

COBB COUNTY GOVERNMENT

Comprehensive Annual Financial Report

For Fiscal Year Ended September 30, 2010

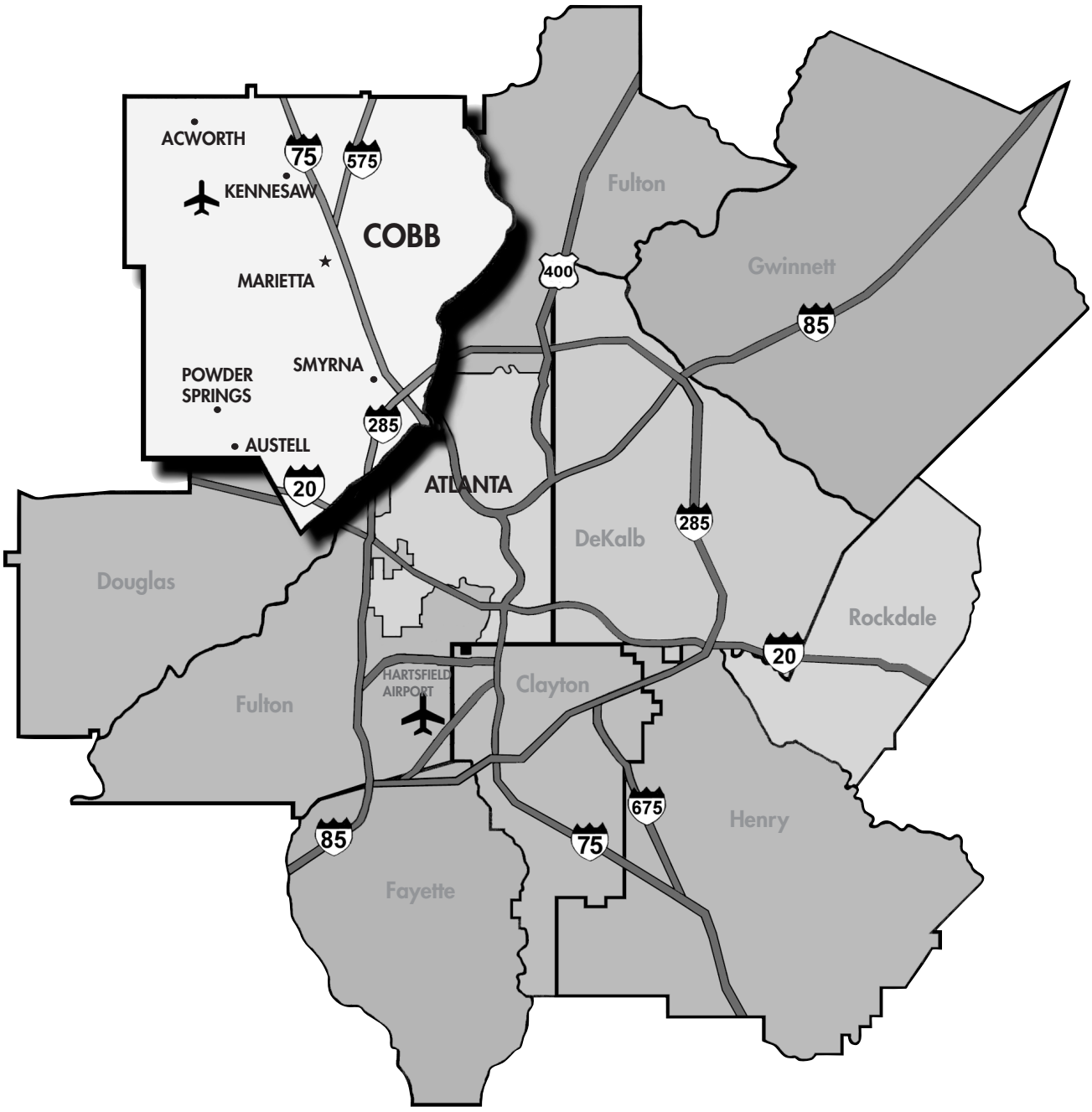
COBB COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Fiscal Year Ended September 30, 2010

Jim Pehrson, CPA
Finance Director - Comptroller

Cobb County Finance Department
100 Cherokee Street - Marietta, Georgia 30090

Metro Atlanta



COBB COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2010

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Introductory Section

The Introductory Section includes a transmittal letter from the Director of Finance/Comptroller, a general government organizational chart and a list of principal officials. The transmittal letter is intended to provide users with general information of the County's structure, the County's current and future economic picture as well as its major initiatives and financial accomplishments.

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COBB COUNTY FINANCE DEPARTMENT

Jim Pehrson, CPA
Director/Comptroller

100 Cherokee Street, Suite 400
Marietta, Georgia 30090-9610
Phone: (770) 528-1505 Fax: (770) 528-1501

March 10, 2011

The Honorable Tim Lee, Chairman
Members of the Cobb County Board of Commissioners
And Citizens of Cobb County

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of Cobb County, Georgia for the fiscal year ended September 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.

Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including disclosures, rests with the County. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the County's financial activities have been included.

Moore & Cubbedge, LLP Certified Public Accountants, have issued an unqualified opinion on the Cobb County financial statements for the fiscal year ended September 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 auditor's 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.

Cobb County receives financial assistance through various federal grant programs. As required by the Single Audit Act of 1984, P.L. 98-502 and amendments of 1996 and Office of Management and Budget (OMB) Circular A-133, audits of programs receiving federal grants have been performed for the fiscal year ended September 30, 2010. The required reports on supplementary information, compliance, internal controls, and various supplementary schedules are included under the Compliance Section.

Profile of the Government

Cobb County, Georgia, is a healthy, vibrant community located twenty miles northwest of Atlanta along the scenic Chattahoochee River. Cobb and neighboring Cherokee County were part of the Creek and Cherokee Indian Territories when the first settlers arrived in the early 1800's. The North Georgia Gold Rush brought English and Scotch-Irish settlers in search of riches and farmland. As trade began, enough homesteaders were attracted to the area for the City of Smyrna, one of Cobb's six municipalities, to be settled in 1831. Cobb County was officially organized in December 3, 1832 and named for Thomas Willis Cobb, a United States Senator, Congressman and Superior Court judge. The County seat, Marietta, was officially recognized in 1834. The two cities and the county grew substantially following Reconstruction, especially after World War II with the building of

Rickenbacker Field and the Bell Bomber Aircraft Plant – now Dobbins Air Reserve Base and the Lockheed Martin Aeronautical Systems Company.

Cobb's population has grown 15.8% since 2000 when approximately 607,751 people resided in the County. Based on the U.S. Census estimates as of July 2005 and adding a 1.5% growth factor, Cobb's population is estimated at 721,839. According to the U.S. Census Bureau and the Atlanta Regional Commission, the U.S. population increase from April 1, 2000 to July 1, 2008 was 14.9%, compared with Georgia's 20.1% increase for the same period. In contrast, Cobb County's population increase for the same period was 9.1%. Cobb ranks third in the Atlanta region's population growth.

A five-member Board of Commissioners governs Cobb County. The Board is comprised of one chairman, elected county wide, and four commissioners, each elected from a separate commission district serving four year staggered terms. A County Manager, who is appointed by and responsible to the Board of Commissioners, directs the daily operation of the County. Services provided to approximately 721,839 Cobb citizens residing in the 340.2 square mile area include: public safety (fire, EMS, police, 911 emergency, animal control, courts and sheriff and detention operations), community development, community services, transportation, and other general governmental services. The County also provides water and sewer. After many years of providing solid waste disposal services to the public, this function was privatized in 2009.

The incorporated areas of Cobb County consist of six municipalities – the cities of Acworth, Austell, Kennesaw, Marietta, Powder Springs and Smyrna. A mayor and city council govern each municipality.

The financial statements contained herein include all activities and functions of Cobb County that are under the jurisdiction of the Board of Commissioners, as set forth in state and local law. Additionally, two component units are included in these financial statements because of their operational and financial relationships to the County. The Cobb-Marietta Coliseum and Exhibit Hall Authority operate a multi-use exhibit hall and convention facility in the County. The Cobb County Board of Health provides a variety of health related services in the County. Additional information on these two legally separate entities can be found under the Basic Financial Statements section.

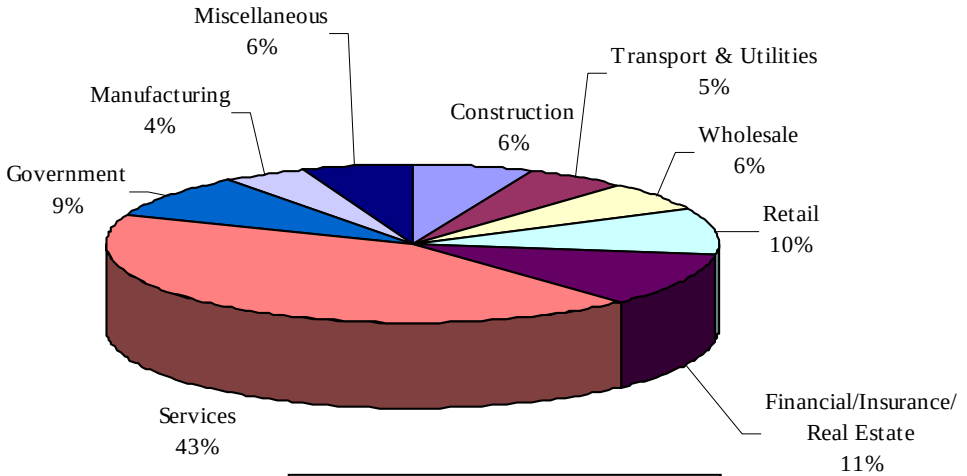
Local Economy

Cobb County is part of a very select group that includes less than 1% of counties nationwide to have achieved a Triple-Triple A credit rating, and this achievement has been accomplished for the fourteenth consecutive year. In 1995, Moody's Investor Services awarded Cobb its first AAA. rating citing strong economic growth and strong fiscal management. Cobb was the first county in Moody's eight-state southeast region to achieve this highly coveted rating. In April of 1996, Fitch Investors also awarded Cobb with their top rating…AAA. Cobb was also the first county in Fitch's southeast region to achieve their AAA rating. Standard and Poor's upgraded Cobb to AAA in June of 1997. The Triple A rating is the most highly acclaimed indicator of the overall financial strength of a community. These independent ratings produce significant interest savings and verify that Cobb's sound fiscal policies and conservative management philosophy will guide Cobb into the future.

Thanks in large part to the foresight and stewardship of County leadership, Cobb County continues to prosper even during the challenging economic times. Cobb employs more than 421,270 within its boundaries and currently, there are approximately 28,640 licensed businesses. The County's unemployment rate was 9.5% which is lower than the State of Georgia (9.9%) and the United States (9.6%).

Although the top ten principal employers in the community account for only 14.96% of all those employed in Cobb County, the national recognition they bring to the County cannot be overstated. There are four Fortune 500 companies that have their headquarters in Cobb County, with 439 international companies having a presence and contributing to our dynamic business environment. The four Fortune 500 companies are The Home Depot, Coca-Cola Enterprises, Genuine Parts (NAPA), and First Data. Each of these companies represents a different type of commercial enterprise that has found the environment within the County to be conducive to future growth.

According to Woods & Poole Economics (2011 Data Pamphlet), the Atlanta Georgia Metro Statistical Area (MSA) will generate the second largest number of jobs of any MSA in the Southeast over the next three decades. Atlanta is a regional center of trade and commerce for much of the Southeast outside of Florida. Employment is expected to increase in transportation, communications, public utilities, retail trade, finance, insurance, and real estate. Hartsfield-Jackson International Airport and an extensive road program have made the Atlanta area a hub for distribution facilities and a regional center for commerce and trade in the Southeast.



Employment by Job Category
Source: Woods & Poole, 2011

In fiscal year 2010, the Cobb Galleria Centre, one of the leading convention centers in the nation, had net assets of $115.4 million. September 2010 marked the third anniversary of the grand opening of the Cobb Energy Performing Arts Centre, the first major performing arts facility in the Atlanta area in four decades. The $133 million facility includes the 2,750-seat John A. Williams Theatre, 10,000 square foot ballroom, 3,000 square foot terrace and full catering capabilities. The Centre will have a major impact on the surrounding area, both economically and artistically, because the Centre is a premier venue for opera, concerts, Broadway shows, ballet, educational and family shows and other events. The Performing Arts Centre hosted 263 events with attendance of over 240,000 in 2010. In short, this first class facility will greatly enhance the quality of life in the region.

Long-term Financial Planning

Cobb County is recognized as a leader both nationally and locally. Nationally, the three premier bond rating agencies have awarded the County their highest ratings…triple A. Cobb's Water System

is the highest rated independent (non-general obligation backed) water system in the nation as they also have a Triple-Triple A rating.

In September 2005, voters approved the Special Purpose Local Option Sales Tax (SPLOST). This one cent sales tax program, which is significantly supported by non-residents, funds various improvements around the County. Since this SPLOST began, the improvements total: $106.95 million for the expansion of the Cobb County Adult Detention Center, $85.4 million for thoroughfare improvements, $66.5 million for major roadway safety and operational improvements, $37.7 million for resurfacing, $32.3 million for miscellaneous municipal projects, $34.8 million for intersection safety and operational improvements, $27.0 million for 800MHz Core Replacement which was interfund transferred to the 800MHz Fund, $23.8 million for bridge rehabilitation\replacement, and $53.9 million for courthouse construction. The SPLOST program runs from January 2006 until December 2011. A complete list of the projects and further details regarding the program is available at the Web site www.cobbcip.org. Total revenue generated for the SPLOST program since this SPLOST began is $647 million with expenditures totaling $568 million.

The Debt Service Fund reflects the accumulation of monies for, and the payment of, principal and interest on all General Obligation Debt other than that issued specifically for enterprise activities. The following ratios of net bonded debt per capita are useful indicators of the County's strong debt position:

	Amount	Debt Per Capita	Debt to Actual Value	Debt to Assessed Value
Net Bonded Debt	$ 45,235,726	$ 62.67	0.06%	0.14%
Total General Obligation Direct Debt	$ 53,480,000	$ 74.09	0.07%	0.17%
Net General Obligation Direct and Overlapping Debt	$ 423,026,744	$ 586.04	0.54%	1.35%

Outstanding General Obligation Bonds at September 30, 2010 totaled $53,480,000.

Cobb's legal General Obligation Bond debt limitation by state law is 10% of the taxable digest or $3,142,835,377. Cobb County currently is utilizing 1.7% of this limitation with its $53,480,000 outstanding General Obligation Bonds.

The available assets of the various funds are pooled to the extent possible for investment purposes. Investments are made in accordance with state law and the County's Investment Policy that requires bank balances be 110% collateralized and all investments be acquired on a "delivery vs. payment" basis, thereby providing maximum protection to the County. The Investment Policy also prescribes selection criteria for financial institutions, investment instruments and maturities of investments.

On March 13, 2007, the Cobb County Board of Commissioners (BOC) authorized the Water System to submit an application to (Georgia Environmental Facilities Authority) GEFA for partial funding of

the South Cobb Tunnel construction and related services. This project entails construction of an approximately 30,000 foot long, deep tunnel with a 27-foot excavation diameter; several connecting tunnels 6 to 10 feet in diameter ranging from 500 to 3,200 feet in length, and a 130 mgd lift station at the South Cobb Water Reclamation Facility. The initial loan in the amount of $35 million was authorized by the BOC on March 11, 2008, and the second loan in the amount of $35 million was authorized in FY2009. Two additional loans in the amount of $10 million and $25 million were requested in FY 2010. The length of the project will be approximately 6 years with each loan having a 20 year term. The current outstanding balance of these loans from GEFA, as of September 30, 2010, is $87 million.

Major Initiatives

In order to continue to compete in a global economy and ensure continued economic growth, Cobb County must continue to address the public infrastructure that effectively serves the demands for transportation and air travel, water supply, wastewater treatment and waste disposal. To address these challenges, along with other quality of life issues, Cobb aggressively developed and adopted its first 5-year rolling Capital Improvement Program (CIP) in 1990. Since that time, Cobb County has successfully completed and implemented the Cobb County Greenprint. This is a Geographic Information Systems modeling program that allows staff to manage and prioritize the remaining undeveloped land and sensitive habitat in the county.

Taking the Time to Enjoy Life in Cobb In the 2006 General Election, Cobb residents approved a $40 million bond to purchase land committed to permanent park use. Funding is almost complete and has allowed the acquisition and preservation of scarce land resources including: 95 acres of Hyde Farm (a combined effort with the National Parks Service and The Trust for Public Land) 112 acres of the Bullard Farm-Stockton site which contains an antebellum house that served as a Confederate hospital; more than 137 acres on Brownsville Road; and 16 acres off Veteran's Memorial Highway near the Chattahoochee River. The woodland features historic Civil War earthworks. In combination with the National Parks Service (NPS), the county has accomplished protecting the farmstead which serves as a testament to time. Visitors will have the opportunity to observe a working farm as well as witness community life as it existed in the early 1900s.

The EPA also recently recognized Cobb County's fleet management as the newest environmental steward to join the National Partnership for Environmental Priorities. The commitment includes the use of environmentally-safe, lead-free wheel weights, as well as recycling lead wheel weights used on the existing fleet of cars and trucks. Fleet management estimates that 2,500 pounds of lead will be safely recycled, eliminating a potential toxic pollutant from posing risk to human health and the environment.

Road to Progress Cobb County DOT oversees one of Georgia's largest county-owned road networks. During 2009, work began on a major intersection (Johnson Ferry and Abernathy Roads) which will include bridge widening, additional lanes and intersection improvements. It is scheduled for completion in summer 2012. Master Plans for major improvements have begun or were completed for the Powers Ferry corridor and the Austell Road Access Management Plan. The Bicycle and Pedestrian Improvement Plan was completed and identifies ways the County can improve conditions for bicycling and walking. Also, the State Route 120 Loop will be improved by adding a ramp for westbound vehicles turning southbound on the Loop. This $7.5 million project is scheduled for completion in summer 2011.

Construction on the $5.5 million Regional Transportation Management Center began in June 2009 and was completed in July 2010. Cobb DOT held a ribbon cutting ceremony, to celebrate the completion of the building with guest speakers U.S. Senator Johnny Isakson and GDOT

Construction on the $5.5 million Regional Transportation Management Center began in June 2009 and was completed in July 2010. Cobb DOT held a ribbon cutting ceremony, to celebrate the completion of the building with guest speakers U.S. Senator Johnny Isakson and GDOT Commissioner Vance Smith, Jr. Cobb County's new RTMC will provide commuters with improvements to traffic signal and incident management as well as more responsive real time traveler information. Utilizing state-of-the-art technology and an 8 feet by 16 feet video screen wall, the RTMC is the nerve center overseeing area transportation systems and is an integral part of Metro Atlanta's Advanced Transportation Management Center operated by the Georgia Department of Transportation. The RTMC is comprised of three primary functions, traffic signal management, incident and special events management and communications and traveler information systems. The RTMC facility was designed according to Leadership in Energy and Environmental Design standards to ensure energy efficiency and environmentally conscientious construction. This project is the first of its kind in the region and is registered with the US Green Building Council.

Cobb County recently broke ground on the much-anticipated Big Shanty Extension; a two-mile roadway designed to provide significant congestion relief for the northwest sector of Cobb. Through a partnership of the Georgia Department of Transportation, Cobb DOT, the Town Center Area Community Improvement District, Kennesaw State University and the American Recovery and Reinvestment Act, phase I began construction in the fall, phase II began construction in January and phase III is scheduled to begin in 2011. The total project should be completed by 2012.

The Special Purpose Local Option Sales Tax (SPLOST) program that was approved by voters in September 2005 funded various improvements around the County. The SPLOST program has an Oversight Committee that is made up of 15 citizens appointed by each of the members of the Board of Commissioners. The committee meets on a bi-monthly basis.

With the SPLOST program proceeding ahead of the original schedule and on track for completion within eight years, improvements to Cobb County's transportation system steadily move along. The SPLOST program to date has approximately 312 transportation projects that are underway or completed. Of these, 31 are in the engineering phase, 24 are in the right-of way acquisition phase, 34 are in the construction phase and 223 have been completed. Some of the other major projects for FY10 consisted of the following: road construction or improvements, pedestrian bridge, Fire Station #30 relocation and renovations to Powder Spring Station.

Cobb County Public Safety: New Superior Court Building The SPLOST Program has provided significant improvements in many areas of the County, including transportation improvements, the new jail and the new courthouse project. Substantial progress continues on the new courthouse which will combine all of the county's court services on one campus and allow the juvenile court to move to downtown Marietta. Turner Construction installed a connecting bridge in January and the courthouse should be open for business in spring 2011. The $110 million expansion of the Cobb County Adult Detention Center is nearing completion and continues within budget. Construction of the visitor center, administrative building and housing tower is complete. In December, the county is expected to receive a certificate of occupancy and in January the offices will be moved over to the new facility. The courts themselves will be moved first; once they are up and running, the next group will be moved and so on. So far, the county has saved approximately $1.3 million. On April 14, 2010 the Board of Commissioners approved a final Guaranteed Maximum Price contract for $57,175,436.

County-Owned Transit System Cobb Community Transit (CCT) continues to meet its goals of providing the citizens of Cobb County with a safe, reliable, attractive and cost effective public transportation system. In 2010, CCT riders took nearly 4.6 million trips, displaying a continued

increase in ridership. CCT continues with the Breeze Fare Collection System which allows CCT passengers to be able to easily transfer between CCT and MARTA.

Cobb transit users living in southwest Cobb can look forward to starting the new year with a new transit service. Cobb Community Transit announced it is adding a new bus route, Route 35, which began operations on Monday, January 3, 2011. Service starts at WellStar Cobb Hospital, near the Austell Road/East-West Connector intersection and ends at MARTA Holmes Station. Route 35 will provide 30 minute peak service and 60 minute off peak service. Bus schedules will be posted at bus stops and shelters so riders will know when to expect the bus.

Relevant Financial Policies

Cobb County's goals were developed within the framework of the Financial Policies established by the County that provide a sound basis for future financial planning and conservative management. Briefly stated, they include (1) a balanced annual operating budget, (2) a stable and diversified revenue structure, (3) maintenance of adequate reserves and designations of fund balances, (4) a multi-year capital improvements program, and (5) debt and investment policies that ensure judicious management of the County's credit and available funds.

In developing and evaluating the County's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the sub-function level by the encumbrance of estimated purchase amounts before the release of purchase orders to vendors. Purchase orders that result in an overrun of sub-function balances are not released until additional appropriations are made available. Open encumbrances are reported as reservations of fund balances at year-end for governmental funds.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2009. This represented the twenty-fourth consecutive year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the County must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report 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 that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements. We are submitting it to GFOA to determine its eligibility for another certificate.

Also in 2010, Cobb County received the Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the third consecutive year based on an evaluation of creativity,

presentation, understandability and reader appeal. This award is also valid for a period of one year only. We believe that our current Popular Annual Financial Report continues to meet the Certificate of Achievement Program's requirements. We are submitting it to GFOA to determine its eligibility for another certificate.

In addition the County received its seventeenth consecutive GFOA Award for Distinguished Budget Presentation for its biennial operating budget presented in the FY 09/10 Biennial Budget document. To qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories as a policy document, financial plan, operations guide and as a communications device.

