896	842,738	2,067,734	136,880	3,313,987	21,898,894
2006	16,546,032	257,488	861,353	2,150,995	149,332	3,087,347	23,052,547
2007	17,416,798	285,132	884,674	2,180,519	110,783	3,176,337	24,054,243
2008	17,590,571	224,801	812,476	2,217,011	106,428	3,729,513	24,680,800
2009	18,417,461	141,422	803,261	1,891,608	37,937	3,805,399	25,097,088
2010	18,412,382	116,367	790,828	1,720,725	22,427	3,762,365	24,825,094

(1) 2001 - 2005: Includes General, Special Revenue, Debt Service Funds and discretely presented component unit: Marietta Welcome Center and Visitor's Bureau, Inc.
2006 - 2010: Includes all governmental funds

(2) Beginning in fiscal year 2005, franchise taxes are included in Property Tax revenue and insurance premium taxes are included in Other revenue, which was previously reported in Licenses & Permits revenue in prior years.

CITY OF MARIETTA, GEORGIA
Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)
Last ten fiscal years

Digest Year	Real Property (1)	Personal Property			Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Motor Vehicles/Homes	Personal Property	Public Utilities					
2000	1,425,404,919	175,625,779	327,116,080	29,966,697	25,126,000	1,932,987,475	4.25	4,832,468,688	40.00%
2001	1,494,023,175	171,693,737	301,835,529	31,394,374	26,379,506	1,972,567,309	4.19	4,931,418,273	40.00%
2002	1,745,314,574	168,311,224	297,553,461	36,728,896	74,975,895 (2)	2,172,932,260	4.19	5,432,330,650	40.00%
2003	1,788,218,138	156,996,283	308,502,425	34,685,490	92,338,297	2,196,064,039	4.69	5,490,160,098	40.00%
2004	1,860,715,202	151,204,522	289,628,328	33,045,200	117,344,645	2,217,248,607	4.69	5,543,121,518	40.00%
2005	2,024,460,648	163,927,353	294,707,607	32,891,832	130,666,229	2,385,321,211	4.69	5,963,303,028	40.00%
2006	2,185,623,440	172,340,767	293,856,544	35,121,972	161,562,650	2,525,380,073	4.69	6,313,450,183	40.00%
2007	2,328,581,761	170,498,321	316,625,189	30,026,547	192,084,113	2,653,647,705	4.68	6,634,119,263	40.00%
2008	2,493,024,336	185,424,419	306,446,750	34,126,529	181,334,175	2,837,687,859	4.68	7,094,219,648	40.00%
2009	2,481,302,362	177,214,999	294,658,364	33,478,129	172,043,250	2,814,610,604	4.68	7,036,526,510	40.00%

(1) City tax system combines all real property, residential, commercial and industrial parcels.

(2) Floating homestead exemption went into effect.

CITY OF MARIETTA, GEORGIA
Property Tax Rates
Direct and Overlapping Governments
Last ten fiscal years

	City of Marietta				Overlapping Rates					
					Cobb County			Marietta City Schools	Total Direct & Overlapping Rates	Downtown Marietta Development Authority (1)
Fiscal Year	Operating Millage	Debt Service Millage	Cemetery Maintenance Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage		Operating Millage
2001	2.04	2.07	0.08	4.19	6.8	0.50	7.07	17.97	29.23	2.60
2002	2.04	2.07	0.08	4.69	6.85	0.27	7.07	17.97	29.73	2.60
2003	2.79	1.82	0.08	4.69	6.85	0.22	7.07	17.97	29.73	2.60
2004	2.79	1.82	0.08	4.69	6.85	0.22	7.07	17.97	29.73	2.38
2005	2.79	1.82	0.08	4.69	6.85	0.22	7.07	17.97	29.73	2.38
2006	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2007	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2008	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2009	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2010	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.09

Source: City of Marietta tax department

(1) The Downtown Marietta Development Authority is a special purpose district in the downtown business area that assesses an additional tax levy