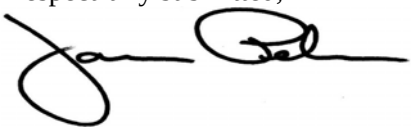
The Water System Fund received several awards throughout FY10. These awards include the Georgia Association of Water Professionals (GAWP) 2010 Water Distribution System of the Year Award, the GAWP Platinum Award - NPDES Permit Compliance for both the Northwest and R.L. Sutton Water Reclamation Facilities and the GAWP Gold Award - NPDES Permit Compliance for the Noonday Water Reclamation Facility. The U.S. Environmental Protection Agency recently honored Cobb as one of five national WaterSense Partners of the Year. Last year, more than 1,000 partners helped Americans save 9.3 billion gallons of water. Cobb County Water System was honored as the Promotional Partner of the Year for a large utility.

We wish to acknowledge the outstanding efforts of the Finance Department staff in the preparation of this report. Their dedication and contributions to the preparation of this report, along with the direction and support of the County Manager's Office, form the basis for responsible and progressive financial management in Cobb County.

We also wish to acknowledge the valuable contribution of the Board of Commissioners in its guidance of the financial affairs of the County.

Most of all, we would like to thank the people of Cobb County. Their noteworthy level of community involvement, extending far beyond personal interest, continues to make Cobb County an exciting place in which to live and work.

Respectfully submitted,



Jim Pehrson, CPA
Director of Finance/Comptroller

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cobb County
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 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.



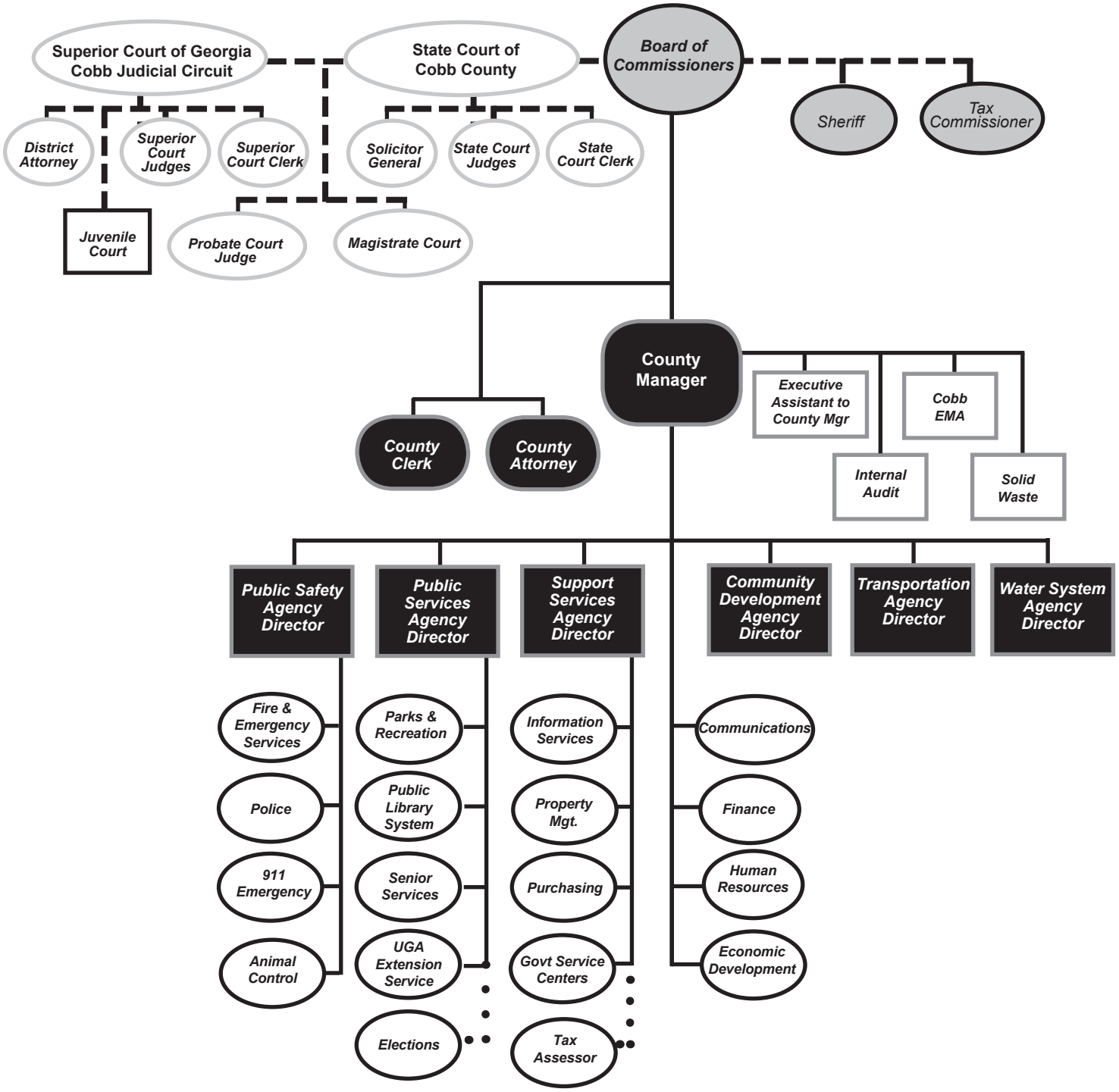
President

Executive Director

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Cobb County Government Organizational Chart

Cobb County...Expect the Best!



rev 10/10

KEY

Elected Office | Elected Court Office | Appointed Court Office | Appointed by the Board of Commissioners | Agency Director | Department Director | County Manager's Staff

For budget purposes only.

Liaison responsibilities only.

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Helen Goreham
Commissioner
District 1



Tim Lee
Chairman



Bob Ott
Commissioner
District 2



Thea Powell
Commissioner
District 3



David Hankerson
County Manager
appointed by
Board of Commissioners



G. Woody Thompson
Commissioner
District 4

Cobb County, Georgia

County Manager
David Hankerson

Finance Department

Director of Finance/Comptroller .....James Pehrson, CPA

Treasury Division Manager ..... John Bergey, CPA

Finance Division Manager.....Roxane Rush

Finance Division Manager.....Bill Volckmann

Budget Administrator ..... Dan Streett

Accounting Manager..... Tari Phillips

Financial Section

The Financial Section includes the Management's Discussion and Analysis (MD&A), the basic financial statements and Required Supplemental Information (RSI) as well as the independent auditor's report. The MD&A is intended to provide users with a narrative introduction, overview and analysis of the financial statements. The RSI is intended to provide users with budgetary comparisons, infrastructure condition and maintenance data and pension trend data.

MOORE & CUBBEDGE LLP
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT

The Honorable Tim Lee, Chairman
Members of the Cobb County Board of Commissioners

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cobb County, Georgia, as of and for the year ended September 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County'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, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Cobb County, Georgia, as of September 30, 2010, and the respective changes in financial position and the cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2011 on our consideration of Cobb County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. 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 read in conjunction with this report in considering the results of our audit.

Michael R. Crace Jean K. Hawkins Richard H. Lewis Tammy A. Galvis Donald L. McGrath Jr. Retired: C. Frank Moore Edwin W. Cubbedge III
T 770.422.0500 F 770.421.6440 366 Powder Springs Street Marietta, Georgia 30064 www.moore-cubb.com

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The management's discussion and analysis, the Pension schedule of funding progress and schedule of employer contributions, and the OPEB schedule of funding progress, on pages 3 through 17 and pages 82 through 84 are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. 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 Cobb County's basic financial statements. The introductory section, the combining and individual nonmajor fund statements and schedules, supplementary information, the statistical tables, the schedule of projects constructed with special sales tax proceeds, and the water and sewer fund comparative statement of revenues and expenses are presented for the purpose of additional analysis and are not a required part of the basic financial statements of Cobb County, Georgia. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Cobb County, Georgia. The combining and individual nonmajor fund statements and schedules, supplementary information, schedule of expenditures of federal awards, the schedule of projects constructed with special sales tax proceeds, and the water and sewer fund comparative statement of revenues and expenses have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. 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

March 10, 2011

Management's Discussion & Analysis

COBB COUNTY GOVERNMENT
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2010

The Management's Discussion and Analysis of Cobb County Government's Comprehensive Annual Financial Report (CAFR) provides an overall narrative and analysis of the County's financial statements for the fiscal year ended September 30, 2010. This discussion and analysis is designed to look at the County's financial performance as a whole. Readers should also review the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements to enhance their understanding of Cobb County's financial performance.

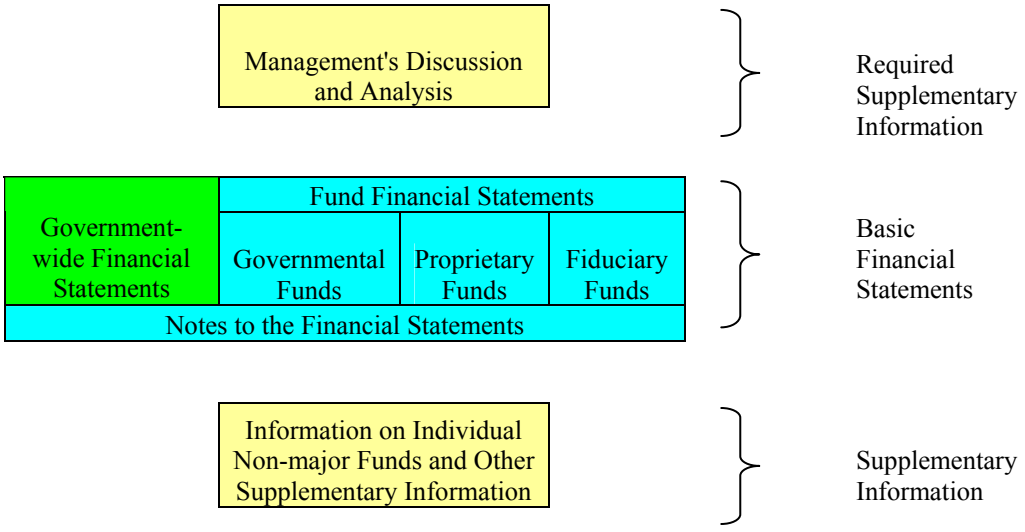
Financial Highlights

Key financial highlights for FY10 are as follows:

- The County's combined net assets totaled $4.3 billion. Of this amount, unrestricted net assets of $22 million may be used to meet the government's ongoing obligations to citizens and creditors.
- Combined revenue totaled $800.2 million of which governmental activities totaled $594.9 million and business-type activities totaled $205.3 million.
- Overall expenses totaled $742.6 million of which governmental activities totaled $550.8 million and business-type activities totaled $191.8 million.
- At the end of September 30, 2010, governmental activities expenses exceeded program revenues, resulting in the use of $387.5 million in general revenues (mostly taxes).
- Cobb County's total long term debt increased by $4,771,087 (0.96%) during the current fiscal year.
- At September 30, 2010, the County's General Fund reported an unassigned fund balance of $29.1 million.

Overview of the Financial Statements

This is the ninth Comprehensive Annual Financial Report (CAFR) Cobb County has issued under the Governmental Accounting Standards Board (GASB) Statement 34. The following illustration is provided as a guide for the financial statements:



COBB COUNTY GOVERNMENT
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2010

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The Government-wide financial statements provide a broad view of the County's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the County's financial position, which assists in assessing the economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This means the statements take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. There are two Government-wide financial statements, the Statement of Net Assets and the Statement of Activities which are described below.

The Statement of Net Assets presents information on all of the County'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 financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent 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 this statement for some items that will not result in cash flows until future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expense and program revenues for each function of the County.

Both of the government-wide financial statements distinguish functions of Cobb County Government that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities include general government, public safety, public works, health and welfare, culture and recreation and housing and development. The business-type activities include Water and Sewer, Solid Waste operations, Transit and Golf Course operations.

The government-wide financial statements include not only Cobb County Government itself but also a legally separate Coliseum and Exhibit Hall Authority and a legally separate Board of Health for which the government is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. It is important to note that these fund categories use different accounting approaches and should be interpreted differently.

Governmental Funds

Most of the basic services provided by the County are financed through 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 statements, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements. This approach is known as using the flow of current financial resources measurement focus and the modified accrual basis of accounting. These statements provide a detailed short-term view of the County's finances that assists in determining whether there will be adequate financial resources available to meet the County's current needs.

The County maintains four governmental fund types: the General Fund; Special Revenue Funds (Fire District, Law Library, Community Services, Grant, Housing and Urban Development Grant, Hotel/Motel Tax, Emergency 911, Parking Deck Facility and 800 MHz); Debt Service Fund; and the Capital Projects Funds (Public Facilities, Parks Bond, Road Sales Tax Extension 1994, 2006 SPLOST and the Parking Deck Construction). 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, Fire District Fund and the 2006 SPLOST Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation based on fund type. The basic governmental fund financial statements can be found on pages 20-25.

Proprietary Funds

Proprietary funds are used to account for activities that operate similar to those commercial enterprises found in the private sector. Because these funds charge fees for services provided to outside customers including local governments, they are known as enterprise funds. Proprietary funds use the accrual basis of accounting, thus there is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

The County has five proprietary funds: Water and Sewer Fund, Solid Waste Disposal Fund, Cobblestone Golf Course Fund, Public Transit System Fund and the Claims Internal Service Fund. The Claims Internal Service Fund, which accounts for services performed by a central service department for other departments or agencies of the governmental unit, is comprised of the Health and Dental Fund, the Casualty and Liability Fund, and the Workmen's Compensation Fund. The proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the Water and Sewer Fund which is considered to be a major fund of the County. The basic proprietary fund financial statements can be found on pages 26-30 of this report.

Fiduciary Funds

The Fiduciary funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other County departments. The County is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and only by those to whom the assets belong. These funds are not reflected in the government-wide financial statements because the resources are not available to support the County's operations or programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Cobb County maintains nine fiduciary funds, called agency funds, for Clerk of State Court, Clerk of Juvenile Court, Sheriff, Clerk of Superior Court, Clerk of Probate Court, Tax Commissioner, Accounts Payable Fund, Payroll Fund and the Child Support, Witness and Jurors' Fees. The basic fiduciary funds financial statements can be found on pages 31-32 of this report.

Component Units

Two component units are included in the financial statements because of their operational and financial relationships to the County. The financial statements include the financial data for the County's component units as reflected in their most recent audited financial statements. The information presented for the Cobb–Marietta Coliseum and Exhibit Hall Authority and the Cobb County Board of Health are as of and for the year ended September 30, 2010 and June 30, 2010, respectively.

Budgetary Comparisons

Cobb County adopts an annual appropriated budget for the General Fund, Special Revenue Funds, and the Debt Service Fund. A budgetary comparison statement has been provided for the General Fund and Fire District Special Revenue Fund and can be found on pages 24-25. Budget to actual comparisons for some of the nonmajor 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 33-81 of this report.

COBB COUNTY GOVERNMENT
Management's Discussion and Analysis
For the Fiscal Year Ended September 30, 2010

Government-wide Financial Analysis

Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The County's combined net assets (go vernment and business-type activities) totaled $4.3 billion at September 30, 2010.

The following table provides a sum mary of the County's governmental and business-type net assets for fiscal years 2010 and 2009:

Cobb County, Georgia
Statement of Net Assets

	Governmental Activities 2010	Governmental Activities 2009	Business-type Activities 2010	Business-type Activities 2009	Total 2010	Total 2009
Assets:						
Current assets	$ 351,562,446	$ 385,857,940	$ 88,679,214	$ 194,428,116	$ 440,241,660	$ 580,286,056
Other - noncurrent	2,379,551	5,706,530	48,909,165	541,172	51,288,716	6,247,702
Capital assets - net	3,023,592,559	2,935,783,829	1,505,379,588	1,414,145,016	4,528,972,147	4,349,928,845
Unamortized issuance costs	33,963	39,459	3,195,781	2,424,267	3,229,744	2,463,726
Total assets	$ 3,377,568,519	$ 3,327,387,758	$ 1,646,163,748	$ 1,611,538,571	$ 5,023,732,267	$ 4,938,926,329
Liabilities						
Current liabiities	$ 171,913,093	$ 165,031,599	$ 48,580,685	$ 32,995,348	$ 220,493,778	$ 198,026,947
Long-term liabilities (net)	151,866,866	152,687,991	351,215,579	345,623,365	503,082,445	498,311,356
Total liabilities	$ 323,779,959	$ 317,719,590	$ 399,796,264	$ 378,618,713	$ 723,576,223	$ 696,338,303
Net Assets						
Invested in capital assets, net of related debt	$ 2,937,351,872	$ 2,845,141,332	$ 1,213,125,239	$ 1,214,901,904	$ 4,150,477,111	$ 4,060,043,236
Restricted	85,902,876	107,900,772	41,766,430	-	127,669,306	107,900,772
Unrestricted	30,533,812	56,626,064	(8,524,185)	18,017,954	22,009,627	74,644,018
Total net assets	$ 3,053,788,560	$ 3,009,668,168	$ 1,246,367,484	$ 1,232,919,858	$ 4,300,156,044	$ 4,242,588,026

96.52% of the County's net assets reflect its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, sidewalks, water lines and sewer lin es) less an y related debt used to acquire those assets that is still outstanding. Investments in capital assets net of related debt increased by $90.4 million (2.2%) in FY10.

The County uses these capital assets to provide services to its citizens ; therefore, these assets a re not available for future spending. Alth ough the County's investment in its capital assets is rep orted net of related debt, it sh ould 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.

At the end of the current fiscal year, the County is able to report positive balances in all categories of net assets for the governmental activities.

Changes in Net Assets

Governmental and business-type activities increased the County's net assets by $57.6 million in FY10. The following table indicates the changes in net assets for governmental and business-type activities in FY10 and FY09:

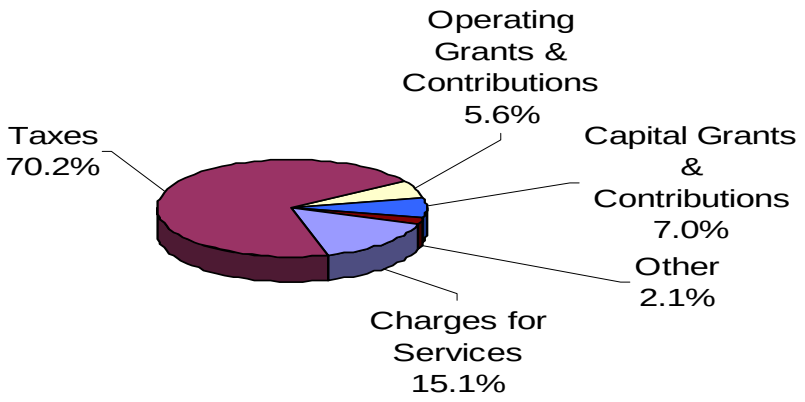
Cobb County, Georgia
Changes in Net Assets

	Governmental Activities 2010	Governmental Activities 2009	Business-type Activities 2010	Business-type Activities 2009	Total 2010	Total 2009
Revenues:						
Program Revenues:						
Charges for Services	$ 88,883,154	$ 92,183,842	$ 189,353,879	$ 183,328,191	$ 278,237,033	$ 275,512,033
Operating Grants & Contributions	33,068,410	17,745,892	-	638,096	33,068,410	18,383,988
Capital Grants & Contributions	41,288,426	61,489,833	21,178,823	10,517,614	62,467,249	72,007,447
General Revenues:						
Property Taxes	242,217,484	258,642,957	-	-	242,217,484	258,642,957
Other Taxes	170,252,003	161,819,807	-	-	170,252,003	161,819,807
Grants and contributions not restricted to specific programs	-	-	-	-	-	-
Other	12,562,794	15,629,287	1,349,974	152,907	13,912,768	15,782,194
Total Revenues	$ 588,272,271	$ 607,511,618	$ 211,882,676	$ 194,636,808	$ 800,154,947	$ 802,148,426
Expenses:						
General government	$ 135,559,677	$ 130,964,498	$ -	$ -	$ 135,559,677	$ 130,964,498
Public safety	226,008,723	218,818,569	-	-	226,008,723	218,818,569
Public works	112,031,838	110,796,058	-	-	112,031,838	110,796,058
Health and welfare	8,288,145	6,389,272	-	-	8,288,145	6,389,272
Culture and recreation	43,049,762	42,245,820	-	-	43,049,762	42,245,820
Housing and development	20,588,418	14,458,129	-	-	20,588,418	14,458,129
Interest on long-term debt	5,228,323	5,781,065	-	-	5,228,323	5,781,065
Water and Sewer	-	-	163,448,806	156,686,447	163,448,806	156,686,447
Solid Waste	-	-	2,079,765	10,793,537	2,079,765	10,793,537
Transit	-	-	24,765,622	22,227,266	24,765,622	22,227,266
Cobblestone Golf Course	-	-	1,537,850	1,673,843	1,537,850	1,673,843
Total Expenses:	$ 550,754,886	$ 529,453,411	$ 191,832,043	$ 191,381,093	$ 742,586,929	$ 720,834,504
Increase in net assets before transfers	$ 37,517,385	$ 78,058,207	$ 20,050,633	$ 3,255,715	$ 57,568,018	$ 81,313,922
Transfers	6,603,007	(1,084,273)	(6,603,007)	1,084,273	-	-
Increase in net assets	$ 44,120,392	$ 76,973,934	$ 13,447,626	$ 4,339,988	$ 57,568,018	$ 81,313,922
Net Assets - beginning	$ 3,009,668,168	$ 2,932,694,234	$ 1,232,919,858	$ 1,228,579,870	$ 4,242,588,026	$ 4,161,274,104
Net Assets - ending	$ 3,053,788,560	$ 3,009,668,168	$ 1,246,367,484	$ 1,232,919,858	$ 4,300,156,044	$ 4,242,588,026

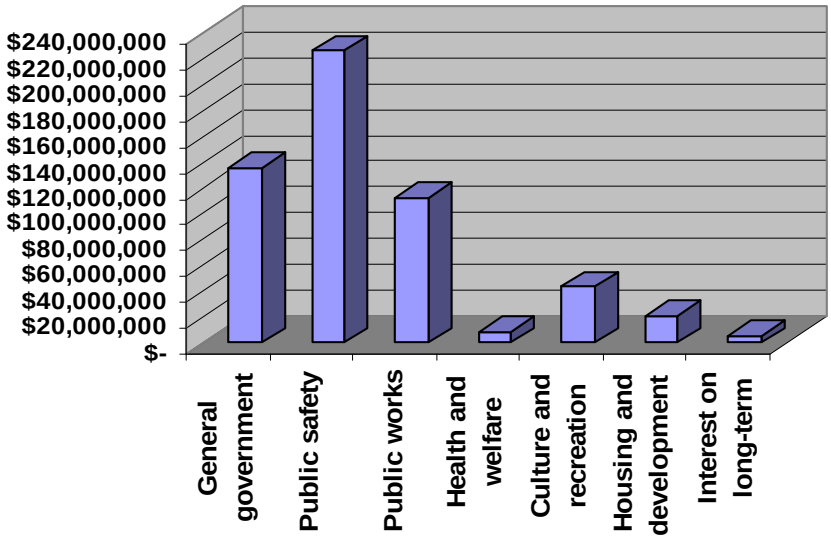
Governmental Activities

Governmental activities increased the County's net assets by $44,120,392 thereby accounting for 76.64% of the total growth in net assets.