CITY OF MARIETTA, GEORGIA
Principal Taxpayers (Unaudited)
June 30, 2010

		2010			2001		
Taxpayer (1)	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Bell South Telecom. (Public Utilities)	Telephone	$17,914,070	1	0.71%	$18,422,456	2	1.06%
C W Matthews Contracting Co.	Commercial	$15,413,700	2	0.61%			
Laurel Hills Apartment LLC	Real Estate	$15,412,320	3	0.61%	$12,720,000	4	0.73%
Sterling Town Center Apartments	Commercial	$13,068,240	4	0.52%			
Atlanta Parkway Investment Group I	Real Estate	$12,496,800	5	0.49%	$21,705,318	1	1.25%
Atlanta Parkway Investment Group II	Real Estate	$11,840,320	6	0.47%			
Wellstar Health System, Inc.	Hospital	$8,600,000	7	0.34%			
Jasmine At Powers Ferry LLC	Real Estate	$8,189,000	8	0.32%			
Rauls Frank P & Tyler J Rauls	Retirement Home	$8,189,000	9	0.32%			
GIH MMC LLC	Real Estate	$7,768,280	10	0.31%			
Tyco International US Inc.	Manufacturing				$16,464,902	3	0.95%
Solvay Pharmaceuticals	Healthcare				$12,429,424	5	0.71%
Spacenet, Inc.	Commercial				$9,971,946	6	0.57%
Southern Tea Company	Manufacturer				$7,405,626	7	0.43%
Focus/Ridge LP	Real Estate				$7,264,000	8	0.42%
Matthews C W Contractors Co Inc.	Construction				$6,978,186	9	0.40%
E & A Southeast Limited Partners	Developer				$6,531,262	10	0.37%
Totals		$118,891,730		4.69%	$119,893,120		6.89%

CITY OF MARIETTA, GEORGIA
Property Tax Levies and Collections (Unaudited)
Last ten fiscal years

Tax Digest Year	Total Tax Levy for Fiscal Year	Subsequent Years Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections of Prior Years Levy	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
2000	7,187,928	(308)	7,187,620	7,043,100	97.99%	117,008	7,160,108	99.62%
2001	7,216,601	(22,131)	7,194,470	7,104,677	98.45%	89,181	7,193,858	99.99%
2002	8,126,201	5,665	8,131,866	7,997,857	98.42%	121,294	8,119,151	99.84%
2003	9,277,950	(51,528)	9,226,422	9,120,751	98.31%	77,030	9,197,781	99.69%
2004	9,430,498	(13,012)	9,417,486	9,348,551	99.13%	53,118	9,401,669	99.83%
2005	10,136,294	31,724	10,168,018	10,036,324	99.01%	122,270	10,158,594	99.91%
2006	10,761,609	(41,986)	10,719,623	10,615,645	98.64%	92,098	10,707,743	99.89%
2007	11,407,894	4,466	11,412,360	11,273,654	98.82%	132,645	11,406,299	99.95%
2008	12,147,888	959	12,148,847	11,853,331	97.58%	192,581	12,045,912	99.15%
2009	11,987,687	-	11,987,687	11,660,045	97.27%	-	11,660,045	97.27%

CITY OF MARIETTA, GEORGIA
Water and Wastewater Rate History
Last Ten Fiscal Years

Fiscal Year	Gallons of Water Consumed (millions)	Total Direct Rate						
		Water				Wastewater		
		Base Rate (1)	Tier 1 (2)	Tier 2 (2)	Tier 3 (2)	Base Rate (1)	Tier 1 (2)	Tier 2 (2)
2001	3,708	$ 8.22	$ 1.92	$ 1.72	$ 1.62	$ 7.42	$ 3.98	$ 3.80
2002	3,446	8.67	2.04	1.83	1.62	8.26	4.42	3.97
2003	3,415	9.16	2.17	1.94	1.73	8.97	4.78	4.44
2004	3,160	9.22	2.20	1.97	1.76	9.21	4.90	4.44
2005	3,158	9.45	2.25	2.02	1.80	9.58	5.09	4.61
2006	3,357	9.92	2.36	*	*	10.77	5.38	*
2007	3,353	10.61	2.53	2.91	3.29	11.52	5.76	*
2008	3,001	12.10	2.88	3.60	5.76	12.21	6.11	*
2009	2,627	15.00	3.57	4.46	7.14	13.06	6.54	*
2010	2,613	16.20	3.86	4.83	7.72	14.10	7.06	*