Revenues - Governmental Activities FY 2010



Expenses - Governmental Activities FY 2010



Business-type Activities
Business-type activities increased the County's net assets by $13,447,626 thereby accounting for 23.36% of the total growth in net assets.

Changes in Overall Net Assets from Operating Results
Revenues
The County's total revenue decreased 0.25%, or $2 million, in FY10. Revenue received from taxes decreased a total of $8 million (1.9%) overall, primarily due to a decrease in the property taxes which collected $242 million, a 6.4% decrease from FY09. Revenue received for the 2006 Special Purpose Local Option Sales Tax (SPLOST) program totaled $129.8 million overall in its fifth year. Capital Grants and Contributions decreased $9.5 million in FY10. Key elements of this decrease are a result of fewer subdivision road donations by various developers in the amount of $12.9 million as well as a $0.5 million decrease in water and sewer lines from developer contributions. The decrease in Grants and Contributions not restricted to specific programs is due to the fact that the Governor's Tax Credit was not funded by State legislature in FY10.

Expenses
The County's total expenses increased 3.0%, or $21.8 million, in FY10. The largest increase is in the Public Safety function. Public Safety increased $7.2 million over the prior year as a result of the following projects; Fire Station #30, Superior Courthouse, and increased cost to providing emergency communication services to the citizens of the County. Housing and Development increased $6.1 million and $5.3 million of that was due to the Neighborhood Stabilization and Home Programs. The Neighborhood Stabilization Program purchased thirty three houses during the fiscal year. Water and Sewer increased $6.8 million over the prior year and $5.0 million of the increase was the result of interest expense on the 2009 Series Water Bond. Housing and Development increased $6.1 million and $5.3 million of that was due to the Neighborhood Stabilization and Home Programs.

Financial Analysis of the County's Individual Funds

Cobb County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Cobb County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, the 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.

The County ended FY10 with strong fund balances in its governmental funds. The combined balance of all the governmental funds is $152.4 million. Of this total, $23.0 million or 15.1% constitutes unassigned fund balance, which is available for spending in the coming year. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been designated: 1) to liquidate contracts, purchase orders and inventories of the prior period 2) to pay debt service and 3) for a variety of other restricted purposes.

Major Funds:
General Fund
The General Fund is the primary operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $29.1 million, and total fund balance was $39.7 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 9.3% of total general fund operating expenditures and total fund balance represents 12.7% of that same amount.

The fund balance of the General Fund decreased $8.3 million in FY10 for a total of $39.7 million, and the Board of Commissioners made a collaborative effort to focus on maintaining the county's excellent financial position. Tax revenues decreased $7.4 million as a result of a 6.9% decrease in total assessed values. Operating expenditures increased approximately $8.6 million (2.8%). The largest increases were in Health and Welfare and Public Safety.

Total transfers out in the General Fund of $22.0 million represent the appropriation of funds to the Public Facilities Fund, Transit Fund, Solid Waste Fund, Water System Funds, the 800 MHz Fund, 2006 SPLOST Fund and the Grant Fund. $7.7 million of transfers out are transferred to the Public Facilities Fund for various capital projects including $2.5 million in road resurfacing projects and intersection improvements; $3.1 million for PC replacements and other computer technology upgrades; $1.2 million for park renovations and $0.9 for other projects. Transfers out of $8.7 million represent the appropriation of funds to subsidize Transit and Solid Waste. $4.3 million for fiscal year 2011 debt service requirements. $0.6 million was transferred to the 800 MHz Fund for Core Replacement and $0.7 million was appropriated for local match on various grants and other projects.

Fire Fund
The Fire Fund is used to account for the operation of the fire department within the County. The assigned fund balance for FY10 was $6 million while total fund balance was $6.0 million. The fund balance decreased by $7.8 million during the current fiscal year due to the use of prior year appropriated fund balance for capital projects such as new fire station construction and relocations along with equipment purchases. While total assets decreased by $7.3 million, total liabilities also increased by $0.5 million.

2006 SPLOST Fund
The 2006 SPLOST Fund accounts for the financial resources provided from the 2006 one percent Special Purpose Local Option Sales Tax. Such funds were approved by voter referendum for public safety and transportation projects. At the end of the current fiscal year, the 2006 SPLOST Fund reported a fund balance of $64.7 million all of which is restricted for specific construction projects. Operating expenditures exceeded revenues by $23.4 million. Of the $153.2 million in expenditures, $41.4 million was spent on the new courthouse complex which broke ground in May of 2009, $5.1 million was spent on the jail expansion including the completion of the visitor and administrative building as well as the laundry and kitchen area renovations and $106.7 million was spent on various DOT safety and improvement road, bridge and sidewalk projects.

Nonmajor Funds:
Special Revenue Funds
The County uses Special Revenue Funds to account for the collection and disbursement of specific revenues that are legally restricted to expenditures for specified purposes. Included in this classification are: Law Library Fund, Community Services Fund, Grant Fund, Housing and Urban Development Grant Fund, Hotel/Motel Tax Fund, Emergency 911 Fund, Parking Deck Facility Fund and the 800 MHz Fund.

Nonmajor Special Revenue Funds' operating revenue totaled $53.0 million for the fiscal year ended September 30, 2010. Total operating revenues decreased by $3.2 million (5.7%).

Operating expenditures of the nonmajor Special Revenue Funds totaled $49.9 million for FY10. Total Nonmajor Special Revenue Funds' operating expenditures decreased by $11.3 million (18.4%). The decrease in expenditures was in part due to the reclassification of the Senior Service Fund from a Special Revenue Fund to part of the General Fund in FY10.

The fund balance of the nonmajor Special Revenue Funds totaled $12.8 million. This was an increase of $2.5 million from FY09.

Debt Service Fund
The Debt Service Fund reflects the accumulation of monies for, and the payment of, principal and interest on all General Obligation Debt other than that issued specifically for enterprise activities. The Debt Service Fund has a total fund balance of $8.2 million, all of which is reserved for the payment of debt service.

Capital Projects Funds
The County uses Capital Projects Funds to account for the acquisition, construction and improvement of major capital projects that are not financed by Proprietary Funds. The proceeds of General Obligation Bond issues and sales tax revenue are accounted for in the Capital Projects Funds until improvement projects are completed. There are four nonmajor Capital Projects Funds: the Road Sales Tax Extension 1994 Fund, Parks Bond Fund, Parking Deck Construction Fund and the Public Facilities Fund. The nonmajor Capital Projects Funds overall fund balance is $21.0 million all of which is committed or assigned or for specific construction and improvement projects and capital acquisitions.

Operating expenditures exceeded operating revenues by $16.0 million for the nonmajor capital project funds which was offset by a transfer in of $11.2 million, a transfer out of $10.2 million and the proceeds from issuance of certificates of participation for $10.7 million. These expenditures represent ROW acquisitions, engineering, construction costs and sidewalks in the 1994 Road Sales Tax Extension Fund. In the Public Facilities Fund, the primary expenditures are accounted for in Public Safety projects such as warning sirens, an E-911 computer aided dispatch memory upgrade, and records management system replacement for both the police and sheriff's departments, library computer system replacement, various Information Services computer replacement projects, renovations and construction at several Parks properties, street resurfacing, intersection improvement projects and airport improvements, and county building construction and renovation projects. Expenditures exceeded revenues for the 1994 Road Sales Tax Extension Fund because we are continuing to complete the projects approved for this fund. The revenues generated from the 1994 SPLOST were collected for four years, but many of the road projects take several years to complete once the construction begins. The Parks Bond Fund also has expenditures that exceed revenues because we received the bond proceeds in FY07 and purchased most of the Park land/greenspace acreage in FY08 and FY09.

Proprietary Funds
The activities of the County that render services to the general public on a user charge basis, or that require periodic determination of revenues for public policy are accounted for as Proprietary Funds. The Proprietary Fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Major Fund:
Water and Sewer Fund
The Water and Sewer Fund accounts for the operation of the water distribution system and sewage processing plants. Unrestricted net assets of the Water and Sewer Fund at the end of the year amounted to $21.7 million. Total net assets increased $10.9 million in FY10.

Nonmajor Funds:
The Solid Waste Disposal Fund accounts for the operation of the County's public landfills and solid waste processing. The County's Solid Waste Disposal Facility generated an inception-to-date net loss of $28.1 million; however, they generated a net gain of $1.5 million in FY10 due to transfers in amounting to $3.1 million for fiscal year 2010 debt service payments from the General to Solid Waste. According to GASB Statement No. 18, once a landfill stops accepting waste, it is required to be closed and the liability of closure and post-closure is recorded as of the balance sheet date even though the expenses will be paid out over 30 years. The FY10 landfill liability is $26.5 million.

The Cobblestone Golf Course Fund accounts for the operations and maintenance of the County's golf course. It ended FY10 with a net income (loss) from operations of ($0.3) million. However, overall net income (loss) (including non-operating revenues and expenses) was ($445,530) for FY10. Net assets totaled $2.4 million. The number of rounds of golf decreased 40.1% from the prior year and contributed to a decrease of $0.7 million in operating revenues. The decrease in the golf rounds was in part to course renovations which took place during the year such as new greens and irrigation.

The Public Transit System Fund accounts for the operation of the local public transit system through user fees and funds received from the Federal Transit Authority and the Georgia Department of Transportation. The Public Transit System Fund's operating revenue decreased $0.3 million (5.0%) from FY09 and total operating expenses increased by $2.2 million (12.1%). Net assets totaled $43.5 million at the end of the fiscal year.

General Fund Budgetary Highlights

Cobb County operated under an annual balanced budget (budgeted revenues equal budgeted expenditures), which is adopted by resolution and administered in accordance to State law. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the category level within departments.

The most significant expenditure amendments are summarized as follows:
General government:

- General government had an overall $4.3 million increase. Personal Services increased $2.5 million as a result of the IRI program. Operating expenditures increased $1.4 million, and a majority of these expenditures were a result of legal fees and court costs for indigent defense as well as monies transferred from prior year reserves for Drug Court treatment services. Capital expenditures increased by $0.4 million for computers and information processing equipment.

Public Safety

- Public Safety had an overall $1.8 million increase. Personal services increased $0.7 million due to the IRI program. Capital expenditures for the Police Department increased $0.7 million for safety equipment including replacing body armor that had expired, firearms and weapons and vehicle purchases. The majority of these purchases were offset with funding from local agencies including False Alarm revenues. The Sheriff's Department also had an increase in capital expenditures for portable radios and communications equipment.

Public works:

- Public works had an overall $0.5 million increase. The increase is a part of personal services, operating expenditures and capital. Personal services increased $0.2 million as a result of the IRI program. Operating expenditures increased due to technological changes to traffic signal equipment which increased the cost of maintenance as well as increased electricity costs for the operation of the street light districts. In addition, capital increased $0.2 million for railroad crossing equipment and airport runway development services.

Culture and recreation:

- Culture and recreation had an overall increase of $0.2 million. While the library and extension service reduced their budget by $0.2 million, Parks, Recreation and Cultural Affairs (PRCA) needed to increase their budget by $0.4 million. This increase was in personal services for part-time positions at the various parks, art centers and the aquatics centers due to the September, 2009 flood clean-up and as a result of the IRI program. There was an increase in operating expenditures for matching grants in which various organizations replaced sod and synthetic turf materials, and PRCA reimbursed them with matching grant funds. Capital increased due to monies being transferred from prior year reserves for water meter installation and recreational equipment.

Housing and development

- Housing and development increased $0.3 million. The majority of the increase was a result of the IRI Program as well as an increase in operating expenditures as monies were transferred from prior year reserves to the appropriate account for which they are restricted.

Interfund transfers out:

- Interfund transfers out increased $1.0 million. Of this amount, $0.4 million was transferred to the Capital Projects Fund for Quiet Zones and road projects, and $0.6 million transferred to the Capital Projects Fund for renovations to the Cobblestone Golf Course.

The County's final budget less reserves projected a loss of $7.9 million in the General Fund with the fund reporting an actual decrease of $9.9 million. This decrease can be attributed to the decline in revenues such as taxes, licenses and permits, and fines and forfeits. Overall revenues ended the year $7.9 million under budget while operating expenditures ended the fiscal year $6.3 million under budget. Expenditure control was very important in the FY10 budget and will continue to remain the focus for the future while we look for innovative ways to maintain consistent levels of service with a commitment to the community to be more efficient and accessible.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2010 amounts to $4.1 billion (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the County, such as roads, bridges, streets and sidewalks, drainage systems and other similar items.

Cobb County's Capital Assets
(Net of Depreciation)
(in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land	$ 904,981	$ 894,264	$ 75,975	$ 70,955	$ 980,956	$ 965,219
Buildings and structures	229,035	235,404	35,762	35,358	264,797	270,762
Improvements	17,298	16,988	-	-	17,298	16,988
Sewerage Plants	-	-	540,963	554,870	540,963	554,870
Machinery and equipment	43,978	46,069	19,355	20,325	63,333	66,394
Infrastructure	1,525,675	1,543,018	594,633	585,117	2,120,308	2,128,135
Construction in progress	302,626	200,041	238,692	147,520	541,318	347,561
Total	$ 3,023,593	$ 2,935,784	$ 1,505,380	$ 1,414,145	$ 4,528,973	$ 4,349,929

The County's total net increase in capital assets for the current fiscal year was 4.1%.

Governmental assets that were moved from construction in progress to the asset records during the year totaled approximately $28.8 million. Some of the major projects for FY10 consisted of the following: road construction or improvements, pedestrian bridge, Fire Station #30 relocation and renovations to Powder Spring Station. In addition, the Special Purpose Local Option Sales Tax (SPLOST) program that was approved by voters in September 2005 funded various improvements around the County. The program to date has approximately 312 transportation projects that are underway or completed. Of these, 31 are in the

engineering phase, 24 are in the right-of way acquisition phase, 34 are in the construction phase and 223 have been completed. A complete list of the projects and further details regarding the program is available at the Web site www.cobbcip.org.

Business-type assets moved from construction in progress to the asset records during the year totaled approximately $30.4 million. Some of the major capital asset events for the business-type activities for the current year included various sewer replacement and rehabilitations, water line and water main replacements, continuation of a sewer conveyance capacity and equalization tunnel system as well as the continued construction, upgrades and expansion of several water reclamation facilities.

Additional information on the County's capital assets can be found in Note 5 of the Basic Financial Statements section of this report.

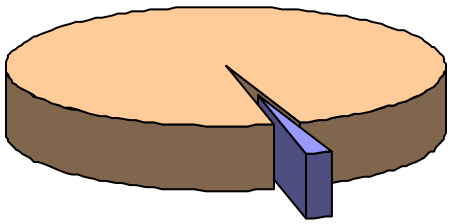
Long-Term Debt

As of September 30, 2010, Cobb County had a net of $503.1 million in outstanding long-term debt, which does not include interest expense. Of this amount, $47.7 million (net of current debt less discount) comprises general obligation debt backed by the full faith and credit of the government and $223.6 million (net of current debt, bond discount and loss on refunding) in revenue bonds. The County did not issue any new general obligation debt but did issue $10.7 million in certificates of participation and retired $18.2 million of outstanding bonds in FY10.

Additional information on Cobb County's long-term debt can be found in Note 8 of the Basic Financial Statements section of this report.

Cobb uses only a fraction of the State allowable General Obligation Debt which is 10% of the taxable digest.

98.56 % of Legal Debt Limit - Unused



1.44 % of Legal Debt Limit - Utilized

Awards, Economic Factors and Next Year's Budget and Rates

For the eighth year in a row, the Cobb County Water System has maintained its Triple-Triple "A" ratings from the nation's top three credit rating agencies. The Water System earned numerous honors from the Georgia Association of Water Professionals including Wastewater Collection System of the Year and Distribution System of the Year for large systems. Platinum awards were also received for eleven consecutive years of perfect permit compliance at R.L. Sutton Water Reclamation Facility and nine consecutive years at Northwest Water Reclamation Facility. Noonday Creek was honored with a Gold Award for compliance. The design of the R.L. Sutton facility earned an Engineering Excellence Award from the Georgia Engineering Alliance.

During the last fourteen years, Cobb County has maintained its Triple-Triple "A" credit rating and has remained financially strong. The Board of Commissioners have continued to aggressively address the current and future needs of the County by focusing on sound financial management, the reserve policy, the use of current resources for capital expenditures and the practice of biennial budgeting.

With a growing, diverse population, the challenge is to continue to improve the quality of life by concentrating on the demands placed on the public infrastructure such as transportation, water supply, wastewater treatment, the demands of revitalization of many business areas and the demands of greenspace conservation. Although the nation and surrounding counties are facing financial difficulties, Cobb County is able to maintain low property tax rates and low debt levels so that we can remain a leader and provide the best place to live, work and play.

Although the County continues to maintain its strong financial position during these current economic challenges, other economic indicators are showing the effects of the slowdown. Tourism revenue showed a large decrease of 8.7% over the prior year; however, the one percent sales tax (SPLOST) generated $123.5 million in tax revenue which is a $10.1 million increase compared to FY10. Single family residential permits again showed a considerable increase (89%) this past year along with other new residential construction permits for an overall increase of 6.9%. Commercial and industrial permits decreased 1.7%.

In September, 2009, a historic 500 year flood hit Cobb County and caused millions of dollars in damages to county parks, facilities and infrastructure. The County is working with insurance and FEMA to rebuild and restore the buildings and infrastructure in order to continue to provide the services and natural resources for Cobb's residents. As of the end of FY 2010, the County incurred $4.5 million in costs associated with the Flood damage, with revenues reimbursed from GEMA and FEMA totaling $2.3 million and outstanding receivables totaling $4.5 million.

Many factors were taken into consideration when preparing the FY11 budget. The FY11 adopted budget had a 3.64% decrease compared to the FY10 adopted budget. The FY10 budget had significant budget amendments throughout the year, and these tight controls carried forward into the FY11 budget process. The operating budgets of Central Support, Community Services, Contingency and Insurance, Court Services and Infrastructure and Development all reduced their budgets based on deferring capital projects and finding more innovative ways to do more with less. Other budget reductions included were salaries and fringe benefits, office supplies, capital purchases, employee travel and training, fuel costs and various professional, legal and maintenance services.

With the uncertainty of future county revenues during these tough economic times, these proactive steps are necessary and prudent measures to protect the County's financial resources while continuing to remain committed to improving the County's quality of life.

Requests for Information

This financial report is designed to provide a general overview of Cobb County finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Director of Finance / Comptroller, 100 Cherokee Street, Suite 400 Marietta, Georgia 30090-9610.

Complete financial statements of the discretely presented component units can be obtained directly from their administrative offices. The addresses for the administrative offices are as follows: Cobb-Marietta Coliseum and Exhibit Hall Authority, Two Galleria Parkway Atlanta, Georgia 30339 and Cobb County Board of Health, 1650 County Services Parkway Marietta, Georgia 30008.

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Basic Financial Statements

Cobb County, Georgia
Statement of Net Assets
September 30, 2010

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Cobb-Marietta Coliseum and Exhibit Hall September 30, 2010	Cobb County Board of Health June 30, 2010
Assets					
Cash and cash equivalents	$ 119,956,512	$ 18,589,583	$ 138,546,095	$ 1,670,593	$ 1,424,672
Investments, at fair value	32,221,877	300,000	32,521,877	-	2,183,349
Receivables	180,130,419	23,252,406	203,382,825	459,207	640,006
Internal balances	1,205,838	(1,205,838)	-	-	-
Due from external parties	2,740	-	2,740	-	-
Due from component unit	305,950	-	305,950	-	-
Due from primary government	-	-	-	854,689	100,675
Due from other governments and agencies	16,243,506	1,358,275	17,601,781	74,952	836,388
Inventories	1,426,725	1,065,358	2,492,083	81,672	98,132
Prepaid items	68,879	6,042	74,921	234,060	-
Other assets	2,379,551	262,936	2,642,487	1,306,156	-
Restricted assets	-	93,959,617	93,959,617	84,860,105	-
Capital assets not being depreciated	1,207,606,759	314,667,244	1,522,274,003	38,768,989	-
Capital assets being depreciated, net	1,815,985,800	1,190,712,344	3,006,698,144	142,634,602	1,053,492
Unamortized note costs	-	1,078,567	1,078,567	-	-
Unamortized bond costs	33,963	2,117,214	2,151,177	-	-
Total assets	$ 3,377,568,519	$ 1,646,163,748	$ 5,023,732,267	$ 270,945,025	$ 6,336,714
Liabilities					
Accounts payable	$ 30,436,364	$ 41,565,745	$ 72,002,109	$ 1,164,585	$ 415,169
Accrued payroll	6,873,907	649,819	7,523,726	-	583,091
Arbitrage liability	-	54,882	54,882	-	-
Due to primary government	-	-	-	328,288	-
Due to component unit	854,689	-	854,689	-	-
Due to external parties	339,681	-	339,681	39,537	-
Due to other governments and agencies	1,427,881	12,300	1,440,181	34,318	115,379
Claims and judgments	11,895,012	-	11,895,012	-	-
Customer deposits	-	3,546,958	3,546,958	1,335,149	-
Notes payable-current	113,844,370	-	113,844,370	-	-
Accrued interest payable	1,983,435	2,735,440	4,718,875	2,363,994	-
Unearned revenue	4,257,754	15,541	4,273,295	784,151	23,049
Noncurrent liabilities					
Due within one year	25,776,826	17,573,554	43,350,380	5,711,974	706,763
Due in more than one year	126,090,040	333,642,025	459,732,065	143,813,966	149,575
Total liabilities	$ 323,779,959	$ 399,796,264	$ 723,576,223	$ 155,575,962	$ 1,993,026
Net Assets					
Invested in capital assets, net of related debt	$ 2,937,351,872	$ 1,213,125,239	$ 4,150,477,111	$ 53,250,061	$ 1,053,492
Restricted for:					
Renewal and expansion	-	41,766,430	41,766,430	14,574,677	-
Debt service	8,244,274	-	8,244,274	54,763,383	-
Splost projects	64,676,942	-	64,676,942	-	-
Completion of projects	12,647,503	-	12,647,503	-	-
Special programs	334,157	-	334,157	3,428,318	288,020
Unrestricted	30,533,812	(8,524,185)	22,009,627	(10,647,376)	3,002,176
Total net assets	$ 3,053,788,560	$ 1,246,367,484	$ 4,300,156,044	$ 115,369,063	$ 4,343,688

See accompanying notes to financial statements.