Source: City of Marietta utility department

* No rate for that Tier during that time

(1) 0 - 2,000 gallons

(2)	Water Tier Definition (in thousand gallons)			Wastewater Tier Definition (in thousand gallons)	
	Tier 1	Tier 2	Tier 3	Tier 1	Tier 2
2001	>2-20	>20-100	>100	>2 - 1,000	>1,000
2002 - 2005	>2-20	>20-1000	>1000	>2 - 1,000	>1,000
2006 - 2008	> 2	*	*	>2	
2009	>2-7	>7 -12	>12	*	

CITY OF MARIETTA, GEORGIA
Electric Rate History per Season
Last Ten Fiscal Years

Fiscal Year	Kilowatt Hours Sold (millions)	Total Direct Rate Summer (June through September) Base Rate	Tier 1 (1)	Tier 2 (2)	Tier 3 (3)	Winter (October through May) Base Rate	Tier 1 (1)	Tier 2 (2)	Tier 3 (3)
2001	1,072	$ 8.00	$ 0.070	$ 0.087	$ 0.102	$ 8.00	$ 0.070	$ 0.054	$ 0.054
2002	1,046	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2003	1,082	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2004	1,074	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2005	1,036	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2006	1,075	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2007	1,073	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2008	1,094	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2009	1,031	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054
2010	1,046	8.00	0.070	0.087	0.102	8.00	0.070	0.054	0.054

Source: City of Marietta utility department

(1) Cost per first 650 kilowatt hours

(2) Cost per 651 - 1,000 kilowatt hours

(3) Cost per each addition kilowatt hours over 1,000 hours

CITY OF MARIETTA, GEORGIA
Principal Electric Revenue Customers (Unaudited)
June 30, 2010

		2010			2001		
Customer Name	Type of Business	Kilowatt Hours Billed	Rank	Percentage of Total Kwt Billable Hours Value	Kilowatt Hours Billed	Rank	Percentage of Total Kwt Billable Hours Value
Wellstar Hospital	Hospital	55,796,306	1	5.33%	22,277,000	1	2.03%
Cobb County Government	Government	35,075,539	2	3.35%			
Lockheed Martin	Commercial	22,072,441	3	2.11%			
Southern Polytechnic	School	14,331,600	4	1.37%	11,420,000	3	1.04%
Southern Ice Cream	Commercial	13,944,600	5	1.33%	13,657,000	2	1.24%
Kroger (Whitlock)	Commercial	9,455,200	6	0.90%			
Tip Top Poultry	Commercial	7,981,200	7	0.76%	3,546,000	6	0.32%
Kemira Chemicals	Commerical	6,836,400	8	0.65%			
Coca Cola Enterprises	Commercial	6,451,600	9	0.62%	5,707,000	8	
Nypro of Atlanta	Commercial	6,190,800	10	-			
Solvay Pharmaceuticals	Comercial			-	9,352,000	4	0.85%
Vinings Industries	Commercial			-	7,427,000	5	0.68%
Life College	Commercial			-	5,892,000	7	0.54%
SFOG Acquisitions	Realestate			-	5,676,000	9	0.52%
Amitech	Commercial			-	5,654,000	10	0.51%
Totals		178,135,686		16.43%	90,608,000		13.37%

CITY OF MARIETTA, GEORGIA
Ratios of Outstanding Debt by Type (Unaudited)
Last ten fiscal years

	Governmental Activities					Business Type Activities					
Fiscal Year	General Obligation Bonds	SPLOST Revenue Bonds	Tax Allocation Bonds	Citywide Project Bonds	Note Payable	Marietta Conference Center Revenue Bonds	Golf Course Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2001	$84,970,000	- -	- -	- -	- -	$24,040,000	$6,395,357	$462,664	$115,868,021	8.16%	$1,971
2002	81,785,000	- -	- -	- -	- -	23,515,000	5,757,091	214,343	111,271,434	7.65%	1,851
2003	76,965,000	- -	- -	- -	- -	22,955,000	5,153,829	208,635	105,282,464	7.20%	1,749
2004	69,325,000	- -	- -	- -	- -	26,670,000	4,583,140	256,699	100,834,839	6.86%	1,675
2005	64,705,000	- -	- -	- -	762,620	26,255,000	4,044,323	217,265	95,984,208	6.48%	1,595
2006	59,895,000	- -	8,400,000	- -	719,844	25,815,000	3,536,585	176,269	98,542,698	6.48%	1,637
2007	54,880,000	- -	8,400,000	- -	674,879	25,350,000	3,059,064	133,632	92,497,575	5.90%	1,522
2008	51,255,000	9,820,000	8,400,000	- -	627,614	31,410,000	4,835,000	253,450	106,601,064	6.80%	1,724
2009	45,115,000	9,820,000	7,900,805	- -	577,930	30,420,000	4,835,000	206,592	98,875,327	6.24%	1,591
2010	60,835,000	9,145,000	7,380,694	31,660,000	525,706	0 *	4,205,000	157,303	113,908,703	6.85%	1,753

* In FY2010 the Conference Center bonds were paid off.

CITY OF MARIETTA, GEORGIA
Ratios of General Bonded Debt Outstanding (Unaudited)
Last ten fiscal years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property	Per Capita
2001	88,175,000	1,831,837	86,343,163	1.88%	1,415
2002	84,970,000	1,796,097	83,173,903	1.72%	1,328
2003	81,785,000	2,000,172	79,784,828	1.62%	1,245
2004	76,965,000	1,958,270	75,006,730	1.38%	1,119
2005	69,325,000	1,898,186	67,426,814	1.23%	1,043
2006	64,705,000	2,206,406	62,498,594	1.13%	958
2007	54,880,000	2,836,778	52,043,222	0.97%	857
2008	51,255,000	3,658,389	47,596,611	0.75%	770
2009	45,115,000	4,701,507	40,413,493	0.57%	650
2010	60,835,000	3,366,151	64,201,151	0.91%	988

CITY OF MARIETTA, GEORGIA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2010

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct General Obligation Debt	$60,835,000	100.00%	$ 60,835,000
Overlapping General Obligation Debt:			
Cobb County including TAX Anticipation Notes	113,500,000	10.99%	12,472,268
General Obligation Bonds	53,480,000	10.99%	5,876,801
Total Overlapping General Obligation Debt			18,349,070
Total Direct and Overlapping General Obligation Debt			$ 79,184,070
Overlapping Guaranteed Revenue Debt:			
City of Marietta Note Payable	525,706	100.00%	$ 525,706
Downtown Marietta Development Authority:			
Golf Course	4,205,000	100.00%	4,205,000
Conference Center	0 (1)	100.00%	-
SPLOST Revenue Bonds	9,145,000	100.00%	9,145,000
Citywide Projects Revenue Bonds	31,660,000	100.00%	31,660,000
Cobb Administrative Building Project	2,390,000	10.99%	262,632
Cobb-Marietta Coliseum and Exhibit Hall Authority	50,920,000	10.99%	5,595,488
Cobb County Recreation Authority	2,125,000	10.99%	233,512
Cobb County Solid Waste Management	10,030,000	10.99%	1,102,175
Total Overlapping Guaranteed Revenue Debt			$ 52,729,513
Total Direct, Overlapping and Overlaping Guaranteed Revenue Debt			$ 131,913,582
Debt Per Capita			
Direct General Obligation Debt			$ 936.10
Overlapping General Obligation Debt			$ 282.35
Overlapping Guaranteed Revenue Debt			$ 811.37
Total Debt Per Capita			$ 2,029.81

(1) Downtown Marietta Development Authority paid off Revenue Debt in FY2010

CITY OF MARIETTA, GEORGIA
Legal Debt Margin Information (Unaudited)
Last Ten Fiscal Years