Cobb County, Georgia

Statement of Activities

For the Year Ended September 30, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Cobb-Marietta Coliseum and Exhibit Hall September 30, 2010	Component Units: Cobb County Board of Health June 30, 2010
Primary Government									
Governmental Activities:									
General government	$ 135,559,677	$ 48,147,632	$ 10,117,248	$ -	$ (77,294,797)	$ -	$ (77,294,797)	$ -	$ -
Public safety	226,008,723	15,237,639	4,118,412	2,723,132	(203,929,540)	-	(203,929,540)	-	-
Public works	112,031,838	5,168,770	4,022,806	38,515,294	(64,324,968)	-	(64,324,968)	-	-
Health and welfare	8,288,145	80,686	2,579,393	-	(5,628,066)	-	(5,628,066)	-	-
Culture and recreation	43,049,762	3,792,402	1,482,492	50,000	(37,724,868)	-	(37,724,868)	-	-
Housing and development	20,588,418	16,456,025	10,748,059	-	6,615,666	-	6,615,666	-	-
Interest on long-term debt	5,228,323	-	-	-	(5,228,323)	-	(5,228,323)	-	-
Total governmental activities	550,754,886	88,883,154	33,068,410	41,288,426	(387,514,896)	-	(387,514,896)	-	-
Business-type Activities:									
Water and Sewer	$ 163,448,806	$ 183,146,980	$ -	$ 9,337,943	$ -	$ 29,036,117	$ 29,036,117	$ -	$ -
Solid Waste	2,079,765	181,662	-	-	-	(1,898,103)	(1,898,103)	-	-
Transit	24,765,622	4,997,340	-	11,840,880	-	(7,927,402)	(7,927,402)	-	-
Cobblestone Golf Course	1,537,850	1,027,897	-	-	-	(509,953)	(509,953)	-	-
Total business-type activities	191,832,043	189,353,879	-	21,178,823	-	18,700,659	18,700,659	-	-
Total primary government	$ 742,586,929	$ 278,237,033	$ 33,068,410	$ 62,467,249	$ (387,514,896)	$ 18,700,659	$ (368,814,237)	$ -	$ -
Component Units									
Cobb-Marietta Coliseum and Exhibit Hall Authority	$ 31,511,540	$ 17,344,298	$ 10,849,292	$ 2,998,095	$ -	$ -	$ -	$ (319,855)	$ -
Cobb County Board of Health	27,135,893	7,507,533	19,758,166		-	-	-	-	129,806
Total component units	$ 58,647,433	$ 24,851,831	$ 30,607,458	$ 2,998,095	$ -	$ -	$ -	$ (319,855)	$ 129,806
General revenues:									
Property taxes					$ 242,217,484	$ -	$ 242,217,484	$ -	$ -
Sales taxes					121,143,588	-	121,143,588	-	-
Insurance premium tax					22,308,881	-	22,308,881	-	-
Alcoholic beverage tax					4,766,808	-	4,766,808	-	-
Hotel/Motel tax					9,450,045	-	9,450,045	-	-
Real estate transfer tax					735,743	-	735,743	-	-
Miscellaneous taxes					11,846,938	-	11,846,938	-	-
Miscellaneous					9,375,895	615,141	9,991,036	-	-
Grants and contributions not restricted to specific programs							-	-	-
Gain from sale of capital assets					967,324	375,196	1,342,520	-	-
Unrestricted investment earnings					2,219,575	359,637	2,579,212	47,306	-
Transfers					6,603,007	(6,603,007)	-	-	-
Total general revenues and transfers					431,635,288	(5,253,033)	426,382,255	47,306	-
Change in net assets					44,120,392	13,447,626	57,568,018	(272,549)	129,806
Net assets - beginning of year					3,009,668,168	1,232,919,858	4,242,588,026	115,641,612	4,213,882
Net assets - end of year					$ 3,053,788,560	$ 1,246,367,484	$ 4,300,156,044	$ 115,369,063	$ 4,343,688

See accompanying notes to financial statements.

Cobb County, Georgia
Governmental Funds
Balance Sheet
September 30, 2010

	General Fund	Fire District Fund	2006 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 19,214,745	$ 10,210,407	$ 45,341,767	$ 22,827,485	$ 97,594,404
Investments, at fair value	-	-	32,221,877	-	32,221,877
Receivables:					
Taxes and penalties	120,576,978	42,463,038	-	4,454,034	167,494,050
Accrued interest	3,228	-	100,630	7	103,865
Other	3,454,012	721,162	847,563	7,509,767	12,532,504
Due from other funds	4,496,502	-	-	18,688,072	23,184,574
Due from component units	-	-	-	305,950	305,950
Due from other governments and agencies	1,485,630	-	10,335,560	4,422,316	16,243,506
Advances to other funds	1,928,500	-	-	-	1,928,500
Inventories	1,426,051	674	-	-	1,426,725
Prepaid items and other assets	23,330	-	-	48,947	72,277
Total assets	$ 152,608,976	$ 53,395,281	$ 88,847,397	$ 58,256,578	$ 353,108,232
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 2,357,261	$ 34,253	$ 22,987,444	$ 4,876,808	$ 30,255,766
Accrued payroll	5,339,713	1,335,361	-	192,041	6,867,115
Due to other funds	18,645,982	2,994,817	-	6,571,695	28,212,494
Due to others	339,681	-	-	-	339,681
Due to component unit-Cobb Marietta Coliseum & Exhibit Hall Authority	854,689	-	-	-	854,689
Due to other governments and agencies	196,880	-	1,183,011	47,990	1,427,881
Notes payable, net	74,224,523	39,619,847	-	-	113,844,370
Accrued interest payable	539,583	288,021	-	-	827,604
Deferred revenue	10,400,786	3,119,822	-	4,514,719	18,035,327
Total liabilities	$ 112,899,098	$ 47,392,121	$ 24,170,455	$ 16,203,253	$ 200,664,927
Fund Balances:					
Nonspendable:					
Inventories and prepaid items	$ 1,449,381	$ 674	$ -	$ 1,309	$ 1,451,364
Advances	1,928,500	-	-	-	1,928,500
Restricted for:					
Debt Services	-	-	-	10,669,728	10,669,728
Construction and capital outlay	895,767	-	64,676,942	-	65,572,709
Special programs	1,013,705	-	-	12,653,609	13,667,314
Committed for:					
Construction and capital outlay	1,218,498	64,695	198,682	7,338,797	8,820,672
Special programs	3,177,402	-	-	2,977,821	6,155,223
Assigned for:					
Construction and capital outlay	895,727	5,937,791	-	13,703,332	20,536,850
Special programs	-	-	-	633,538	633,538
Unassigned	29,130,898	-	(198,682)	(5,924,809)	23,007,407
Total fund balances	$ 39,709,878	$ 6,003,160	$ 64,676,942	$ 42,053,325	$ 152,443,305
Total liabilities and fund balances	$ 152,608,976	$ 53,395,281	$ 88,847,397	$ 58,256,578	$ 353,108,232

See accompanying notes to financial statements.

Cobb County, Georgia
Governmental Funds
Reconciliation of the Governmental Balance Sheet to the Statement of Net Assets
September 30, 2010

Total fund balances - governmental funds	$	152,443,305
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		3,023,592,559
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:		
Property tax		13,777,573
Net pension asset		2,366,420
Net other post employment obligation		(89,924)
Unamortized bond issue costs		33,963
Unamortized certificates issue costs		103,055
Internal service funds are used by management to charge the cost for claims to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		14,575,116
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable		(1,155,831)
Intergovernmental contract payable		(50,920,000)
Unmatured bonds		(53,480,000)
Unamortized bond issuance discounts		131,735
Unamortized deferred loss on refunding		316,472
Unamortized bond premiums		(1,065,665)
Certificates of participation		(10,730,000)
Capital leases payable		(16,767,946)
Compensated absences		(19,342,272)
Net assets of governmental activities	$	3,053,788,560

Cobb County, Georgia
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2010

	General Fund	Fire District Fund	2006 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 215,809,376	$ 62,686,527	$ 121,143,588	$ 15,993,697	$ 415,633,188
Licenses and permits	16,658,146	1,163	-	-	16,659,309
Intergovernmental	6,197,273	33,126	7,914,791	36,489,915	50,635,105
Charges for services	45,296,018	902,822	-	12,263,792	58,462,632
Fines and forfeits	13,761,213	-	-	-	13,761,213
Interest earned	1,220,350	294,132	583,980	76,263	2,174,725
Miscellaneous	4,683,508	34,188	160,426	5,175,129	10,053,251
Total revenues	$ 303,625,884	$ 63,951,958	$ 129,802,785	$ 69,998,796	$ 567,379,423
Expenditures:					
Current:					
General government	$ 115,610,242	$ -	$ -	$ 9,718,055	$ 125,328,297
Public safety	130,423,920	71,032,345	-	14,805,887	216,262,152
Public works	18,150,785	-	-	938,844	19,089,629
Health and welfare	6,878,472	-	-	1,320,789	8,199,261
Culture and recreation	32,940,757	-	-	6,462,266	39,403,023
Housing and development	7,887,626	-	-	12,947,321	20,834,947
Capital outlay	-	-	153,923,627	23,700,113	177,623,740
Debt service:					
Principal retirement	316,128	-	-	10,350,534	10,666,662
Interest and fiscal charges	245,173	92,061	-	5,303,599	5,640,833
Total expenditures	$ 312,453,103	$ 71,124,406	$ 153,923,627	$ 85,547,408	$ 623,048,544
Excess (deficiency) of revenues over (under) other expenditures	$ (8,827,219)	$ (7,172,448)	$ (24,120,842)	$ (15,548,612)	$ (55,669,121)
Other financing sources (uses):					
Transfers in	$ 20,445,492	$ 1,614,656	$ 4,844,809	$ 21,994,136	$ 48,899,093
Transfers out	(22,023,892)	(2,232,374)	-	(17,260,582)	(41,516,848)
Proceeds from sale of capital assets	1,870,415	1,461	-	-	1,871,876
Proceeds from issuance of capital lease	280,310	-	-	-	280,310
Premium on issuance of certificates	-	-	-	103,572	103,572
Proceeds from issuance of certificates	-	-	-	10,730,000	10,730,000
Total other financing sources (uses)	$ 572,325	$ (616,257)	$ 4,844,809	$ 15,567,126	$ 20,368,003
Net changes in fund balances	$ (8,254,894)	$ (7,788,705)	$ (19,276,033)	$ 18,514	$ (35,301,118)
Fund balances at beginning of year before restatement	47,934,444	13,791,865	83,952,975	42,034,811	187,714,095
Restatement	30,328	-	-	-	30,328
Fund balances at beginning of year after restatement	47,964,772	13,791,865	83,952,975	42,034,811	187,744,423
Fund balances at end of year	$ 39,709,878	$ 6,003,160	$ 64,676,942	$ 42,053,325	$ 152,443,305

See accompanying notes to financial statements.

Cobb County, Georgia
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2010

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(35,301,118)
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. This is the amount by which capital outlays ($147,857,920) were greater than depreciation ($82,415,745) in the current period.		65,442,175
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.		
Property tax		(3,163,702)
The net effect of various miscellaneous transactions involving capital assets (donations) is to increase net assets.		23,721,731
The gain on disposition of capital assets is not reported in the fund statements.		(1,349,336)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal and bond costs are expenditures in the governmental funds, but the repayment reduces long-term liabilities and bond costs are capitalized in the statement of net assets:		
Bond principal payments		6,820,000
Capital lease proceeds		(280,310)
Capital lease principal payments		2,567,942
Certificates of participation proceeds		(10,730,000)
Intergovernmental contract payable		1,195,000
The current years reduction to the net pension asset reduced the net expenses of pensionable functions on the statement of activities.		(2,504,129)
The current years reduction to the net other post employment benefits asset reduced the net expense of other post employment benefits functions on the statement of activities.		(925,904)
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:		
Accrued compensated absences		954,335
Amortization for bond and capital lease discounts, deferred amounts, premiums		393,359
Accrued interest expense		102,354
Internal service funds are used by management to charge the cost of claims to individual funds. This amount is the net activity of the claims internal service fund.		(2,822,005)
Changes in net assets of governmental activities.	$	44,120,392

Cobb County, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 226,888,876	$ 219,903,571	$ 215,809,376	$ (4,094,195)
Licenses and permits	17,504,838	17,515,502	16,658,146	(857,356)
Intergovernmental	4,387,708	5,381,645	6,197,273	815,628
Charges for services	44,257,756	45,464,531	45,296,018	(168,513)
Fines and forfeits	15,632,000	16,548,678	13,761,213	(2,787,465)
Interest earned	1,833,000	1,833,000	1,220,350	(612,650)
Miscellaneous	3,051,432	4,192,990	4,683,508	490,518
Total revenues	$ 313,555,610	$ 310,839,917	$ 303,625,884	$ (7,214,033)
Expenditures:				
Current:				
General government	$ 115,153,150	$ 119,410,921	$ 115,903,240	$ 3,507,681
Public safety	130,326,055	132,095,027	130,681,062	1,413,965
Public works	18,808,447	19,314,358	18,981,383	332,975
Health and welfare	7,270,848	7,239,104	6,878,472	360,632
Culture and recreation	32,948,892	33,147,738	33,147,727	11
Housing and development	7,626,836	7,916,937	7,899,109	17,828
Debt service:				
Principal retirement	294,360	362,760	334,917	27,843
Interest and fiscal charges	914,596	926,036	246,820	679,216
Total expenditures	$ 313,343,184	$ 320,412,881	$ 314,072,730	$ 6,340,151
Excess (deficiency) of revenues over (under) other expenditures	$ 212,426	$ (9,572,964)	$ (10,446,846)	$ (873,882)
Other financing sources (uses):				
Transfers in	$ 24,089,867	$ 22,473,324	$ 20,445,492	$ (2,027,832)
Transfers out	(21,958,805)	(23,000,546)	(22,023,892)	976,654
Proceeds from capital lease	-	280,310	280,310	-
Proceeds from sale of capital assets	352,894	1,952,894	1,870,415	(82,479)
Total other financing sources (uses)	$ 2,483,956	$ 1,705,982	$ 572,325	$ (1,133,657)
Net changes in fund balance	$ 2,696,382	$ (7,866,982)	$ (9,874,521)	$ (2,007,539)
Fund balances at beginning of year before restatement			$ 47,934,444	
Restatement			30,328	
Fund balances at beginning of year, restated			$ 47,964,772	
Fund balances at end of year - budgetary basis			$ 38,090,251	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			1,619,627	
Fund balance at end of year - GAAP basis			$ 39,709,878	

See accompanying notes to financial statements.

Cobb County, Georgia
Fire District Special Revenue Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 67,923,062	$ 67,662,198	$ 62,686,527	$ (4,975,671)
Licenses and permits	1,800	1,800	1,163	(637)
Intergovernmental	35,000	68,127	33,126	(35,001)
Charges for services	1,051,300	1,051,300	902,822	(148,478)
Interest earned	280,000	280,000	294,132	14,132
Miscellaneous	6,500	6,500	34,188	27,688
Total revenues	$ 69,297,662	$ 69,069,925	$ 63,951,958	$ (5,117,967)
Expenditures:				
Current:				
Personal services	$ 59,551,554	$ 59,471,113	$ 57,963,586	$ 1,507,527
Operating expenditures	10,219,447	10,414,958	10,166,116	248,842
Capital outlay	167,569	3,112,070	2,967,338	144,732
Debt service:				
Interest and fiscal charges	300,000	300,000	92,061	207,939
Total expenditures	$ 70,238,570	$ 73,298,141	$ 71,189,101	$ 2,109,040
Excess (deficiency) of revenues over (under) other expenditures	$ (940,908)	$ (4,228,216)	$ (7,237,143)	$ (3,008,927)
Other financing sources (uses):				
Transfers in	$ -	$ 1,305,040	$ 1,614,656	$ 309,616
Transfers out	(548,013)	(2,232,375)	(2,232,374)	1
Proceeds from sale of capital assets	-	-	1,461	1,461
Total other financing sources (uses)	$ (548,013)	$ (927,335)	$ (616,257)	$ 311,078
Net changes in fund balance	$ (1,488,921)	$ (5,155,551)	$ (7,853,400)	$ (2,697,849)
Fund balance at beginning of year			13,791,865	
Fund balance at end of year - budgetary basis			5,938,465	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			64,695	
Fund balance at end of year - GAAP basis			$ 6,003,160	

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Statement of Net Assets
September 30, 2010

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Other Enterprise Funds	Total	
Assets				
Current assets:				
Cash	$ 18,578,665	$ 10,918	$ 18,589,583	$ 22,362,108
Restricted cash and investments	93,959,617	-	93,959,617	-
Investments, at fair value	300,000	-	300,000	-
Receivables:				
Accounts, net	20,495,820	24,376	20,520,196	-
Other	2,391,551	340,659	2,732,210	-
Due from other funds	616,191	347,071	963,262	4,305,258
Due from others	-	-	-	2,740
Current due from other governments and agencies	138,044	1,220,231	1,358,275	-
Inventories	1,065,358	-	1,065,358	-
Prepaid items	2,770	3,272	6,042	802
Other assets	262,936	-	262,936	-
Total current assets	$ 137,810,952	$ 1,946,527	$ 139,757,479	$ 26,670,908
Noncurrent assets:				
Property, plant and equipment:				
Capital assets not being depreciated	$ 294,657,047	$ 20,010,197	$ 314,667,244	$ -
Capital assets being depreciated, net	1,150,270,185	40,442,159	1,190,712,344	-
Net property, plant and equipment	$ 1,444,927,232	$ 60,452,356	$ 1,505,379,588	$ -
Other assets:				
Unamortized note costs	$ 1,078,567	$ -	$ 1,078,567	$ -
Unamortized bond costs	2,022,917	94,297	2,117,214	-
Total noncurrent assets	$ 1,448,028,716	$ 60,546,653	$ 1,508,575,369	$ -
Total assets	$ 1,585,839,668	$ 62,493,180	$ 1,648,332,848	$ 26,670,908

Continued on next page.

Cobb County, Georgia
Proprietary Funds
Statement of Net Assets
September 30, 2010

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Other Enterprise Funds	Total	
Liabilities and Fund Equity				
Liabilities:				
Current liabilities (payable from current assets):				
Accounts payable	$ 38,280,510	$ 3,285,235	$ 41,565,745	$ 184,798
Accrued payroll	620,429	29,390	649,819	6,792
Arbitrage liability	54,882	-	54,882	-
Due to other funds	-	240,600	240,600	-
Customer deposits	3,546,958	-	3,546,958	-
Due to other governments and agencies	-	12,300	12,300	-
Accrued interest payable	2,588,700	146,740	2,735,440	-
Deferred revenues	-	15,541	15,541	-
Current portion of revenue bonds	9,665,000	2,520,000	12,185,000	-
Current portion of note payable	4,174,426	-	4,174,426	-
Current portion of compensated absences	991,024	62,930	1,053,954	8,073
Current portion of capital leases	-	17,401	17,401	-
Current portion of closure and post closure care	-	142,773	142,773	-
Estimated liability for claims and judgments	-	-	-	11,895,012
Total current liabilities	$ 59,921,929	$ 6,472,910	$ 66,394,839	$ 12,094,675
Long-term liabilities:				
Revenue bonds (net of current portion, bond discount, and loss on refunding)	$ 213,773,480	$ 9,797,591	$ 223,571,071	$ -
Notes payable (net of current portion)	83,199,813	-	83,199,813	-
Compensated absences (net of current portion)	376,824	23,177	400,001	1,117
Closure and post closure care	-	26,471,140	26,471,140	-
Advances from other funds	-	1,928,500	1,928,500	-
Total long-term liabilities	$ 297,350,117	$ 38,220,408	$ 335,570,525	$ 1,117
Total liabilities	$ 357,272,046	$ 44,693,318	$ 401,965,364	$ 12,095,792
Net Assets				
Invested in capital assets, net of related debt	$ 1,165,086,220	$ 48,039,019	$ 1,213,125,239	$ -
Restricted for:				
Renewal and expansion	41,766,430	-	41,766,430	-
Unrestricted	21,714,972	(30,239,157)	(8,524,185)	14,575,116
Total net assets	$ 1,228,567,622	$ 17,799,862	$ 1,246,367,484	$ 14,575,116

Continued from preceding page.

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended September 30, 2010

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Other Enterprise Funds	Total	
Operating revenues:				
Charges for services	$ 183,146,980	$ 6,206,899	$ 189,353,879	$ 63,860,404
Miscellaneous income	447,029	168,112	615,141	-
Total operating revenues	$ 183,594,009	$ 6,375,011	$ 189,969,020	$ 63,860,404
Operating expenses:				
Personnel services	$ 28,382,789	$ 1,293,463	$ 29,676,252	$ 255,783
Other operating expenses	84,889,199	21,355,339	106,244,538	19,181,177
Benefits and claims	-	-	-	46,505,221
Total operating expenses	$ 113,271,988	$ 22,648,802	$ 135,920,790	$ 65,942,181
Operating income (loss) before depreciation	$ 70,322,021	$ (16,273,791)	$ 54,048,230	$ (2,081,777)
Less depreciation	(38,660,105)	(5,141,677)	(43,801,782)	(5,840)
Operating income (loss)	$ 31,661,916	$ (21,415,468)	$ 10,246,448	$ (2,087,617)
Nonoperating revenues (expenses):				
Interest income	$ 356,576	$ 3,061	$ 359,637	$ 44,850
Intergovernmental	-	-	-	-
Interest and fiscal charges	(12,086,285)	(609,106)	(12,695,391)	-
Amortization	569,572	16,348	585,920	-
Contribution expense	-	-	-	-
Gain (loss) on sale of capital assets	95,743	279,453	375,196	-
Total nonoperating revenues (expenses)	$ (11,064,394)	$ (310,244)	$ (11,374,638)	$ 44,850
Net income (loss) before transfers and capital contributions	$ 20,597,522	$ (21,725,712)	$ (1,128,190)	$ (2,042,767)
Capital contributions	$ 9,337,943	$ 11,840,880	$ 21,178,823	$ -
Total capital contributions	$ 9,337,943	$ 11,840,880	$ 21,178,823	$ -
Transfers:				
Transfers in	$ 117,355	$ 12,448,642	$ 12,565,997	$ -
Transfers out	(19,117,910)	(51,094)	(19,169,004)	(779,238)
Total transfers	$ (19,000,555)	$ 12,397,548	$ (6,603,007)	$ (779,238)
Changes in net assets	$ 10,934,910	$ 2,512,716	$ 13,447,626	$ (2,822,005)
Fund net assets - beginning	$ 1,217,632,712	$ 15,287,146	$ 1,232,919,858	$ 17,397,121
Fund net assets - ending	$ 1,228,567,622	$ 17,799,862	$ 1,246,367,484	$ 14,575,116

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2010

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Other Enterprise Funds	Total	
Cash flows from operating activities:				
Cash received from customers	$ 186,873,948	$ 7,640,142	$ 194,514,090	$ 85,522,773
Cash payments for goods and services	(71,410,030)	(20,152,060)	(91,562,090)	(19,216,483)
Cash payments for employee services and fringe benefits	(28,489,559)	(1,307,948)	(29,797,507)	(253,217)
Cash payments for benefits and claims	-	-	-	(44,698,738)
Net cash from operating activities	$ 86,974,359	$ (13,819,866)	$ 73,154,493	$ 21,354,335
Cash flows from noncapital financing activities:				
Transfers in	$ 117,355	$ 12,448,642	$ 12,565,997	$ -
Transfers out	(19,117,910)	(51,094)	(19,169,004)	(779,238)
Net cash from noncapital financing activities	$ (19,000,555)	$ 12,397,548	$ (6,603,007)	$ (779,238)
Cash flows from capital and related financing activities:				
Payments on capital leases	$ -	$ (84,631)	$ (84,631)	$ -
Proceeds from sale of capital assets	95,743	312,536	408,279	-
Payments for capital acquisitions	(125,087,196)	(8,729,491)	(133,816,687)	-
Bond principal payments	(8,915,000)	(2,435,000)	(11,350,000)	-
Capital contributions	4,115,415	11,840,880	15,956,295	-
Proceeds from note issuance	25,000,000	-	25,000,000	-
Payments on notes	(2,883,677)	-	(2,883,677)	-
Cost of note issuance	(641,667)	-	(641,667)	-
Interest and fiscal charges	(11,556,993)	(629,577)	(12,186,570)	-
Net cash from capital and related financing activities	$ (119,873,375)	$ 274,717	$ (119,598,658)	$ -
Cash flows from investing activities:				
Interest received	$ 356,576	$ 3,061	$ 359,637	$ 44,850
Investment (purchases) sales	(2,900,000)	728,500	-	-
Net cash from investing activities	$ (2,543,424)	$ 731,561	$ (1,811,863)	$ 44,850
Net increase (decrease) in cash and cash equivalents	$ (54,442,995)	$ (416,040)	$ (54,859,035)	$ 20,619,947
Cash and cash equivalents at beginning of year	163,981,277	426,958	164,408,235	1,742,161
Cash and cash equivalents at end of year	$ 109,538,282	$ 10,918	$ 109,549,200	$ 22,362,108
Reconciliation to Combining Balance Sheet				
Cash	$ 18,578,665	$ 10,918	$ 18,589,583	$ 22,362,108
Cash (included in restricted assets)	90,959,617	-	90,959,617	-
	$ 109,538,282	$ 10,918	$ 109,549,200	$ 22,362,108

Continued on next page.