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt limit: 10 percent of assessed value	$195,811,348	$199,894,682	$224,790,816	$228,840,234	$233,459,325	$251,598,744	$268,694,272	$284,573,182	$301,902,203	$298,565,385
Total net debt applicable to limit	84,970,000	81,785,000	76,965,000	69,325,000	64,705,000	59,895,000	54,880,000	51,255,000	45,115,000	60,835,000
Legal Debt margin	$110,841,348	$118,109,682	$147,825,816	$159,515,234	$168,754,325	$191,703,744	$213,814,272	$233,318,182	$256,787,203	$237,730,385
Total net debt applicable to the limit as a percentage of debt limit	43.39%	40.91%	34.24%	30.29%	27.72%	23.81%	20.42%	18.01%	14.94%	20.38%

Legal Debt Margin Calculation for Fiscal Year 2010	
Total taxable assessed value	$2,813,610,604
Add back: exempt real property	172,043,250
Total assessed value	$2,985,653,854
Debt limit (10% of total assessed value)	298,565,385
Debt applicable to limit:	
General obligation bonds	60,835,000
Legal debt margin	$237,730,385

CITY OF MARIETTA, GEORGIA
Pledged-Revenue Coverage (Unaudited)
Last ten fiscal years

	Marietta Conference Center Bonds, Series 1996 A, 1996 B, and 2003 (1)				Tax Allocation District CCSR Series 2005 (2)			
Fiscal Year	Operating Revenues	Principal	Interest	Coverage	TAD Revenues	Principal	Interest	Coverage
2001	13,273,286	490,000	1,715,922	6.02	-	-	-	-
2002	10,392,010	525,000	1,641,762	4.80	-	-	-	-
2003	9,535,056	560,000	1,838,201	3.98	-	-	-	-
2004	8,976,919	600,000	1,841,483	3.69	-	-	-	-
2005	9,343,330	415,000	1,841,606	4.25	-	-	-	-
2006	1,677,432	440,000	1,798,563	0.75	172,486	-	-	-
2007	1,681,074	465,000	1,328,549	0.94	472,140	*	353,997	1.33
2008	1,644,720	940,000	1,355,580	0.72	725,895	*	351,960	2.06
2009	1,726,505	990,000	1,921,319	0.59	857,583	499,195	351,960	1.01
2010	0	0	0	0.00 (3)	907,858	520,111	331,044	1.07

(1) Conference Center bonds coverage is calculated upon gross revenues.

(2) Tax allocation bond coverage is calculated upon gross TAD revenues.

(3) Bonds paid off in Fiscal year 2010

* First Tax allocation bond principal payment was due in FY2009

CITY OF MARIETTA, GEORGIA
Demographic and Economic Statistics
Last ten fiscal years

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2001 (1)	58,748	1,419,880	24,169	30.1	7,460	4.4
2002	60,210	1,457,865	24,213	30.2	7,524	6.0
2003	60,208	1,463,115	24,301	30.4	7,552	5.8
2004	60,204	1,470,964	24,433	30.6	7,316	5.6
2005	60,197	1,481,328	24,608	31.0	7,558	4.6
2006 (2)	60,189	1,520,795	25,267	32.3	7,818	3.9
2007 (2)	60,758	1,566,949	25,790	32.8	7,517	3.9
2008 (1)	61,829	1,567,303	25,349	33.7	7.638	5.2
2009 (2)	62,150	1,585,265	25,507	32.2	7,869	9.5
2010 (2)	64,988	1,663,692	25,600	34.6	7,504	9.7

(1) Bureau of Census

(2) Claritas
All other years estimated by the Marietta Redevelopment Authority Staff

CITY OF MARIETTA, GEORGIA
Principal Employers
Last ten fiscal years

	2010			2001		
Employer	Employees [1]	Rank	Percentage of Total City Employment [2]	Employees [3]	Rank	Percentage of Total City Employment [2]
Wellstar Kennestone Hospital	4,700	1	14%	2,601	1	8%
YKK Corp of America	2,500	2	8%			
Alere	1,766	3	5%			
Columbian Chemical Company	1,410	4	4%			
C.W. Matthews Contracting, Inc.	1,400	5	4%			
Tip Top Poultry, Inc.	1,300	6	4%			
Marietta City Schools	1,138	7	3%	970	6	3%
Cobb County Board of Education	1,083	8	0%	977	5	3%
U.S. Security Associates Inc.	950	9	0%			
Cobb County Government	911	10	3%	1,100	3	3%
AT&T				1,634	2	5%
Life University				1,069	4	3%
Solvay Pharmaceuticals				950	7	3%
Healthdyne, Inc.				900	8	3%
Tyco Healthcare Group				900	9	3%
Yellow Freight Systems				860	10	3%