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2010

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Other Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	$ 31,661,916	$ (21,415,468)	$ 10,246,448	$ (2,087,617)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	$ 38,660,105	$ 5,141,677	$ 43,801,782	$ 5,840
Change in assets and liabilities:				
Decrease (increase) in accounts receivables	(3,273,577)	239,150	(3,034,427)	-
Decrease (increase) in other receivables	203,516	(62,663)	140,853	136
Decrease (increase) in due from other funds	6,350,000	306,561	6,656,561	21,650,000
Decrease (increase) in due from other governments	-	782,083	782,083	-
Decrease (increase) in due from others		-	-	12,233
Decrease (increase) in inventories	(133,474)	-	(133,474)	-
Decrease (increase) in other assets	278,236	-	278,236	-
Decrease (increase) in prepaid expenses	2,619	250	2,869	464
Increase (decrease) in accounts payable	13,277,435	1,536,696	14,814,131	(35,770)
Increase (decrease) in accrued liabilities	-	(7,410)	(7,410)	924
Increase (decrease) in accrued payroll	13,239	-	13,239	-
Increase (decrease) in accrued vacation payable	(120,009)	(19,001)	(139,010)	1,642
Increase (decrease) in customer deposits	54,353	-	54,353	-
Increase (decrease) in due to other governments	-	(28,240)	(28,240)	-
Increase (decrease) in due to others	-	(29,550)	(29,550)	-
Increase (decrease) in estimated liability for claims and judgments	-	-	-	1,806,483
Increase (decrease) in closure/postclosure care	-	(276,660)	(276,660)	-
Increase (decrease) in unearned revenues	-	12,709	12,709	-
Total adjustments	$ 55,312,443	$ 7,595,602	$ 62,908,045	$ 23,441,952
Net cash provided (used) by operating activities	$ 86,974,359	$ (13,819,866)	$ 73,154,493	$ 21,354,335
Schedule of noncash capital and related financing activities:				
Contribution of capital assets	$ 1,252,751	$ -	$ 1,252,751	$ -
GEFA debt forgiveness	4,000,000	-	4,000,000	-
Total noncash capital and related financing activities	$ 5,252,751	$ -	$ 5,252,751	$ -

Continued from preceding page.

Cobb County, Georgia
Fiduciary Funds
Statement of Fiduciary Net Assets
September 30, 2010

	Pension Trust Fund	OPEB Trust Fund	
	Employee Retirement System	Other Post Employment Benefits	Agency Funds
Assets:			
Cash and cash equivalents	$ 15,819	$ -	$ 60,022,157
Investments, at fair value			
Common stock	77,789,011	-	-
Mutual funds	209,220,272	35,440,257	-
Bond Corp.	50,162,052	-	-
Government and agency bonds	8,932,485		-
Group annunity contracts	3,662,052		
Money market	6,253,479		
Receivables			
Taxes and penalties	-	-	167,494,050
Other	-	-	44,909
Due from other funds	-	-	-
Due from others	1,885	-	-
Total assets	$ 356,695,831	$ 35,440,257	$ 227,561,116
Liabilities:			
Bank overdraft	$ -	-	$ 44,909
Unremitted tax collections due to other governments and agencies	-	-	40,244,647
Taxes payable to others upon collection	-	-	167,494,050
Unremitted payroll tax and withholdings	-	-	-
Funds held in trust for others	-	-	19,777,510
Total liabilities	$ -	$ -	$ 227,561,116
Net assets held in trust for			
Pension benefits	$ 356,695,831	$ -	
Other post employment benefits	-	35,440,257	
Total net assets held in trust	$ 356,695,831	$ 35,440,257	

(See Schedule of Funding Progress on pages 82-84 for additional information)

Cobb County, Georgia
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets
For the Fiscal Year Ended September 30, 2010

	Pension Trust Fund	OPEB Trust Fund
	Employee Retirement System	Other Post Employment Benefits
Additions		
Contributions:		
Employer	$ 27,068,393	$ 19,364,665
Employee	10,896,145	2,514,746
Total contributions	$ 37,964,538	$ 21,879,411
Investment earnings:		
Net appreciation (depreciation) in fair value of assets	$ 26,300,857	$ 2,392,554
Interest	6,977,720	-
Total investment earnings	$ 33,278,577	$ 2,392,554
Less investment expense	(885,900)	-
Net investment earnings	$ 32,392,677	$ 2,392,554
Miscellaneous revenue	$ 110,041	$ -
Total additions	$ 70,467,256	$ 24,271,965
Deductions		
Administrative expenses	$ 312,784	$ -
Benefits and claims	35,782,746	12,879,410
Total deductions	$ 36,095,530	$ 12,879,410
Change in net assets	$ 34,371,726	$ 11,392,555
Net assets held in trust		
Beginning of year	$ 322,324,105	$ 24,047,702
End of year	$ 356,695,831	$ 35,440,257

See accompanying notes to financial statements.

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COBB COUNTY, GEORGIA
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September 30, 2010

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Note 1. Summary of Significant Accounting Policies

The financial statements of Cobb County, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

A. Reporting Entity

The financial statements of the reporting entity include those of Cobb County, Georgia (the primary government) and its component units. The component units discussed below are included in the reporting entity because the Cobb County Board of Commissioners, directly or indirectly, appointed a majority of the component units' board members and/or a financial benefit/burden relationship exists between the component units and the County.

In conformity with generally accepted accounting principles, as set forth in the Statement of Governmental Accounting Standards No. 14, "The Financial Reporting Entity", which was adopted by the County as of October 1, 1994, the financial statements of the component units, has been included as discretely presented component units. The discretely presented component units are reported in separate columns in the government-wide statements to emphasize they are legally separate from the primary government. Information presented for the Cobb-Marietta Coliseum and Exhibit Hall Authority and the Cobb County Board of Health are as of and for the year ended September 30, 2010 and June 30, 2010, respectively. A brief description of the discretely presented component units is as follows:

1. Cobb-Marietta Coliseum and Exhibit Hall Authority

The Authority is a corporate and political body created and existing under the laws of the State of Georgia. The fiscal year end is September 30. The Authority was established for the general purpose of developing and promoting cultural growth, public welfare, education and recreation. The Authority operates and maintains a multi-use exhibit hall and convention facility, a performing arts centre, and a specialty mall in Cobb County. A majority of the Authority's board members are appointed, either directly or indirectly, by the Cobb County Board of Commissioners. The Authority is prohibited from issuing bonded debt without the approval of the Board of Commissioners.

2. Cobb County Board of Health

The Cobb County Board of Health was created by a state legislative act. During the fiscal year ended June 30, 2010, it operated under an eight member board and a full-time executive director. The Board of Health was established to provide various health related programs such as immunization, family planning, dental treatment, and nutrition services. The members of the board are jointly appointed by the County Commissioners, one municipality and two school districts. The Board of Health's operational budget must be approved by the Board of Commissioners.

Complete financial statements of the discretely presented component units can be obtained directly from their administrative offices. The addresses for the administrative offices are as follows:

Cobb-Marietta Coliseum and
Exhibit Hall Authority
Two Galleria Parkway
Atlanta, Georgia 30339

Cobb County Board of Health
1650 County Services Parkway
Marietta, Georgia 30008

Note 1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide Statements 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 the nonfiduciary activities of the primary government and its component units. 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 certain legally separate component units for which the primary government is financially accountable.

In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. The functions are also supported by general governmental revenues, which include taxes, interest revenue and other items not properly included among program revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues include charges to customers for goods, services or privileges provided, operating grants and contributions, and capital grants and contributions. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while the capital grants reflect capital-specific grants. The net cost (by function or business-type activity) is normally covered by general revenue. Historically, the previous model did not summarize or present net cost by function or activity.

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 measurement focus describes the type of transactions and events that are reported in a fund's operating statement. Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary and fiduciary funds financial statements. The agency funds financial statements are reported using no measurement focus. 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.

Note 1. Summary of Significant Accounting Policies (Continued)

The emphasis in fund financial statements is on major funds in either the governmental or business-type activity categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditure/expenses of either fund category or the governmental and enterprise categories combined) for the determination of major funds. County management may electively add funds as major funds, when it is determined the funds have specific community or management focus.

The focus of the governmental funds' measurement in the funds' statement is upon determination of financial position and changes in financial positions (sources, uses, and balances of financial resources) rather than upon net income. Governmental funds 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenue except intergovernmental revenue as available if it is collected within 60 days after year-end. Intergovernmental revenue is considered available if it is collected within 9 months after year end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made within thirty days subsequent to year end.

Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. Fines are not susceptible to accrual because generally they are not measurable until received in cash.

The County uses the following major funds:

1. Major Funds:

A. Governmental Funds:

1. The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
2. The **Fire District Fund** is used to account for monies received from a specific property tax levy and the operation of the fire department within the County.
3. The **2006 SPLOST Fund** is used to account for the proceeds of a 1 percent local option sales tax approved in 2005 for various capital projects throughout the County.

B. Business-type Funds:

1. The **Water and Sewer Fund** accounts for the operating revenues and expenses of the water distribution system and sewage processing plants.

2. Internal Service Fund:

The **Claims Internal Service Fund** provides self-funding for casualty, liability, medical and dental claims and workmen's compensation.

Note 1. Summary of Significant Accounting Policies (Continued)

3. Fiduciary Fund Types:

A. Agency Funds account for Clerk of State Court, Clerk of Juvenile Court, Sheriff, Clerk of Superior Court, Clerk of Probate Court, Tax Commissioner, Accounts Payable Fund, Payroll Fund, and Child Support, Witness and Juror's Fees are accounted for on the accrual basis of accounting and are used for assets held by the government as an agent for individuals, private organizations, and other governments.

B. The **Pension and OPEB Trust Funds are** used to account for activities related to the public employees' retirement system and other post employment benefits in a defined benefit plan. The County maintains Employee Retirement System Trust Funds that accounts for the accumulation of resources for pension benefit payments to eligible employees.

4. Non-Current Governmental Assets and Liabilities:

GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these balances to be maintained and incorporated into the Governmental column of the government-wide Statement of Net Assets.

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 County applies all applicable FASB pronouncements issued on or after November 30, 1989 in accounting and reporting for its enterprise operations, unless they conflict with GASB guidance.

The focus for proprietary fund measurement is upon determination of operating income, changes in net assets, financial position and cash flow. 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 the enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principles applicable are those similar to business in the private sector.

The County's Internal Service Fund is presented in the proprietary funds financial statements. Because principal users of internal services are the County's governmental activities, the financial statement of the Internal Service Funds are consolidated into the Governmental column when presented in the government-wide financial statements. To the extent possible, the costs of these services are reported in the appropriate functional activity.

The County's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the County, these funds are not incorporated into the government-wide statements.

Note 1. Summary of Significant Accounting Policies (Continued)

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first and then unrestricted resources as available.

D. Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles except encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Accordingly, encumbrances are included as budgetary expenses in two different years. Annual appropriated budgets are adopted for the General Fund, the Debt Service Fund and the Special Revenue Funds. The Grant Fund and Housing and Urban Development Special Revenue Funds have twelve month annual adopted budgets that differ from the County's fiscal year end. Project-length financial plans are adopted for the Capital Projects Funds. All encumbered appropriations are carried forward in the following year's budget.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

E. Cash and Cash Equivalents and Investments

For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments with a remaining maturity of three months or less when purchased to be cash equivalents.

Cash includes amounts in demand deposits, certificates of deposit, and money market accounts. Statutes authorize the County to invest in U.S. Government obligations, U.S. Government agency obligations, State of Georgia obligations of other counties, municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc., negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association, repurchase agreements when collateralized by U.S. Government or agency obligations, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. The Pension Trust Fund is also authorized to invest in corporate bonds, domestic common stocks, equity real estate, and international common stocks through pooled investment accounts.

The County's investment policy is to apply the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard is herewith understood to mean the following: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

It is also the policy of Cobb County to purchase securities only from those broker/dealers and banks that are included on the County's bid list as approved by the Finance Director-Comptroller. The approved list will be developed in accordance with these Investment Policies.

Note 1. Summary of Significant Accounting Policies (Continued)

Funds of Cobb County will be invested in compliance with the provisions of Georgia Code Section 36-83-4 and in accordance with these policies and written administrative procedures. Certain funds have outstanding bond issues which have specific investment policies contained within the bond ordinances and official statements. Those policies will be adhered to and are not in conflict with the terms of the investment policy.

In accordance with GASB 31, investments are stated at fair value. Fair value of the external investment pool, Georgia Fund 1, is equal to the value of the pool shares. See Note 3 for additional information regarding cash and investments.

F. Restricted Assets

The County's restricted assets in the Water and Sewer Enterprise Fund includes cash of $90,959,617 and investments of $3,000,000 totaling $93,959,617 which is held in a separate account until monies are spent according to the bond covenants.

G. Interfund Receivables/Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in the applicable governmental fund to indicate that they are not available for appropriation and are not expendable available financial resources. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

H. Inventories

Inventories are valued at cost in the Governmental Fund types and at the lower of cost (first-in, first-out) or market in the Proprietary Fund types. Inventories in the General and Enterprise funds consist of expendable supplies held for consumption and items needed for repairs or improvements to the utility system.

The cost is recorded as an asset at the time the individual items are purchased. Reported inventories in the General Fund are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets. The consumption method is used to account for inventories within the County's governmental and proprietary fund types.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2010 are recorded as prepaid items.

J. 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. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Note 1. Summary of Significant Accounting Policies (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives. 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. The County has fully implemented the retroactive reporting of infrastructure.

Capital assets of the primary government, as well as the component units, are depreciated using the straight line method over the following useful lives:

Assets	Years
Buildings and structures	25 – 50
Machinery and equipment	4 – 10
Vehicles	5
Buses	10
Sewerage Plants	10 – 50
Infrastructure	10 – 50

K. Compensated Absences

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Accumulated sick pay benefits 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.

In accordance with the provisions of Statement of Financial Accounting Standards No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay bonuses.

L. 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. Bonds payable are reported net of applicable bond premiums or discounts. 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.

Note 1. Summary of Significant Accounting Policies (Continued)

M. Categories and Classifications of Fund Balance

The County has elected early implementation of GASB 54 [Note 10. Fund Balance Determinations and Classifications]. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB 54, are Nonspendable, Restricted, Committed, Assigned, and Unassigned.

N. Interfund Transactions

All interfund services provided and used are reported as transfers.

O. Contributed Capital and Capital Contributions – Proprietary Funds

Grants, entitlements and shared revenues restricted for the acquisition or construction of capital assets were recorded as contributed capital prior to the implementation of GASB 33, *Accounting and Financial Reporting for Nonexchange Transactions*. As required by GASB 33, the County has recognized capital contributions as revenue rather than as contributed capital.

P. Net Assets

1. Invested in capital assets, net of related debt – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction or improvement of the assets.

2. Restricted net assets – This amount is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

3. Unrestricted net assets – This amount is all net assets that do not meet the definition of "invested in capital assets, net of related debt" or "restricted net assets."

Note 2. Budgetary Information

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

A. Prior to August 1, the Chairman of the Board of Commissioners and the County Manager submit to the Board of Commissioners a proposed operating budget and capital projects budget for the fiscal year commencing the following October 1. The operating and capital projects budgets include proposed expenditures and the means of financing them.

B. Public hearings are conducted to obtain taxpayer comments.

C. At a date no later than the second Board meeting of September, the budget is formally approved.

D. All budget transfers must be approved by the Budget Administrator, County Manager and/or the Board of Commissioners depending on the type and/or amount of expenditure:

Note 2. Budgetary Information (Continued)

Budget Transfer		Approval Required
1	From overtime and part-time to operating and capital or between overtime and part-time.	Budget Administrator
2	Within operating expenditures in a department.	Budget Administrator
3	From operating expenditures to capital.	Budget Administrator
4	From capital to operating expenditures.	Budget Administrator
5	No budget transfers are to be made between the regular salaries and overtime and part-time budget or the operating expenditures budget in a department without Board approval.	
6	No budget transfers are to be made between the regular salaries and overtime and part-time budget or the capital budget in a department without Board approval.	

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the category level within departments.

Formal budgetary integration is employed as a management control device during the year for the General and Debt Service Funds. Annual budgets are also adopted for the Fire District, Law Library, Community Services, Hotel/Motel Tax, Emergency 911, Parking Deck Facility and 800 MHz Special Revenue Funds. The Grant Fund and Housing and Urban Development Special Revenue Funds have twelve month annual adopted budgets that differ from the County's fiscal year end. Budgets for the General, Debt Service and certain Special Revenue funds are adopted on the modified accrual basis except that encumbrances are treated as budgetary expenditures in the year of the incurrence of the commitment to purchase. Actual GAAP expenditures have been adjusted to the non-GAAP budgetary basis for budgetary comparison within this report. Because there were no encumbrances outstanding at the end of the year in the Debt Service Fund, Community Services, Hotel/Motel Tax, and 800 MHz Special Revenue Funds, the budgets for these funds are presented on a GAAP basis.

Budgeted amounts are as originally adopted, or as amended, by the Board of Commissioners. Individual amendments were not material in relation to the original appropriations that were amended. Unencumbered appropriations lapse at year-end. There were no material supplementary appropriations made during the year.

The actual results of operations on the budgetary basis are presented in the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) for the General, and the major and nonmajor Special Revenue funds in order to provide a meaningful comparison of actual results with the budget. Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual are presented as supplementary information for certain nonmajor governmental funds.

The major difference between the budget basis and GAAP is that encumbrances are recognized as expenditures for budgetary purposes. All encumbered appropriations are carried forward in the following year's budget. Accordingly, encumbrances are included as budgetary expenses in two different years.

Note 2. Budgetary Information (Continued)

Adjustments necessary to convert the results of operations and fund balances at the end of the year on the budgetary basis to the GAAP basis are as follows:

	Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses		
	General Fund	Fire Fund	Nonmajor Special Revenue Funds
Budgetary Basis	$ (9,874,521)	$ (7,853,400)	$ 2,623,802
Encumbrances 9/30/10	1,619,627	64,695	4,073
Grant-length Plans	-	-	(141,413)
GAAP Basis	$ (8,254,894)	$ (7,788,705)	$ 2,486,462

	Fund Balances at End of Year		
	General Fund	Fire Fund	Nonmajor Special Revenue Funds
Budgetary Basis	$ 38,090,251	$ 5,938,465	$ 14,977,570
Encumbrances 9/30/10	1,619,627	64,695	4,073
Grant-length Plans	-	-	(2,214,721)
GAAP Basis	$ 39,709,878	$ 6,003,160	$ 12,766,922

Note 3. Cash and Cash Equivalents and Investments

PRIMARY GOVERNMENT AND FIDUCIARY FUNDS:

Concentration of Credit Risk
No more than 40% of the entire invested portfolio may be placed with any one bank or security dealer. The longer the maturity of a particular investment, the greater its susceptibility to market price and credit losses. The County seeks to limit such risk by maintaining conservative maturities that are within guidelines recommended by the Government Finance Officers Association (GFOA). These guidelines generally recommend avoiding securities with maturities beyond five years unless the investment is matched and held to a specific maturity.

Custodial credit risk – deposits and investments
Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County has no formal policy, but reduces its exposure to custodial credit risk by requiring deposits and investments to be collateralized in accordance with State law. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties or municipalities. As of September 30, 2010, none of the agency funds deposits were exposed to custodial credit risk as uninsured and uncollateralized deposits.

Note 3. Cash and Cash Equivalents and Investments (Continued)

Investments are made in accordance with state law and the County's Investment Policy that requires that bank balances be 110% collateralized and that all investments be acquired on a "delivery vs. payment" basis, thereby providing maximum protection to the County.

As of September 30, 2010, the County's reporting entity had the following investments:

Type of Investment	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
PRIMARY GOVERNMENT					
Georgia Fund I	$ 172,653,835	$ 172,653,835	$ -	$ -	$ -
U.S. Agencies	31,237,655	6,015,900	25,221,755	-	-
Total Primary Government (non-fiduciary)	$ 203,891,490	$ 178,669,735	$ 25,221,755	$ -	$ -
FIDUCIARY FUNDS					
Pension Trust Fund:					
Common Stocks	$ 77,789,011	n/a	n/a	n/a	n/a
Mutual Funds	209,220,272	209,220,272	-	-	-
Bond Corp.	50,162,052	-	31,905,691	18,256,361	-
Government and Agency Bonds	8,932,485	-	8,932,485	-	-
Group Annuity Contracts	3,662,052	-	3,662,052	-	-
Georgia Fund I	15,819	15,819	-	-	-
Money Market	6,253,479	6,253,479	-	-	-
Total Pension Trust Fund	$ 356,035,170	$ 215,489,570	$ 44,500,228	$ 18,256,361	$ -
OPEB Trust Fund:					
Mutual Funds	$ 23,330,892	$ 23,330,892	$ -	$ -	$ -
Bond Mutual Funds	12,109,365	-	12,109,365	-	-
Total OPEB Trust Fund	$ 35,440,257	$ 23,330,892	$ 12,109,365	$ -	$ -

Investments of the primary government include $178,891,495 grouped in cash and cash equivalents and exclude $4,300,000 of nonnegotiable certificates of deposits.

Credit Risk - Investments
As of September 30, 2010 the County's investments in Georgia Fund 1 were rated AAA. Of the County's investments in bond corp. $28,755,088 were rated AAA and the remaining $21,406,964 were rated AA.

As of September 30, 2010 the County's investment in U.S. Agencies that are implicitly guaranteed were as follows: Federal National Mortgage Association $5,005,430, Federal Home Loan Bank $12,122,160, Federal Home Loan Mortgage Corporation $6,100,170, and Federal Farm Credit Banks $8,009,895. All of the U.S. Agencies that the County has investments with are rated AAA.