Source:
[1] Dun & Bradstreet's Directory of American Leading Public and Private Companies.
[2] Georgia Department of Labor
[3] Meag Power

CITY OF MARIETTA, GEORGIA
Full-time City Government Employees by Function (Unaudited)
Last ten fiscal years

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government										
Elected officials	8	8	8	8	8	8	8	8	8	8
City clerk	3	3	3	3	3	3	3	3	3	3
Municipal court	14	14	12	12	15	16	16	16	14	14
City manager	6	6	5	6	5	6	7	7	7	6
Mayor staff	1	1	1	1	1	1	1	1	1	1
Finance	27	24	23	24	21	25	24	23	26	26
Personnel	9	9	6	8	8	9	9	8	8	9
Develop. servs and Sect 8	20	25	23	25	24	30	29	31	32	30
Public works										
Admin. & engineering	13	7	8	7	7	7	7	7	8	9
Building Inspection	7	9	7	7	6	8	8	8	8	7
Sanitation	45	42	37	42	42	41	42	42	39	38
Streets & Traffic	43	43	35	41	39	41	41	39	38	38
Public safety										
Police										
Officers	139	141	136	136	136	134	133	132	124	129
Civilians	28	20	28	26	17	31	31	33	30	32
Fire										
Firefighters & officers	135	131	119	127	122	134	128	131	132	132
Civilians	4	5	4	3	3	4	4	4	3	3
Culture and recreation										
Recreation	12	11	12	12	10	9	11	11	11	11
Property maintenance	52	38	38	20	19	16	17	17	16	16
Cemetery maintenance	3	3	3	3	3	3	2	1	1	1
BLW Board	6	6	6	6	6	6	6	6	6	6
Electric	124	132	134	137	127	130	137	127	131	126
MIS/GIS	19	19	19	20	19	21	21	20	20	20
Water/sewer	36	36	36	39	38	38	37	41	41	42
FiberNet [1]	0	26	26	24	0	0	0	0	0	0
Fleet maintenance	12	12	12	14	14	14	13	13	14	14
Total	766	771	741	751	693	735	735	729	721	721

[1] Fibernet division was sold to a private company in August 2004.
Source: City of Marietta.

CITY OF MARIETTA, GEORGIA
Operating Indicators by Function (Unaudited)
Last ten fiscal years

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Murder	5	2	5	6	1	6	4	4	3	4
Robbery	175	164	212	206	201	197	276	268	231	192
Aggravated assault	247	131	177	186	141	131	189	189	120	172
Motor vehicle theft	576	340	397	427	439	405	467	393	254	210
Burglary	532	552	635	609	483	419	614	636	604	690
Larceny	2,391	1,929	2,158	2,207	1,803	1,929	1,820	1,858	1,802	1,922
Fire										
Calls for service	11,626	11,467	11,736	11,736	12,266	12,633	12,514	10,496	10,076	10,880
Fires	469	443	388	381	227	220	296	297	220	301
Structure fires	140	197	176	75	80	75	79	75	77	77
EMS calls	4,603	4,498	4,617	4,945	3,487	3,500	3,715	3,803	4,135	4,605
Fire investigations	52	47	30	48	45	42	86	77	76	67
Plan reviews of commercial property	488	482	508	624	624	640	984	416	482	414
Public Works/Engineering/Inspections										
Highways and streets										
Street resurfacing (miles)	4	8	4	3	3	2.8	3.1	12.1	13.5	6.4
Pedestrain signals installed	10	8	6	10	9	9	19	10	1	16
Signalized intersections installed/upgraded	10	3	10	10	7	10	13	6	27	8
Engineering/building inspections										
Site plans reviewed	39	60	50	47	47	52	130	118	95	68
Grading permits issued	252	176	250	278	312	318	317	173	84	119
Permits issued (building and trade)	4,195	4,354	4,300	4,194	4,456	4,725	6,536	4,767	4,814	3,811
Inspections	11,554	11,708	12,000	10,500	11,295	11,525	17,180	12,039	11,913	10,347
Sanitation										
Tons of residential waste landfilled	13,927	13,822	12,500	14,700	14,983	15,300	19,785	18,955	17,124	15,579
Tons of residential waste recycled	5,176	6,010	4,500	6,030	6,527	6,825	5,786	6,391	7,445	7,440