Note 3. Cash and Cash Equivalents and Investments (Continued)

Interest Rate Risk - Investments
As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits the pension investments to the following maximum percentages: Domestic securities 65%, Non-domestic securities 15%, and Fixed income investments and Cash 40%.

The Office of Treasury and Fiscal Services is the oversight agency for Georgia Fund I.

Component Units

A. Cobb-Marietta Coliseum and Exhibit Hall Authority

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority limits its exposure to custodial credit risk by requiring deposits to be collateralized in accordance with state law. As of September 30, 2010, none of the Authority's total deposits of $5,055,502 were exposed to custodial credit risk.

Interest rate risk

In accordance with its investment policy, the Authority manages its exposure to the risk of declines in fair values by limiting the maturities of its investments to a maximum of five years for the debt service reserve account, three years for the General Fund renewal and expansion account, and six months or less in the other accounts.

Credit risk

As of September 30, 2010, the Authority had the following investments:

Type of Investment	Rating	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
PRIMARY GOVERNMENT					
Georgia Fund I	AAA	$ 22,520,638	$ -	$ -	$ -
Total investments		$ 22,520,638	$ -	$ -	$ -

B. Cobb County Board of Health

At June 30, 2010 the Board's cash deposits were insured or collateralized with securities held by the Board or by its agent in the Board's name.

The following is a summary of the Board's investments at June 30, 2010:

Description	Rating	Fair Value	Weighted Average Maturity
Georgia Fund I	AAAm	$1,454,632	46 days

Note 4. Restricted Assets

A. Cobb-Marietta Coliseum and Exhibit Hall Authority

The Authority's restricted assets in the governmental funds include cash and investments held in separate accounts as required by the revenue bond ordinances, and interest and contributions receivable that are restricted in purpose.

In the general fund, cash and investments held in the renewal and expansion account are restricted for renewal and replacement of assets, expansion projects and contingencies. The general fund reports resources restricted for renewal and expansion in accordance with the revenue bond indenture.

Contributions received and pledged to the Performing Arts Centre Foundation that have purpose restrictions are reported as restricted assets.

In the debt service fund, the reserve account is required to be funded for the maximum debt service payment that will come due over the life of the senior lien bonds. Funds accumulated to pay current maturities are reported as restricted.

The Authority's restricted assets in the enterprise funds include refundable security deposits in the mall fund; ticket sales deposits that are refunded to artist and promoters in the Performing Arts Centre fund; and an intergovernmental receivable from Cobb County that is restricted for debt service in the Performing Arts Centre fund.

Governmental Funds	Cash	Receivables	Total
General Fund:			
Restricted for renewal and expansion	$ 14,201,117	$ -	$ 14,201,117
Performing Arts Centre Foundation:			
Restricted by donors	441,858	-	441,858
Debt Service Fund:			
Restricted for debt service	9,444,267	-	9,444,267
Total governmental funds	$ 24,087,242	$ -	$ 24,087,242

In the governmental activities column of the statement of net assets, an additional $7,328,924 in long-term contribution receivable have been restricted by donors for the construction and operation of the Performing Arts Centre and for raising funds to that end. When applicable, these contributions have been discounted at a rate of 6.5 percent.

Enterprise Funds			
Galleria Mall:			
Security deposits	$ 42,188	$ -	$ 42,188
Performing Arts Centre:			
Ticket sales deposits	1,320,361	-	1,320,361
Restricted for debt service	596,809	-	596,809
Due from primary government	-	51,484,581	51,484,581
Total enterprise funds	$ 1,959,358	$ 51,484,581	$ 53,443,939

Note 5. Capital Assets

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

Primary Government:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 894,263,549	$ 10,717,181	$ (1)	$ 904,980,729
Construction in progress	200,040,827	131,336,528	(28,751,325)	302,626,030
Total capital assets, not being depreciated	$ 1,094,304,376	$ 142,053,709	$ (28,751,326)	$ 1,207,606,759
Capital assets, being depreciated:				
Buildings	$ 321,371,996	$ 1,639,853	$ (1,947,441)	$ 321,064,408
Improvements other than buildings	28,994,360	1,664,306	-	30,658,666
Machinery and equipment	213,868,803	13,987,295	(2,831,001)	225,025,097
Infrastructure	2,296,389,105	40,979,972	-	2,337,369,077
Total capital assets, being depreciated	$ 2,860,624,264	$ 58,271,426	$ (4,778,442)	$ 2,914,117,248
Less accumulated depreciation for:				
Buildings	$ (85,967,953)	$ (6,676,846)	$ 615,204	$ (92,029,595)
Improvements other than buildings	(12,005,821)	(1,355,298)	-	(13,361,119)
Machinery and equipment	(167,800,016)	(16,061,287)	2,813,904	(181,047,399)
Infrastructure	(753,371,021)	(58,322,314)	-	(811,693,335)
Total accumulated depreciation	$ (1,019,144,811)	$ (82,415,745)	$ 3,429,108	$ (1,098,131,448)
Total capital assets, being depreciated, net	1,841,479,453	(24,144,319)	(1,349,334)	1,815,985,800
Governmental activities capital assets, net	$ 2,935,783,829	$ 117,909,390	$ (30,100,660)	$ 3,023,592,559
Business-type activities:				
Capital assets, not being depreciated:				
Land and improvements	$ 70,955,262	$ 5,019,593	-	$ 75,974,855
Construction in progress	147,520,198	121,556,852	(30,384,661)	238,692,389
Total capital assets, not being depreciated	$ 218,475,460	$ 126,576,445	$ (30,384,661)	$ 314,667,244
Capital assets, being depreciated:				
Buildings and structures	$ 46,919,836	$ 1,714,409	$ -	$ 48,634,245
Sewerage plants	775,220,932	4,932,990	-	780,153,922
Machinery and equipment	69,075,683	4,280,383	(1,732,795)	71,623,271
Infrastructure:				
Sewer lines	507,402,797	12,826,845	-	520,229,642
Water lines and meters	360,830,865	15,123,025	-	375,953,890
Total capital assets, being depreciated	$ 1,759,450,113	$ 38,877,652	$ (1,732,795)	$ 1,796,594,970

Note 5. Capital Assets (Continued)

Less accumulated depreciation for:				
Buildings and structures	$ (11,562,339)	$ (1,310,366)	$ -	$ (12,872,705)
Sewerage plants	(220,350,755)	(18,840,484)		(239,191,239)
Machinery and equipment	(48,750,734)	(5,217,126)	1,699,713	(52,268,147)
Infrastructure:				
Sewer lines	(154,030,575)	(9,972,381)	-	(164,002,956)
Water lines and meters	(129,086,154)	(8,461,425)	-	(137,547,579)
Total accumulated depreciation	$ (563,780,557)	$ (43,801,782)	$ 1,699,713	$ (605,882,626)
Total capital assets, being depreciated, net	1,195,669,556	(4,924,130)	(33,082)	1,190,712,344
Business-type activities capital assets, net	$ 1,414,145,016	$ 121,652,315	$ (30,417,743)	$ 1,505,379,588

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

Governmental activities:	
General government	$ 6,548,775
Public safety	12,294,211
Public works	59,646,456
Health and welfare	23,661
Culture and recreation	3,458,235
Housing and development	444,407
Total depreciation expense - governmental activities	$ 82,415,745
Business-type activities:	
Water and Sewer	$ 38,660,105
Solid Waste	507,459
Golf Course	104,617
Transit System	4,529,601
Total depreciation expense - business-type activities	$ 43,801,782

Note 6. Risk Management

The County established a risk management program for casualty, liability and medical claims in 1985. Premiums are paid into the Claims Internal Service Fund by other funds and are available to pay claims and administrative costs. The County is self-insured up to $450,000 per occurrence for workers' compensation. Amounts exceeding this are covered by an excess workers' compensation policy. The County also maintains an excess coverage policy for medical claims that covers individual claims in excess of $1,000,000. This policy provides for a $200,000 deductible for each occurrence. The County has not experienced any significant decreases in insurance coverage from the previous year nor has it paid any settlements in excess of insurance coverage in the past three fiscal years. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can reasonably be estimated. Liabilities include an amount for claims that have been incurred but not reported. Incurred but not reported claims of $11,895,012 have been accrued as a liability in the Claims Internal Service Fund based primarily upon a County and actuary's estimate. The entire liability is estimated to be current. Interfund premiums are based primarily upon the insured funds' claims experience.

Note 6. Risk Management (Continued)

September 30	Beginning Balance	Claims Incurred	Claims Paid	Ending Balance
2001	$ 7,217,435	$ 22,521,847	$ 21,685,709	$ 8,053,573
2002	8,053,573	28,246,667	26,852,687	9,447,553
2003	9,447,553	32,360,331	30,576,030	11,231,854
2004	11,231,854	38,194,327	35,717,321	13,708,860
2005	13,708,860	40,961,207	38,035,702	16,634,365
2006	16,634,365	41,226,703	38,379,567	19,481,501
2007	19,481,501	38,230,339	43,648,895	14,062,945
2008	14,062,945	38,284,749	38,820,784	13,526,910
2009	13,526,910	39,263,098	42,701,479	10,088,529
2010	10,088,529	46,505,221	44,698,738	11,895,012

Note 7. Leases

A. Operating Leases

The County has several operating leases for equipment that are not material.

B. Capital Leases

Cobb County is obligated under capital leases initiated in current and prior years covering various types of equipment and building improvements.

The assets acquired through capital leases are as follows:

	Total Governmental Activities	Total Business-type Activities
Asset:		
Buildings	$ 3,912,751	$ -
Machinery and equipment	34,354,431	301,946
Less: Accumulated depreciation	(17,941,662)	(241,706)
Total	$ 20,325,520	$ 60,240

Note 7. Leases (Continued)

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

	Total Governmental Activities	Total Business-type Activities
2011	$ 5,921,121	$ 17,487
2012	5,495,402	-
2013	4,170,461	-
2014	802,399	-
2015	328,062	-
2016-2019	1,302,937	-
Total minimum lease payments	$ 18,020,382	$ 17,487
Less: Amount representing interest	1,252,436	86
Present value of minimum lease payments	$ 16,767,946	$ 17,401

In October, 1997, a lease agreement was entered into with the Downtown Marietta Development Authority for the parking deck lease. This lease agreement is for 252 months with annual principal payments and semi-annual interest payments. The parking deck is used by Cobb County employees and the general public. The lease agreement qualifies as a capital lease and has been recorded in the Parking Deck Facility Special Revenue Fund.

In July, 2006, a lease agreement was entered into with Bank of America Leasing and Capital, LLC for maintenance equipment. This lease agreement is for 48 months with monthly principal and interest payments. This lease agreement qualifies as a capital lease and has been recorded in the Golf Course Fund.

In February, 2007, a lease agreement was entered into with Bank of America Leasing and Capital, LLC for a Voice-Over I.P. System. This lease agreement is for 60 months with monthly principal and interest payments. This lease agreement qualifies as a capital lease and has been recorded in the Public Facilities Fund.

In March, 2007, a lease agreement was entered into with Bank of America Leasing and Capital, LLC for a Judicial Court Information System. This lease agreement is for 60 months with monthly principal and interest payments. This lease agreement qualifies as a capital lease and has been recorded in the Public Facilities Fund.

In July, 2007, a lease agreement was entered into with Bank of America Leasing and Capital, LLC for a Community Development Application System. This lease agreement is for 60 months with monthly principal and interest payments. This lease agreement qualifies as a capital lease and has been recorded in the Public Facilities Fund.

Note 7. Leases (Continued)

In January, 2008, a lease agreement was entered into with Bank of America Leasing and Capital, LLC for golf carts. This lease agreement is for 36 months with monthly principal and interest payments. This lease agreement qualifies as a capital lease and has been recorded in the Golf Course Fund.

In April, 2008, a lease agreement was entered into with Xerox Corporation for print shop equipment. The lease agreement is for 72 months. The lease agreement qualifies as a capital lease and has been recorded in the General Fund.

In January, 2009, a lease agreement was entered into with OCE North America Inc for print shop equipment. The lease agreement is for 36 months. The lease agreement qualifies as a capital lease and has been recorded in the General Fund.

In April, 2009, a lease agreement was entered into with SunTrust for a law enforcement records management system. The lease agreement is for 60 months. The lease agreement qualifies as a capital lease and has been recorded in the Public Facilities Fund.

In April, 2009, a lease agreement was entered into with Sun Microsystems Global Financial Services for replacement of one Sun 4800 Server. The lease agreement is for 36 months. The lease agreement qualifies as a capital lease and has been recorded in the Public Facilities Fund.

In September, 2009, a lease agreement was entered into with Bank of America Leasing and Capital, LLC for Powder Springs Station. The lease agreement is for 48 months. The lease agreement qualifies as a capital lease and has been recorded in the Public Facilities Fund.

In March, 2010, a lease agreement was entered into with SunTrust for a data domain system. The lease agreement is for 48 months. The lease agreement qualifies as a capital lease and has been recorded in the General Fund.

Note 8. Long-Term Debt

A. Primary Government

Bonds payable at September 30, 2010 are comprised of the following individual issues:

1. General Obligation Bonds

   $15,000,000 2008 Park serial bonds due in annual installments of $1,690,000 to $2,185,000 through January 1, 2018; interest at 2.42 to 3.63 percent ($15,000,000 outstanding). The Bonds were issued to finance the costs of acquiring park land within the County to be owned by the County for so long as any Series 2008 Bonds remain outstanding and to be used as park land in perpetuity, and paying the costs of the issuance of the Series 2008 Bonds.

   $25,000,000 2007 Park serial bonds due in annual installments of $3,060,000 to $4,130,000 through January 1, 2017; interest at 4.25 to 5.00 percent ($25,000,000 outstanding). The Bonds were issued to finance the costs of acquiring park land within the County to be owned by the County for so long as any Series 2007 Bonds remain outstanding and to be used as park land in perpetuity, and paying the costs of the issuance of the Series 2007 Bonds.

Note 8. Long-Term Debt (Continued)

$18,345,000 2005 refunding serial bonds due in annual installments of $100,000 to $2,200,000 through January 1, 2017; interest at 3.00 to 5.00 percent ($13,480,000 outstanding). The Bonds were issued for the purpose of advance refunding, defeasing and optionally redeeming the County's outstanding Park and Recreation Bonds, Series 1996 and paying the cost of issuance of the Series 2005 Bonds.

$31,640,000 2003 refunding serial bonds due in annual installments of $3,600,000 to $5,220,000 through January 1, 2010; interest at 3.00 to 5.00 percent ($0 outstanding). The Bonds were issued to refund the County's Building and Facilities Bonds, Series 1993 and the Animal Control Center Bonds, Series 1993 and to pay expenses necessary to accomplish the foregoing.

2. Revenue Bonds

a. Water and Sewerage

$126,570,000 2009 serial bonds due in annual installments of $3,640,000 to $9,350,000 through July 1, 2029; interest at 3.00 to 4.25 percent ($122,930,000 outstanding). The Bonds were issued to finance a portion of certain additions, betterments, replacements, extensions and improvements to the County's water and sewerage facilities and to pay expenses necessary to accomplish the foregoing.

$100,000,000 2003 serial bonds due in annual installments of $5,135,000 to $8,740,000 through July 1, 2023; interest at 4.00 to 5.00 percent ($89,590,000 outstanding). The Bonds were issued to provide funds to finance a portion of certain additions, betterments, replacements, extensions and improvements to the County's water and sewerage facilities and to pay expenses necessary to accomplish the foregoing.

The County has pledged future water customer revenues, net of specified operating expenses, to repay $226.6 million in water revenue bonds issued from 2003 to 2010. Proceeds from the bonds will provide financing for water and sewer infrastructure. The bonds are payable from water customer net revenues and are payable through 2029. Annual principal and interest payments on the bonds are expected to require less than 7.0% of operating revenues. The total principal and interest remaining to be paid on the bonds as of September 30, 2010 was $212,520,000 and $92,181,600 respectively.

b. Solid Waste Disposal

$19,285,000 2004 refunding serial bonds due in annual installments of $1,720,000 to $2,100,000 through January 1, 2015; interest at 2.75 to 5.00 percent ($10,030,000 outstanding). The Bonds were issued for the purpose of refunding, defeasing and optionally redeeming all of the Authority's outstanding Revenue Bonds, Series 1995 and paying the costs of issuance of the Series 2004 Bonds.

Note 8. Long-Term Debt (Continued)

The County has pledged future solid waste customer revenues, net of specified operating expenses, to repay $19.8 million in solid waste revenue bonds issued from 2004. Proceeds from the bonds provided financing for the solid waste and compost facility. The bonds are payable from solid waste customer net revenues and are payable through 2015. Annual principal and interest payments on the bonds are expected to require less than 30.0% of operating revenues. The total principal and interest remaining to be paid on the bonds as of September 30, 2010 was $10,030,000 and $1,250,600 respectively.

c. Cobblestone Golf Course

$6,905,000 1997 Recreation Authority refunding serial bonds due in annual installments of $355,000 to $570,000 through January 1, 2014; interest at 4.45 to 5.00 percent ($2,125,000 outstanding). The Bonds were issued to provide funds to refund the Series 1992 Bonds and to pay expenses necessary to accomplish the foregoing.

The County has pledged future golf course customer revenues, net of specified operating expenses, to repay $6.9 million in recreation authority revenue bonds issued from 1997. Proceeds from the bonds provided financing for the construction of the Cobblestone Golf Course facility. The bonds are payable from golf course customer net revenues and are payable through 2014. Annual principal and interest payments on the bonds are expected to require less than 30.0% of operating revenues. The total principal and interest remaining to be paid on the bonds as of September 30, 2010 was $2,125,000 and $218,881 respectively.

The annual requirements to amortize all General Obligation and Revenue bonds outstanding at September 30, 2010 including interest payments of $170,332,759 are as follows:

	Governmental Activites		Business-Type Activities	
	General Obligation Bonds		Revenue Bonds	
Year Ending September	Principal	Interest	Principal	Interest
2011	$ 6,410,000	$ 2,126,813	$ 12,185,000	$ 10,020,130
2012	6,700,000	1,853,362	12,385,000	9,467,325
2013	6,995,000	1,559,018	13,040,000	8,885,150
2014	7,310,000	1,247,782	13,455,000	8,233,776
2015	7,625,000	929,238	13,285,000	7,660,875
2016-2020	18,440,000	900,036	64,015,000	30,483,025
2021-2025	-	-	61,185,000	15,047,937
2026-2029	-	-	35,125,000	3,852,863
	$ 53,480,000	$ 8,616,249	$ 224,675,000	$ 93,651,081

Note 8. Long-Term Debt (Continued)

Year Ending September 30	Component Units Revenue Bonds Principal	Component Units Revenue Bonds Interest
2011	$ 4,540,000	$ 6,310,485
2012	4,775,000	6,120,664
2013	5,035,000	5,910,244
2014	5,335,000	5,684,838
2015	5,755,000	5,445,386
2016-2020	33,660,000	22,745,903
2021-2025	44,710,000	13,223,983
2026-2029	29,190,000	2,623,926
	$ 133,000,000	$ 68,065,429

The annual requirements to amortize all Water and Sewer Revenue Bonds outstanding at September 30, 2010 are as follows:

	Outstanding Parity Bonds Principal	Interest	Total
2011	9,665,000	9,485,775	19,150,775
2012	10,015,000	9,044,825	19,059,825
2013	10,395,000	8,588,025	18,983,025
2014	10,835,000	8,068,275	18,903,275
2015	11,285,000	7,610,875	18,895,875
2016-2020	64,015,000	30,483,025	94,498,025
2021-2025	61,185,000	15,047,937	76,232,937
2026-2029	35,125,000	3,852,863	38,977,863
Total	$ 212,520,000	$ 92,181,600	$ 304,701,600

The preceding information is presented in order to meet continuing disclosure requirements as set forth in the Security and Exchange Commission's Rule 15c2-12(b) (5).

3. Compliance

The 1985 Series Water and Sewerage Bond Resolution require the establishment of a Debt Service Reserve Account within the Water and Sewerage Sinking Fund in an amount at least equal to the highest annual debt service on the Series 1985 Bonds. The Resolution also authorizes Cobb County to obtain a surety bond in place of funding the Debt Service Reserve Account. The County has obtained a Municipal Bond Insurance Association bond for this purpose. However, the Series 2003 Resolution amends the Prior Resolutions and provides that commencing on December 1, 2003, there shall no longer be a Debt Service Reserve Requirement for any Bonds then outstanding. There are a number of limitations and restrictions contained in the various bond indentures. The County is in compliance with all significant limitations and restrictions.

$8,244,274 is available in the Debt Service Fund to service the general obligation bonds.

Note 8. Long-Term Debt (Continued)

4. Prior Years' Advance Refundings

On September 30, 2010 there were no bonds outstanding that are considered defeased.

G.O. Bonds:

During the fiscal year ending September 30, 2003, the County issued Series 2003 General Obligation Refunding Bonds of $31,640,000 with interest rates of 3.0 percent to 5.0 percent to advance refund $32,490,000 of the 1993 Detention Facility and Animal Control Center serial bonds with interest rates of 4.70 to 5.50 percent. The 2003 General Obligation Refunding Bonds were issued at a premium of $2,495,009, less an underwriting discount of $13,531, plus accrued interest on the Bonds from their dated date to the date of delivery of $83,172. After paying the issuance costs of $66,960 the net proceeds were $33,808,908.

The net proceeds from the issuance were used to purchase U.S. government securities and those securities were deposited into an irrevocable trust with an escrow agent to provide debt service payments on the 1993 bond issue that matured in 2010. The advance refunding met the requirements of an in-substance defeasance, thus the refunded portions of the 1993 bonds are no longer included in the Governmental Activities Statement of Net Assets bond payable balance. As a result of the advanced refunding, the County reduced its total debt service requirements by $2,570,241 that resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $2,351,427.

The $18,345,000 2005 Parks and Recreation Refunding Bonds were issued at a premium of $900,880 less an underwriting discount of $29,750 and issuance costs of $72,000 resulting in net proceeds of $19,144,130.

These net proceeds, together with $321,704 of sinking funds monies available to pay interest accrued on the Series 1996 Refunding Bonds, were deposited into an irrevocable trust with a defeasance escrow agent to satisfy the defeasance requirement on January 1, 2007. As a result of the refunding and defeasance, the County reduced its total debt service requirement by $1,284,390 which resulted in an economic gain (difference between the present value of the debt service payments on the Refunded Bonds and the 2005 Bonds) of $1,020,494.

Revenue Bonds:

During the fiscal year ending September 30, 2003, the County issued Series 2003 Water and Sewer Refunding Revenue Bonds of $36,545,000 with interest rates of 3.0 percent to 5.0 percent to advance refund $49,430,000 of the 1993 Water and Sewer Revenue Bonds with interest rates of 4.75 to 5.40 percent. The 2003 Water and Sewer Refunding Revenue Bonds were issued at a premium of $3,149,556, less an underwriting discount of $52,259, plus accrued interest on the Bonds from their dated date to the date of delivery of $97,735. After paying the issuance costs of $81,931 the net proceeds were $51,460,128. The net proceeds from the issuance were used to purchase U.S. government securities, and those securities were deposited into an irrevocable trust with an escrow agent to provide debt service payments on the 1993 bond issue maturing in 2008. The advance refunding met the requirements of an in-substance defeasance, thus the refunded portions of the 1993 bonds are no longer included in the Water and Sewer Fund Statement of Net Assets bond payable balance.

Note 8. Long-Term Debt (Continued)

As a result of the advanced refunding, the County reduced its total debt service requirements by $2,899,909, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of $2,683,436.

During the fiscal year ending September 30, 2004, the County issued Series 2004 Water and Sewer Revenue Refunding Bonds in the aggregate principal amount of $34,520,000 with interest rates of 2.0 percent to 5.0 percent. The 2004 Bonds were issued to provide funds to be used, together with other funds available for such purpose, to refund upon optional redemption on July 1, 2004 the outstanding Cobb County Water and Sewerage Revenue Refunding Bonds, Series 1996 (the "Refunded Bonds"), maturing July 1 in each of the years 2005 through and including 2008, outstanding in the aggregate principal amount of $34,380,000 with interest at 5.125% and pay expenses to accomplish the foregoing. In connection with such refunding, the County defeased all outstanding Series 1996 Bonds, including the Refunded Bonds and the Series 1996 Bonds maturing on July 1, 2004.

The $34,520,000 2004 Bonds were issued at a premium of $2,514,153 less an underwriter's discount of $59,054 and issuance costs of $172,600 resulting in total net proceeds of $ 36,802,499. The net proceeds from the issuance were used, together with $6,239,089 of sinking fund monies available for the July 1, 2004 maturity of the unrefunded portion of the Series 1996 Bonds, to purchase U.S. Government securities that were deposited into an irrevocable trust with a defeasance escrow agent to satisfy the defeasance requirement on July 1, 2004. As a result of the refunding and defeasance, the County reduced its total debt service requirements by $1,776,986, which resulted in an economic gain (difference between the present value of the debt service payments on the Refunded Bonds and 2004 Bonds) of $1,737,545.

In December 2004, the County issued Series 2004 Solid Waste Management Authority Revenue Bonds in the amount of $19,285,000. The bond is repayable over 10 years with the principal payment beginning January 1, 2006 and bears interest at a rate of 3.0 to 5.0 percent which is payable semiannually over 10 years on July 1 and January 1 of each year beginning July 1, 2005.

5. Intergovernmental Contract Payable

$57,000,000 2004 Intergovernmental Contract Payable is due in annual installments of $840,000 to $4,525,000 through January 1, 2029; interest at 2.00 to 5.00 percent ($50,920,000 outstanding). The contract obligates Cobb County to pay the debt service obligations on the Cobb County Coliseum and Exhibit Hall Authority Series 2004 (Performing Arts Center Project) Revenue Bonds until the bonds are repaid.

Note 8. Long-Term Debt (Continued)

	Intergovernmental Contract Payable		
	Principal	Interest	Total
2011	1,285,000	2,239,051	3,524,051
2012	1,375,000	2,197,432	3,572,432
2013	1,475,000	2,151,119	3,626,119
2014	1,595,000	2,101,231	3,696,231
2015	1,730,000	2,032,062	3,762,062
2016-2020	11,050,000	8,647,810	19,697,810
2021-2025	15,800,000	5,417,979	21,217,979
2026-2029	16,610,000	1,504,601	18,114,601
Total	$ 50,920,000	$ 26,291,285	$ 77,211,285

6. Certificates of Participation

$10,730,000 Series 2010 Certificates of Participation is due in annual installments of $240,000 to $780,000 through January 1, 2031; interest at 2.25 to 4.00 percent ($10,730,000 outstanding). The contract obligates Cobb County to pay the debt service obligations on the Cobb County Courthouse Parking Deck Project Certificates of Participation until the bonds are repaid.

	Certificate of Participation		
	Principal	Interest	Total
2011	240,000	266,134	506,134
2012	230,000	347,725	577,725
2013	270,000	342,100	612,100
2014	320,000	335,063	655,063
2015	400,000	326,062	726,062
2016-2020	2,270,000	1,457,525	3,727,525
2021-2025	2,785,000	1,077,138	3,862,138
2026-2031	4,215,000	543,525	4,758,525
Total	$ 10,730,000	$ 4,695,272	$ 15,425,272

7. Notes Payable

$35,000,000 2008 Notes Payable is due in monthly installments of $195,401.91 through December 1, 2028; interest at 3.00 percent (with $32,922,478 outstanding). The loan is financing the construction of various water tunnels and pump stations.

$35,000,000 2009 Notes Payable is due in monthly installments of $194,109.16 through October 1, 2022 [with one final payment of $76,256.98 payable on November 1, 2022]; interest at 3.00 percent (with $23,638,123 outstanding). The loan is financing the construction of various water tunnels and pump stations. This note was restructured upon securing the 2010 Note Payable for $6,000,000.

Note 8. Long-Term Debt (Continued)

$6,000,000 2010 Notes Payable is due in monthly installments of $33,377.52 to $50,044.19 through February 1, 2030 [with one final payment of $7,778.89 payable on February 1, 2030]; interest at 3.00 percent (with $5,889,787 outstanding). The loan is financing the construction of various water tunnels and pump stations. This loan represents the restructuring of the prior 2009 Note Payable for a $10,000,000 loan in which $4,000,000 was forgiven.

$25,000,000 2010 Notes Payable is due in monthly installments of $138,649.40 through August 1, 2030; interest at 3.00 percent (with $24,923,851 outstanding). The loan is financing the construction of various water tunnels and pump stations.

	Note Payable		
	Principal	Interest	Total
2011	$ 4,174,426	$ 2,564,030	$ 6,738,456
2012	4,299,635	2,438,821	6,738,456
2013	4,433,554	2,304,902	6,738,456
2014	4,566,825	2,171,631	6,738,456
2015	4,705,729	2,032,727	6,738,456
2016-2020	25,763,652	7,928,627	33,692,279
2021-2025	22,921,484	4,053,231	26,974,716
2026-2030	16,508,934	1,067,755	17,576,690
Total	$ 87,374,239	$ 24,561,725	$ 111,935,964

B. Component Unit: Cobb-Marietta Coliseum and Exhibit Hall Authority

Bonds payable are comprised of the following individual issues at September 30, 2010:

$47,320,000 series 1993 term bonds, of which $39,275,000 was outstanding at September 30, 2010, that come due with the applicable fixed rates from 5.5% to 5.625%

The purpose of the 1993 issue was to refund a portion of the series 1991 bonds, which were issued to finance the construction of the convention centre.

$7,220,000 series 1999 serial bonds, of which $705,000 was outstanding at September 30, 2010. The serial bonds are due in a future annual installment of $705,000 through October 1, 2010; interest at 5.0 percent.

$16,730,000 series 1999 serial bonds, of which $3,240,000 was unrefunded and outstanding at September 30, 2010. These bonds are subject to mandatory redemption requirements beginning October 1, 2011. The unrefunded term bonds come due October 1, 2014 at a fixed rate of 6.0 percent.

The purpose of the 1999 issue was to finance the expansion of the Cobb Galleria Centre and the construction of a new parking deck. These bonds were partially advance refunded by the series 2005 revenue refunding bonds.

$2,120,000 series 2005 serial bonds, of which $2,045,000 was outstanding at September 30, 2010. The serial bonds are due in future annual installments of $20,000 to $990,000 through October 1, 2016, with interest at fixed rates from 3.0 to 4.0 percent.

Note 8. Long-Term Debt (Continued)

$13,255,000 series 2005 term bonds, all of which was outstanding at September 30, 2010, those are subject to mandatory redemption requirements beginning October 1, 2017. The term bonds come due with the applicable fixed rates from 5.25% to 5.5%.

The purpose of the 2005 issue was to refund a portion of the series 1999 bonds.

$44,180,000 series 2004 serial bonds, of which $38,100,000 was outstanding at September 30, 2010. The serial bonds are due in future annual installments of $1,285,000 to $3,790,000 through January 1, 2026 with interest at fixed rates from 3.0 to 5.0 percent.

$12,820,000 series 2004 term bonds, all of which was outstanding at September 30, 2010, those are subject to mandatory redemption requirements beginning January 1, 2027. The term bonds come due on January 1, 2029 at a fixed rate of 4.375 percent.

The purpose of the 2004 issue was to finance the construction of a new Performing Arts Centre and parking garage. The debt service requirements for the 2004 revenue bonds are to be funded through an intergovernmental contract with Cobb County over the term of the debt.

$10,000,000 series 2007 term bonds, of which $9,610,000 was outstanding at September 30, 2010. The serial bonds are due in future annual installments of $405,000 to $760,000 through October 1, 2026, with interest at a fixed rate of 3.99 percent.

The purpose of 2007 issue was to provide additional financing for the construction, renovation, equipping, and other such activities for the Performing Arts Center.

$14,335,000 series 2009 term bonds, of which $13,950,000 was outstanding at September 30, 2010. The serial bonds are due in future annual installments of $675,000 to $1,130,000 with fixed rate from 2.5% to 4.0%.

The purpose of 2009 issue was to refund the variable rate 1996 issue, which was originally issued to finance the purchase of approximately eleven acres of land for future expansion capabilities.

Compliance

There are a number of limitations and restrictions contained in the revenue bond indentures. The Authority is in compliance with all significant limitations and restrictions.

The following is a summary of changes in long-term obligations of the County's and the Component Unit's Governmental Activities and Business-type Activities for the fiscal year September 30, 2010:

Note 8. Long-Term Debt (Continued)

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
GO Bonds:					
2008 Parks	$ 15,000,000	$ -	$ -	$ 15,000,000	$ 1,690,000
2007 Parks	25,000,000	-	-	25,000,000	3,060,000
2005 Refunding	15,080,000	-	(1,600,000)	13,480,000	1,660,000
2003 Refunding	5,220,000	-	(5,220,000)	-	-
Total bonds before discounts and premiums	$ 60,300,000	$ -	$ (6,820,000)	$ 53,480,000	$ 6,410,000
Less:					
Original issuance discounts	$ (187,652)	$ -	$ 55,917	$ (131,735)	$ -
Deferred amounts on refunding	(450,140)	-	133,668	(316,472)	-
Add:					
Bond premiums	1,551,050	-	(485,385)	1,065,665	-
Total bonds payable	$ 61,213,258	$ -	$ (7,115,800)	$ 54,097,458	$ 6,410,000
Capital leases before discounts	$ 19,055,578	$ 280,310	$ (2,567,942)	$ 16,767,946	$ 5,409,626
Intergovernmental contract payable	$ 52,115,000	$ -	$ (1,195,000)	$ 50,920,000	$ 1,285,000
Certificate of Participation	$ -	$ 10,730,000	$ -	$ 10,730,000	$ 240,000
Compensated absences	$ 20,304,155	$ 11,479,507	$ (12,432,200)	$ 19,351,462	$ 12,432,200
Total other liabilities	$ 91,474,733	$ 22,489,817	$ (16,195,142)	$ 97,769,408	$ 19,366,826
Governmental Activities Long-term Liabilities	$ 152,687,991	$ 22,489,817	$ (23,310,942)	$ 151,866,866	$ 25,776,826

The Internal Service Fund predominately serves the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year-end, $9,190 of the Internal Service Fund's compensated absences is included in the above amounts. Also, for the governmental activities, claims and judgments and compensated absences are generally liquidated by the General Fund, Fire Fund, Parking Deck Fund, Law Library Fund, E-911 Fund and the Grants Fund. The compensated absences of the component units are typically liquidated in the general fund.

Note 8. Long-Term Debt (Continued)

Business-type Activities:					
Revenue Bonds:					
2009 Water & Sewer Serial	$ 126,570,000	$ -	$ (3,640,000)	$ 122,930,000	$ 4,230,000
2003 Water & Sewer Serial Bond	94,865,000	-	(5,275,000)	89,590,000	5,435,000
2004 Solid Waste Management Authority Refunding	12,000,000	-	(1,970,000)	10,030,000	2,030,000
1997 Refunding Recreation Authority	2,590,000	-	(465,000)	2,125,000	490,000
Total Bonds before discounts and premiums	$ 236,025,000	$ -	$ (11,350,000)	$ 224,675,000	$ 12,185,000
Add: Bond premiums	$ 12,093,040	$ -	$ (741,960)	$ 11,351,080	$ -
Less:					
Original issuance discount	(8,351)	-	1,698	(6,653)	-
Deferred amount on refunding	(329,810)	-	66,454	(263,356)	-
Total bonds payable	$ 247,779,879	$ -	$ (12,023,808)	$ 235,756,071	$ 12,185,000
Capital leases	$ 102,032	$ -	$ (84,631)	$ 17,401	$ 17,401
Notes Payable	69,257,915	25,000,000	(6,883,676)	87,374,239	4,174,426
Closure and postclosure	26,890,573	-	(276,660)	26,613,913	142,773
Compensated absences	1,592,966	1,453,955	(1,592,966)	1,453,955	1,053,954
Total other liabilities	$ 97,843,486	$ 26,453,955	$ (8,837,933)	$ 115,459,508	$ 5,388,554
Business-type Activities Long-term Liabilities	$ 345,623,365	$ 26,453,955	$ (20,861,741)	$ 351,215,579	$ 17,573,554

Cobb-Marietta Coliseum and Exhibit Hall Authority

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds payable:					
Revenue Bonds:	$ 75,750,000	$ 14,335,000	$ (17,615,000)	$ 72,470,000	$ 2,850,000
Add: Uamortized issuance premium	1,536,509	573,733	(189,620)	1,920,622	-
Less deferred amounts:					
On refunding	(3,160,148)	-	292,137	(2,868,011)	-
For issuance discount	(267,192)	-	26,570	(240,622)	-
Total bonds payable	73,859,169	14,908,733	(17,485,913)	71,281,989	2,850,000
Line of credit	5,475,000	-	(1,175,000)	4,300,000	-
Compensated absences	170,164	231,303	(272,421)	129,046	103,237
Governmental Activities Long-term Liabilities	$ 79,504,333	$ 15,140,036	$ (18,933,334)	$ 75,711,035	$ 2,953,237
Business-type Activities:					
Bonds payable:					
Revenue bonds	$ 62,115,000	$ -	$ (1,585,000)	$ 60,530,000	$ 1,690,000
Add: Unamortized issuance premium	1,014,559	-	(83,018)	931,541	-
Total bonds payable	63,129,559	-	(1,668,018)	61,461,541	1,690,000
Compensated absences	36,580	62,623	(70,357)	28,846	23,078
Unearned revenue	13,199,539	194,659	(1,069,680)	12,324,518	1,045,659
Business-type Activities Long-term Liabilities	$ 76,365,678	$ 257,282	$ (2,808,055)	$ 73,814,905	$ 2,758,737

Cobb County Board of Health

Governmental Activities:					
Compensated Absences	$ 808,742	$ 754,359	$ (706,763)	$ 856,338	$ 706,763

Note 9. Short-Term Tax Anticipation Notes

In April 2010, the County issued $113.5 million in tax anticipation notes to finance the general operations of the County through October 2010. The notes bear interest at a rate of 1.25 percent and are due on December 31, 2010. These notes were paid on December 31, 2010 from 2010 property tax revenues collected between September and December. Total payments of principal and interest on December 31, 2010 amounted to $114,748,500.

The borrowings were allocated to the General Fund and Fire District Special Revenue Fund as follows:

	Principal	Premium	Total
General Fund	$ 74,000,000	$ 666,000	$ 74,666,000
Fire District Special Revenue Fund	39,500,000	355,500	39,855,500
	$113,500,000	$ 1,021,500	$ 114,521,500

Short-term debt activity for the year ended September 30, 2010, was as follows:

	Beginning Balance	Issued	Reductions	Ending Balance
Tax anticipation notes	$ 115,000,000	$ 113,500,000	$ (115,000,000)	$ 113,500,000
Premium on notes	228,955	1,021,500	(906,085)	344,370
Total tax anticipation notes payable	$ 115,228,955	$ 114,521,500	$ (115,906,085)	$ 113,844,370

Note 10. Fund Balance Determinations and Classifications

A. Primary Government:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Restricted or committed specific revenue sources should comprise a *substantial portion* of fund's resources. If revenues are initially received in another fund, they should not be reported as revenues in the fund receiving them; instead, they should be recognized in the special revenue fund where they will be spent. *The proceeds from these special revenue sources should be expected to continue to comprise a substantial portion of inflows.*

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays. Capital projects' funds exclude those types of capital related outflows financed by proprietary funds.

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The following classifications are used by the County:

1. General, Special Revenue, Debt Service, and Capital Projects Funds:

Note 10. Fund Balance Determinations and Classifications (Continued)

a. *Nonspendable Fund Balance*: the portion of a fund balance that includes amounts that cannot be spent because they are either a not in a spendable form [prepaid items, inventories of supplies, or loans receivable] or be legally or contractually required to be maintained in tact.

b. *Restricted Fund Balance*: the portion of a fund balance that reflects constraints placed on the use of resources other than nonspendable items that are either an externally imposed by creditors [debt agreements, grantors contributors, or laws or regulations of other governments], or be imposed by law through constitutional provisions or enabling legislation.

c. *Committed Fund Balance*: the portion of a fund balance that includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners and remain binding unless removed in the same manner.

d. *Assigned Fund Balance*: the portion of a fund balance that includes amounts that are constrained by the government's intent to be used for specific purposes but that are neither restricted nor committed, as established by the County Manager.

e. *Unassigned Fund Balance*: that portion of a fund balance that includes amounts that do not fall into one of the above four categories. The General Fund is the only fund that should report a positive unassigned balance.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balance, such as grant agreements that require a dollar match. Additionally, the County would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

The County does not have a formal minimum fund balance policy; however the Board of Commissions address various targeted reserve positions and the Finance Department calculates targets and actuals and reports the results to the Board of Commissioners on an annual basis.

2. Fiduciary Funds:

a. Reserved for employees' pension benefit – restricted for payment of future employee pension benefit distributions.

b. Reserved for employees' other post employee benefit – restricted for payment of future employee other post employment benefit distributions.

Note 10. Fund Balance Determinations and Classifications (Continued)

The composition of the Special Programs Fund Balance Classification is as follows:

Special Program Classification: Restricted Fund Balance

Special Programs:	General Fund	Nonmajor Governmental Funds	Total
800MHz	$ -	$ 6,913,626	$ 6,913,626
Community Services	50,000	10,588	60,588
Communications	795,252	-	795,252
Elections	4,452	-	4,452
General Government	72,621	-	72,621
Housing	-	732,267	732,267
Library	3,075	-	3,075
Parks	13,415	-	13,415
Public Safety	-	4,997,128	4,997,128
Senior Services	62,038	-	62,038
Transportation	12,852	-	12,852
Total	$ 1,013,705	$ 12,653,609	$ 13,667,314

Special Program Classification: Committed Fund Balance

Special Programs:	General Fund	Nonmajor Governmental Funds	Total
Community Development	$ 95,238	$ -	$ 95,238
Communications	165	-	165
Courts	1,371,796	-	1,371,796
General Government	483,799	-	483,799
Grant	-	2,977,821	2,977,821
Library	33,412	-	33,412
Medical Examiner	16,000	-	16,000
Parks	180,192	-	180,192
Public Safety	281,318	-	281,318
Senior Services	1,925	-	1,925
Tax Commissioner	50,000	-	50,000
Transportation	663,557	-	663,557
Total	$ 3,177,402	$ 2,977,821	$ 6,155,223

Special Program Classification: Assigned Fund Balance

Special Programs:	General Fund	Nonmajor Governmental Funds	Total
Grant	$ -	$ -	-
Law Library	-	334,157	334,157
Parking Deck	-	295,738	295,738
Public Safety	-	3,643	3,643
Total	$ -	$ 633,538	$ 633,538

Note 10. Fund Balance Determinations and Classifications (Continued)

B. Component Units:

Reserves represent those portions of the fund equity not appropriated for expenditure or legally segregated for a specific future use. The following are used by the Authority and the Board of Health:

1. General, Debt Service, Special Revenue and Capital Projects Funds:

   a. Reserved for encumbrances – reserved for payment of open commitments.

   b. Reserved for inventory – reserved for inventory already purchased.

   c. Reserved for renewal and expansion – restricted for construction, operation and maintenance.

   d. Reserved for debt service – restricted for payment of bond principal and interest.

Note 11. Property Taxes

The County bills and collects its own property taxes and those taxes for the Cobb County School System and some municipalities within the County. Collections of the County taxes and remittance of them to the General Fund, Fire District Fund, Debt Service Fund, the school system and municipalities are accounted for in the Tax Commissioner Agency Fund. County property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes are levied each July based on values as of January 1st and are due on October 15th each year. FY10 property taxes were levied on July 29, 2010 with taxes being due on October 15th of the same year. Collections of property taxes are made throughout the year. Liens may attach to the property for unpaid taxes at any time within three years after the due date of October 15th.

Property tax collections will be used primarily to pay off outstanding tax anticipation notes that were issued in April 2010 to provide for financing of County operations for the fiscal year ended September 30, 2010.

Note 12. Interfund Balances and Transfers

A. Primary Government

Individual fund interfund receivable and payable balances for the fiscal year ended September 30, 2010 are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 4,255,902
	Nonmajor Business-Type Funds	240,600
		4,496,502
Water and Sewer Fund	Nonmajor Governmental Funds	616,191
		616,191
Nonmajor Governmental Funds	General Fund	14,340,724
	Fire District Fund	2,994,817
	Nonmajor Governmental Funds	1,352,531
		18,688,072
Nonmajor Business-Type Funds	Nonmajor Governmental Funds	347,071
Internal Service Fund	General Fund	4,305,258
		$ 28,453,094

All interfund balances are due either to timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the fiscal year ending September 30, 2010.

All interfund balances are due either to timing differences or to the elimination of negative cash balances within the various funds. All interfund balances are expected to be repaid during the fiscal year ending September 30, 2010.

Advance from/to other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Business-Type Funds	$ 1,928,500

The amounts payable to the General Fund and the Water and Sewer Fund relate to financing for cash purposes and are not subject to be repaid in the subsequent year.