Source: various City of Marietta departments

CITY OF MARIETTA, GEORGIA
Operating Indicators by Function (Unaudited)
Last ten fiscal years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Parks, recreation, and facilities										
Parks and recreation										
Senior games participants	302	280	300	320	309	320	275	222	250	300
Summer day camp participants	880	694	544	580	517	790	356	1,018	814	640
Youth basketball participants	780	720	620	590	480	490	321	380	340	360
Youth track participants	148	128	100	100	112	108	92	100	0	0
Adult basketball teams	26	20	18	6	14	11	10	11	12	12
Concerts on the Square	15	15	16	16	17	17	17	17	19	16
Festivals on the Square	4	4	4	4	4	4	4	4	7	8
Facilities										
Inspections	6,923	7,441	3,470	3,470	3,470	3,571	3,613	3,659	400	400
Work orders	1,684	1,981	2,198	2,598	2,598	2,870	2,971	3,121	1,580	1,450
Vandalism incidents	215	244	183	173	173	189	264	210	39	32
Development Services										
Code enforcement cases	*	*	3,515	3,344	3,564	3,600	4,925	5,167	6,431	6,409
Citations issued	88	78	62	35	22	40	53	36	47	62
Sign permits issued	204	198	264	300	250	330	350	282	393	451
Rezoning applications processed	32	60	30	50	36	30	29	19	20	14
Variance applications processed	74	67	71	100	68	80	54	32	37	31
Plats reviewed	128	44	122	127	119	140	78	51	45	20
Building permits reviewed	720	691	693	700	768	800	1,677	1,511	1,118	1,168
Personnel										
Number of open positions	189	191	195	217	235	210	204	121	74	73
Number of applications received	2,145	2,430	2,525	3,553	5,043	4,500	5,584	5,733	3,342	4,649
Pension applications received and approved	23	23	23	25	39	40	37	25	32	20
Finance										
Tax payments processed	21,967	21,967	19,880	19,899	20,000	19,225	19,802	20,460	20,775	20,703
Value of tax payments (millions)	32	36.2	45.6	47.2	46.9	51.5	54.9	58.8	62.5	61.6
Property tax exemption forms	850	850	8,874	8,874	7,799	8,000	8,204	8,418	8,455	8,631
Purchase orders processed	2,300	2,300	2,700	2,500	2,500	2,375	2,351	2,107	2,113	1,974
Active vendors	6,200	6,200	6,300	6,300	6,300	6,375	6,425	6,439	6,687	6,996
Business licenses issued	8,008	8,365	8,815	8,898	8,854	8,558	9,020	8,098	7,276	8,379

* Information not readily available
Source: various City of Marietta departments

CITY OF MARIETTA, GEORGIA
Operating Indicators by Function (Unaudited)
Last ten fiscal years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Municipal Court										
Traffic citations issued	22,508	19,011	19,403	18,684	14,056	16,922	20,655	17,114	14,146	15,698
Red light citations issued	*	*	*	4,510	35,010	37,001	35,873	26,882	21,641	20,197
Parking citations issued	4,121	4,308	3,855	4,171	4,628	4,768	3,927	4,160	4,255	4,687
Cases filed	17,318	15,226	15,490	15,053	13,297	14,228	16,051	13,321	11,755	12,594
Non-jury trials	1,144	1,047	853	924	923	997	906	957	1,011	990
New probationers	810	707	673	631	578	528	489	631	673	722
Electric										
New customer work orders	300	300	300	300	429	415	677	551	150	144
Lighting repair work orders	1,900	1,851	1,970	1,970	1,970	1,769	1,771	1,847	1,800	1,733
Line clearance (miles)	55	55	55	84	68	75	104	100	110	98
Trees removed on system	450	450	217	240	208	250	209	225	315	298
Meter site audits	*	400	425	335	335	384	527	350	400	463
Transformer infrared scanning	*	165	125	130	130	218	289	220	250	407
Electric customers	44,691	44,467	44,843	46,073	45,543	44,338	45,593	46,032	46,477	46,525
Kilowatt hours sold (millions)	1,072	1,046	1,082	1,074	1,036	1,075	1,073	1,094	1,038	1,046
Water & sewer										
New meter installs	170	136	116	144	146	150	204	78	33	38
Large water main replacements (feet)	0	0	2,050	16,050	3,250	3,150	3,150	5,000	6,660	9,515
Water line replacements (feet)	5,500	0	5,802	14,330	11,920	17,455	4,600	6,100	6,257	6,082
Sewer main rehabiliation (feet)	5,000	0	2,420	9,191	3,087	15,100	4,500	2,800	12,774	6,589
Major sanitary sewer overflows	*	*	*	3	2	0	1	0	0	0
Backflow device inspections	*	*	*	180	186	274	454	469	457	760
Utility locates	*	*	*	3,617	3,510	4,000	3,495	3,625	3,536	3,662
Gallons of grease removed from traps	*	*	*	411,728	640,951	500,000	762,226	715,234	658,174	597,253
Valves exercised	*	*	900	110	140	600	189	0	0	284
Plan reviews	*	*	66	73	62	70	46	35	64	95
Work orders completed	11,785	11,250	10,200	11,679	11,857	12,000	3,142	5,812	5,613	5,361
Water accounts	17,665	18,194	18,325	18,218	18,276	18,249	18,661	18,073	18,441	17,710
Water gallons sold (million)	3,708	3,446	3,415	3,160	3,158	3,357	3,353	3,001	2,626	2,533
Sewer accounts	16,783	16,584	16,741	16,768	16,728	16,654	16,710	16,782	16,569	16,437
Sewer gallons (millions)	3,737	3,159	3,093	2,960	2,962	3,044	2,998	2,708	2,430	2,567

* Information not readily available
Source: various City of Marietta departments

CITY OF MARIETTA, GEORGIA
Capital Asset Statistics by Function
Last ten fiscal years

	Fiscal Year									
Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	68	72	82	80	87	98	103	99	108	104
Fire Stations	6	6	6	6	6	6	6	6	6	6
Sanitation										
Collection trucks	15	15	15	15	15	15	15	15	15	15
Highways and streets										
Streets(miles)	215.3	215.8	217.0	217.6	219.6	220.2	223.2	223.7	222.1	216.8
Streetlights	**	**	**	**	**	6,787	6,817	7,824	7,748	7,665
Traffic signals	99	100	102	104	106	108	108	104	105	104
Culture and recreation										
Parks acreage	248	278.8	287.7	288	288	288	298.8	310	310	310
Parks	18	18	19	19	19	19	20	20	22	22
Swimming pools ***	1	1	1	1	1	1	1	1	1	1
Tennis courts	25	25	27	27	27	27	27	23	19	19
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles) *	275	280	290	300	305	314.4	314.4	318.8	326.9	328.0
Fire hydrants *	2,000	2,100	2,150	2,200	2,250	2,315	2,322	2,385	2,594	2,619
Water pump stations	2	3	3	3	3	3	3	3	3	3
Wastewater										
Sanitary sewer mains (miles)*	215.0	230.0	240.0	255.0	265.0	275.5	278.3	285.2	293.8	298.0
Storm sewers(miles)	220.7	221.2	222.4	223.0	225.0	225.6	225.6	230.0	232.2	232.2
Wastewater pump stations	1	1	1	1	1	1	1	1	1	1
Electric										
Number of distribution stations	19	19	20	20	20	20	20	21	21	20
Miles of service lines	**	**	561	562	569	572	579	585	588	590
Conference Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1

Sources: City departments
Note: * Fiscal Years 97 - 2005 estimates
** not readily available
*** swimming pool closed FY09

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