Note 12. Interfund Balances and Transfers (Continued)

	Transfer In						
Transfer out:	General Fund	Fire District Fund	2006 SPLOST Fund	Water and Sewer Fund	Nonmajor Governmental Funds	Nonmajor Business-Type Funds	Total
General Fund	$ -	$ -	$ 57,730	$ 22,105	$ 13,257,188	$ 8,686,869	$ 22,023,892
Fire District Fund	43,937	-	35,009	-	2,153,428	-	2,232,374
Water and Sewer Fund	17,616,964	-	-	-	1,500,946	-	19,117,910
Internal Service Fund	281,632	464,489	-	-	1,117	32,000	779,238
Nonmajor Governmental Funds	2,502,959	1,150,167	4,752,070	95,250	5,030,363	3,729,773	17,260,582
Nonmajor Business-Type Funds	-	-	-	-	51,094	-	51,094
Total transfers out	$ 20,445,492	$ 1,614,656	$ 4,844,809	$ 117,355	$ 21,994,136	$ 12,448,642	$ 61,465,090

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund t hat statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service pay ments become due, and (3) use unrestricted revenues in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Note 13. Segment Information – Nonmajor Enterprise Fund

The County issued revenue bonds to finance its golf course and solid waste facility . Howev er, investors in the rev enue bonds rely so lely on the revenue generated by the individual activities for repayment. S ummary financial information for the golf course and solid waste at September 30, 2010:

	Cobblestone Golf Course Fund	Solid Waste Disposal Fund
Condensed Statement of Net Assets		
Assets:		
Current assets	$ 44,862	$ 73,353
Noncurrent assets:		
Capital assets	6,381,090	9,430,854
Other assets	14,217	80,080
Total assets	$ 6,440,169	$ 9,584,287
Liabilities:		
Current liabilities	$ 618,039	$ 2,858,841
Noncurrent liabilities	3,420,050	34,800,358
Total liabilities	$ 4,038,089	$ 37,659,199
Net Assets:		
Invested in capital assets, net of related debt	$ 4,382,139	$ (905,187)
Unrestricted	(1,980,059)	(27,169,725)
Total net assets	$ 2,402,080	$ (28,074,912)

Note 13. Segment Information – Nonmajor Enterprise Fund (Continued)

Condensed Statement of Revenues, Expenses and Changes in Net Assets		
Operating revenues	$ 1,060,306	$ 248,134
Operating expenses	1,279,959	1,132,822
Operating income before depreciation	$ (219,653)	$ (884,688)
Depreciation	$ (104,617)	$ (507,459)
Operating income	$ (324,270)	$ (1,392,147)
Nonoperating revenues, (expenses), net	(153,260)	(194,196)
Net income (loss) before transfers	$ (477,530)	$ (1,586,343)
Transfers in (out), net	32,000	3,053,886
Changes in net assets	$ (445,530)	$ 1,467,543
Beginning net assets	2,847,610	(29,542,455)
Ending net assets	$ 2,402,080	$ (28,074,912)
Condensed Statement of Cash Flows		
Net cash provided (used) by:		
Operating activities	$ (269,948)	$ (920,872)
Noncapital financing activities	32,000	3,053,886
Capital and related financing activities	(699,457)	(2,204,509)
Investing activities	728,514	2,130
Net increase (decrease)	(208,891)	(69,365)
Beginning cash and cash equivalents	$ 211,190	$ 77,984
Ending cash and cash equivalents	$ 2,299	$ 8,619

Note 14. Deficit Fund Balances/Net Assets of Individual Funds

Fund	Deficit Fund Balance/ Net Assets
Solid Waste Disposal Enterprise Fund	$ 28,074,912
Grant Fund	$ 2,946,988

The deficit in the Solid Waste Disposal Enterprise Fund arises because of the application of generally accepted accounting principles to the financial reporting for enterprise funds in which an expense provision and related liability are being recognized based on the future closure and post closure care costs. For the past few years, revenues have remained steady and a management plan was adopted so that expenses would not rise above the normal operational costs to run the facilities. Although the total equity of the Solid Waste Disposal Fund at September 30, 2010 was a deficit of $28,074,912, the estimate for the required landfill closure and post closure costs represents $26,613,913 of this amount.

The deficit in the Grant Fund arises from the timing of the grant revenues and expenditures. As of September 30, 2010 the Grant Fund had deferred revenue of $4,047,831, which management anticipates recognizing in the next fiscal year.

Note 15. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amount, if any, to be immaterial.

Cobb County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

Note 16. Deferred Compensation Plan

Primary Government:

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the employees.

Investments are managed by the Plan's trustee under one of the investment options, or a combination thereof. The participants make the choice of the investment option(s).

The County has adopted GASB No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, which rescinded GASB Statement No. 2.

The County has only minor administrative involvement and does not perform any investing for the plan. Due to the fact the County's role in management of the plan assets is basically limited to transmitting amounts withheld from payroll to an outside party responsible for administering the plan, the County does not report the assets of the Deferred Compensation Plan in the County's financial statements.

Note 17. Due From Other Governments and Agencies

General Fund:			
Cobb County Board of Education	$ 46,925		
Cobb County Board of Health	704		
City of Acworth, Georgia	15,414		
City of Austell, Georgia	1,193,455		
City of Kennesaw, Georgia	7,199		
City of Marietta, Georgia	33,866		
City of Powder Springs, Georgia	21,832		
City of Smyrna, Georgia	19,331		
Chattahoochee Tech	6,261		
State of Georgia, Department of Human Resources	2,550		
State of Georigia, Department of Revenue	136,041		
United States, Department of Treasury	2,052		
Total General Fund			$ 1,485,630
Special Revenue Funds:			
Community Services Fund:			
State of Georgia, Department of Human Resources		$ 138,974	
Grant Fund:			
Cobb County Board of Education	$ 16,591		
State of Georgia, Council of Juvenile Court Judges	27,330		
State of Georgia, Criminal Justice Coordinating Council	16,037		
State of Georgia, Department of Human Resources	68,112		
State of Georgia, Department of Transportation	3,001,052		
State of Georgia, Emergency Management Agency	142,764		
State of Georgia, Public Safety	4,896		
Federal Aviation Administration	100,851		
Atlanta Regional Commission	68,535		
United States, Department of Housing and Urban Development	183,610		
United States, Department of Energy	89,806	$ 3,719,584	
Housing and Urban Development Fund:			
United States, Department of Housing and Urban Development		519,228	
800MHz Fund			
Cobb County Board of Education	$ 14,392		
City of Austell, Georgia	14,392	28,784	
Total Special Revenue Funds			$ 4,406,570
Capital Projects Funds:			
Road Sales Tax Extension 1994 Fund:			
State of Georgia, Department of Transportation		$ 15,746	
2006 SPLOST Fund:			
State of Georgia, Department of Transportation		10,335,560	
Total Capital Projects Funds			$ 10,351,306

Note 17. Due From Other Governments and Agencies (Continued)

Proprietary Funds:			
Water System Fund:			
City of Powder Springs, Georgia	$ 136,319		
Cobb Marietta Water Authority	1,725	$ 138,044	
Public Transit System Fund:			
Federal Transit Administration	$ 983,618		
State of Georgia, Department of Transportation	236,613	1,220,231	
Total Proprietary Funds			$ 1,358,275
Total Due from Other Governments and Agencies - Primary Government			$ 17,601,781

Note 18. Other Post Employment Benefits

The County implemented GASB 45 prospectively during the fiscal year ending September 30, 2008.

A. Plan Description and Provisions

The Cobb County Government Health Benefit Plan (the "OPEB Plan") is a single employer defined benefit post retirement healthcare plan, or other post employment benefit (OPEB) plan administered by the County. The Cobb County OPEB Trust is an irrevocable trust established pursuant to Section 115 of the Internal Revenue Code for the purpose of pre-funding other post-employment health benefits in accordance with GASB Statement 43 and GASB Statement 45. The trust was established June 10, 2008, by the Board of Commissioners to pre-fund medical and prescription drug benefits for retirees and their eligible dependents that are eligible for such benefits under existing County policy. Benefit provisions and contribution requirements are established and may be amended by the Cobb County Pension Fund Board of Trustees.

As of January 1, 2010 membership in the plan is comprised of the following:

Group	January 1, 2010
Active participants	4,359
Retirees and beneficiaries	1,011
Total 5,	370

The January 1, 2009 valuation is used to determine the recommended contribution for fiscal year 2010.

Valuation date:	01/01/09
Actuarial cost method:	Projected unit credit cost method
Amortization method:	Level percentage of pay, open
Remaining amortization period:	30 years
Asset valuation method:	Market value of assets

The amortization period for this plan is open.

Note 18. Other Post Employment Benefits (Continued)

Actuarial Assumptions Utilized:	
Investment rate of return:	7.5%
Medical cost trend rate:	10.5%
Ultimate trend rate	5.0%
Year of ultimate trend rate:	2016
Includes inflation at:	3.0%

B. Eligibility

Eligible employees will include employees retiring from Cobb County and electing coverage at retiree rate.

Age 65 with 5 years of service, or
Age 55 with 7 years of service, or
Age plus service is equal to 80. (For employees hired on or after January 1, 2007, eligibility will additionally require age 65 with 5 years of service.

C. Contributions

In 2010 Cobb County contributed an actuarially determined amount to the OPEB Plan trust. The annual required contribution amount is determined using actuarial methods and assumptions approved by the Cobb County Pension Fund Board of Trustees. It is intended to satisfy the minimum contribution requirements as set forth in GASB Statement 45.

Annual OPEB Percentage of Annual OPEB Cost

Actuarial Valuation Date	Annual OPEB Cost	% of Annual OPEB Contributed	Net OPEB Asset (Liability)
1/1/2007	$ 19,472,704	101%	$ 259,310
1/1/2008	19,472,704	103%	835,981
1/1/2009	20,290,570	95%	(89,924)

The following table shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB (obligation) asset:

Annual required contribution	$ 20,303,644
Interest on net OPEB obligation	(59,564)
Adjustment to annual required contribution	46,490
Annual OPEB cost (expense)	20,290,570
Contributions made	19,364,665
Decrease in net OPEB asset	(925,905)
Net OPEB asset—beginning of year	835,981
Net OPEB asset (liability)—end of year	$ (89,924)

Note 18. Other Post Employment Benefits (Continued)

In accordance with the recommendation of its actuary, pursuant to their plan evaluation as of January 1, 2009, the County contributed $19,364,665 to the Plan. This contribution consisted of $6,686,790 (2.87% of covered payroll) for normal costs, $12,677,875 (5.44% of covered payroll) for amortization of the unfunded actuarial accrued liability

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far in to 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 progress of the Plan as of the most recent valuation date:

OPEB Trust Fund
Schedule of Funding Progress

Valuation Date	Actuarial Value Of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Liability (UAL)	Annual Covered Payroll	UAL As A % Of Covered Payroll
1/1/2009	$ 9,878,363	$ 244,981,996	4.0%	$ 235,103,633	$ 232,989,182	100.9%
1/1/2010	$ 24,986,062	$ 240,883,547	10.4%	$ 215,897,485	$ 235,893,031	91.5%

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.

D. Summary of significant accounting policies

The plan financial statements are prepared on the accrual basis of accounting. Contributions from 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.

Note 18. Other Post Employment Benefits (Continued)

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.

Note 19. Employee Retirement System

A. Primary Government

The County maintains a single-employer, contributory, defined benefit pension plan, the Cobb County Employees' Retirement System Pension Plan (the "Plan"), covering the Board of Commissioners and their direct appointees and substantially all other full-time employees. The pension plan financial statements are included in this report. No stand-alone financial report is issued. Pension costs are recorded in the amount of the County's contributions to the Pension Trust Fund. Oversight of the Plan is by a five member Board of Trustees composed of appointees by the Board of Commissioners who represents the interest of the employees and taxpayers of the County. The Board of Trustees provides an annual report to the Board of Commissioners.

1. Summary of Significant Accounting Policies and Plan Asset Matters:

   Basis of Accounting:
   The Plan's financial statements are prepared on the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The government's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

   Valuation of Investments:
   Plan investments are valued at fair value. Short-term investments are reported at cost that approximates fair value. Fixed income and equity securities are valued at the last reported sales price.

Note 19. Employee Retirement System (Continued)

2. Plan Description and Provisions:

County Commissioners, their direct appointees, and substantially all other full-time employees participate in the Plan, a single-employer, contributory, defined benefit pension plan. The payroll for employees covered by the Retirement System for the plan year ended December 31, 2009 was $226,351,702 As of January 1, 2010 membership in the plan is comprised of the following:

Group	January 1, 2010
Retirees and beneficiaries currently receiving benefits	1,490
Vested terminated employees	764
Fully vested and non-vested active employees	4,242

The January 1, 2009 valuation is used to determine the recommended contribution for fiscal year 2010.

Valuation date:	01/01/09
Actuarial cost method:	Projected unit credit cost method
Amortization method:	Level percentage of projected payroll
Remaining amortization period:	30 years, open
Asset valuation method:	Five-year smoothed market value

The amortization period for this plan is open.

Actuarial Assumptions Utilized:	
Investment rate of return:	8.0%
Projected salary increases:	3.00% to 5.00%
Includes inflation at:	3.0%
Cost-of-living adjustments:	None

Pension Trust Fund
Schedule of Funding Progress

Valuation Date	Actuarial Value Of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Liability (UAL)	Annual Covered Payroll	UAL As A % Of Covered Payroll
1/1/2009	$ 323,267,022	$ 624,336,018	51.8%	$ 301,068,996	$ 226,351,702	133.0%
1/1/2010	$ 371,624,563	$ 675,606,839	55.0%	$ 303,982,276	$ 230,878,997	131.7%

The required schedule of funding progress immediately following notes to 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 liability for benefits.

Note 19. Employee Retirement System (Continued)

3. Contributions:

The County's funding policy is to provide for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are designed to accumulate sufficient assets to pay benefits when due. The required contribution is determined using the Projected Unit Credit method. The unfunded accrued liability is amortized based on the requirements of the Georgia Public Retirement Systems Standard law (Georgia Code Title 47, Article 20), which sets forth minimum funding requirements for public plans in the state. In addition to the actuarially determined contribution requirement, the County may also make discretionary contributions to the Plan.

In accordance with the recommendation of its actuary, pursuant to their plan evaluation as of January 1, 2009, the County contributed $27,068,393 to the Plan. This contribution consisted of $11,476,031 (5.07% of covered payroll) for normal costs, $15,592,362 (6% of covered payroll) for amortization of the unfunded actuarial accrued liability.

Pursuant to plan enhancements adopted by the Board of Commissioners, as of April 1, 1998, all existing employees were given the option to contribute and all new employees were required to contribute 4% of their basic annual compensation in return for improved pension benefits as explained below. Effective October 1, 2005 the employee contribution amount was increased to 4.50%. Effective February 12, 2006 and February 11, 2007 the rate increased to 4.75% and 5.00% respectively. Effective February 2010 the employee contribution rate increased from 5.00% to 5.50%. For fiscal year 2010, these contributions totaled $10,896,145.

The authority for the plan, benefits, vesting and contributions is established and can be amended by the Board of Commissioners.

Administrative costs of the plan are paid out of investment earnings.

Pension Benefits:	For those participants not electing to contribute 4% of their salaries to the plan on April 1, 1998, the benefit formula is 1.5% of final earnings (as defined) multiplied by years of credited service to January 1, 1989 plus 1.9% of final earnings (as defined) multiplied by years of credited service after January 1, 1989.
Benefit Formula	For those employees electing to contribute 4.25-5.00%, of their salaries to the plan on April 1, 1998, and for those employees hired after April 1, 1998, the benefit formula is 2.5% of final earnings (as defined) multiplied by years of credited service, up to a maximum of 35 years. Unreduced early retirement is offered to participants with age and service totaling 80.
Minimum Benefits:	$76 times years of credited service.
Early:	For employees hired before 1/1/09: Eligibility Age 55 with 7 years of service. For employees hired after 1/1/09: Eligibility Age 55 with 10 years of service.

Note 19. Employee Retirement System (Continued)

Benefit Formula	Normal Retirement Benefit accrued to early retirement actuarially reduced for the number of months Annuity Commencement Date precedes Normal Retirement Date.
Special Provision	Participant age 60 and has 25 years of service or is 60 and disabled with consent of the Board of Commissioners may retire early. Normal retirement benefit accrued to early retirement, reduced 1/12 of 1% for each month that Annuity Commencement Date precedes Normal Retirement Date.
Vested:	For employees hired before 1/1/09: Eligibility – 7 years of service equals 100% vested. For employees hired after 1/1/09: 10 years of services equals 100% vested
Benefit Formula	Benefit accrued to date of termination.
Supplemental Benefits:	
Pre-Retirement Spouse Benefits:	
Active Employees	
Eligibility	Age 30 with 7 years of service; married one full year prior to death. Immediate eligibility if participant killed in the line of duty.
Benefit Formula	45% of Projected Normal Retirement Benefit unreduced commencing immediately. Benefit is reduced if the spouse is more than ten years younger than the participant.
Terminated Vested Participant	
Eligibility	Terminated participant who had a vested right to retirement income and has attained age 21, married one full year prior to death.
Benefit Formula	Less than 15 years of service, the yearly amount will be 30% of the retirement income which the participant had accrued to date of death payable when participant could have first retired. More than 15 years of service, the yearly amount will be 45% of the retirement income that the participant had accrued to date of death payable when participant could have first retired.
Refund of Contributions	If a participant who is non-vested terminates, he or she receives a refund of contributions and interest.

Note 19. Employee Retirement System (Continued)

4. Annual Pension Cost and Net Pension Asset

The annual pension cost and net pension asset for the calendar year ended 1/1/2010 were as follows:

Annual required contribution	$30,316,622
Interest on net pension asset	(432,938)
Adjustment to annual required contribution	356,604
Annual pension cost for 2009	30,240,288
Contributions made for 2009	27,457,923
Increase (decrease) in net pension asset	(2,782,365)
Net pension asset as of 1/1/2009	5,411,721
Net pension asset as of 1/1/2010	$ 2,629,356

5. Annual Pension Cost

Annual Pension Percentage of Annual Pension Cost (APC)

Actuarial Valuation Date	APC	% of APC Contributed	Net Pension Asset
1/1/2007	21,141,519	106%	7,261,852
1/1/2008	24,366,829	98%	5,411,721
1/1/2009	30,240,288	90%	2,629,356

B. Component Unit

Defined contribution plan

The Authority contributes to the Cobb-Marietta Coliseum and Exhibit Hall Authority Profit-Sharing Plan, which is a defined contribution plan under Section 401(a) of the Internal Revenue Code. The Plan is administered by the ICMA-Retirement Corporation. At September 30, 2010, there were 134 plan members.

Plan provisions and contribution requirements are established and amended by the Authority. The plan consists solely of employer contributions. All employees who have performed one (1) hour of service are eligible to participate in the plan. Participants become fully vested in the plan after three (3) years of service. A participant that leaves the employment of the Authority is entitled to their account balance if vesting requirements are satisfied. Any forfeitures are used to reduce future employer contributions, or if no contributions are required, forfeited amounts are allocated to participant accounts based on the ratio of each participant's earnings to total earnings for all participants. The employer has elected to contribute 7.5% of each participant's wages, or such amount so as to meet the requirement to qualify for exclusion from participating in Social Security. The Authority made actual contributions during the year of $515,472. The plan held no securities of the Authority or other related parties during the year.

Note 19. Employee Retirement System (Continued)

The Authority also contributes to the Cobb-Marietta Coliseum and Exhibit Hall Authority Eligible Deferred Compensation Plan, which is a defined contribution plan under Section 457 of the Internal Revenue Code. The Plan is administered by the ICMA-Retirement Corporation. At September 30, 2010, there were 20 plan members. Plan provisions and contribution requirements are established and amended by the Authority. The plan consists primarily of employee contributions, with employer contributions for key employees. All employees who have performed one (1) hour of service are eligible to participate in the plan, and there are no vesting provisions. The employer contribution to key employees for each plan year is discretionary, with no required minimum contribution. The Authority made actual contributions during the year of $30,757. The plan held no securities of the Authority or other related parties during the year.

Note 20. Arbitrage Liability

Section 148 of the Internal Revenue Code requires that, with certain exceptions, any arbitrage earned on the investment of bond proceeds be paid to the federal government. The term "arbitrage" refers to the ability to invest the proceeds of a relatively low interest rate state or municipal obligation in taxable market securities that bear a higher interest rate. The County has recorded a liability for "arbitrage" in the following fund:

Water and Sewer Enterprise Fund	$54,882

Note 21. Capital Contributions

As reported in Note 1, beginning October 1, 2001, with the implementation of GASB 33, the County now recognizes capital contributions as non-operating revenues in the Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Assets.

Capital Contributions recognized as revenue in the Proprietary Funds for the fiscal year ending September 30, 2010 are presented below:

Source:		
Developers	$	1,252,751
Grants		11,840,880
Donations		8,085,192
Total Capital Contributions	$	21,178,823

Note 22. Closure and Postclosure Care Costs

State and federal laws and regulations require that the County place a final cover on its landfills when closed and perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. In addition to operating expenses related to current activities of the landfills, an expense provision and related liability are being recognized based on the future postclosure care costs that are being incurred now that the landfills are no longer accepting waste. Two landfill sites reached capacity on September 6, 2001. The third landfill site reached capacity on September 8, 2002. As of September 30, 2010, Cobb County has incurred a liability totaling $26,613,913.

This liability is recorded in the Solid Waste Disposal Fund and represents the amount of costs reported to date based on 100% of the original landfill capacity. The estimated remaining time for the landfills to be monitored and maintained is 25 years. In accordance with GASB 18, the estimated total current cost is based on the amount that would be paid if all equipment, facilities and services

Note 22. Closure and Postclosure Care Costs (Continued)

required to close, monitor and maintain the landfills were acquired as of September 30, 2010. However, the actual cost may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

The County will fund the closure and postclosure care costs with subsidies from the General Fund. As of September 30, 2010, no amount of assets has been restricted for the payment of closure and postclosure care costs. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

Note 23. Hotel/Motel Lodging Tax

Cobb County has levied an 8% lodging tax. A summary of the transactions for the year ending September 30, 2010 follows:

Lodging tax receipts	$ 9,450,045
Disbursements to bond Trustee on behalf of the Cobb-Marietta Coliseum and Exhibit Hall Authority	(5,906,278)
Balance of lodging tax was expended for the promotion of tourism and payment of debt service requirements of the Cobb-Marietta Coliseum and Exhibit Hall Authority as required by OCGA 48-13-51	$ 3,543,767

The receipts from Cobb County less 37.5% are pledged as a revenue source for debt service requirements of the Coliseum and Exhibit Hall as required by OCGA 48-13-51.

Note 24. Other Commitments

Commitments for water and sewerage system improvements at September 30, 2010 total approximately $58,338,622.

Encumbrances outstanding at year end are as follows:

	General Fund	Fire District Fund	2006 SPLOST Fund	Nonmajor Governmental Funds	Total
Total Encumbrances	$ 1,619,627	$ 64,695	$ 67,261,822	$ 11,524,816	$ 80,470,960

Note 25. Joint Venture

Under Georgia law, the County, in conjunction with other cities and counties in the ten county metropolitan Atlanta, Georgia areas, are members of the Atlanta Regional Commission (ARC). Membership in a 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 County paid dues in the amount of $696,500 to the ARC for the year ended September 30, 2010. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from: Atlanta Regional Commission, 40 Courtland Street N.E., Atlanta, Georgia 30303.

Note 26. Related Organization

The Housing Authority of Cobb County is a related organization of Cobb County. The Housing Authority of Cobb County is excluded from the financial reporting entity because the County's accountability does not extend beyond making appointments. Audited financial statements are available from the Housing Authority.

Note 27. Restatement

The County implemented GASB 54 during fiscal year 2010. GASB 54 more clearly defined special revenue funds including purpose and the requirement of a restricted or committed revenue source. The County analyzed all funds previously reported as special revenue funds and determined that the Senior Services Fund should not be classified as a special revenue fund. The Senior Services Fund had a fund balance of $30,328 as of September 30, 2009 and it's operation for fiscal year 2010 was reported within the General Fund.

Beginning Fund Balance before Restatement	$ 47,934,444
Restatement (Senior Services Fund)	30,328
Beginning Fund Balance after Restatement	$ 47,964,772

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Required Supplemental Information

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2010

PENSION TRUST FUND
SCHEDULE OF FUNDING PROGRESS

Valuation Date	Actuarial Value Of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Liability (UAL)	Annual Covered Payroll	UAL As A % Of Covered Payroll
01/01/05	$ 277,615,138	$ 381,925,386	72.7%	$ 104,310,248	$ 163,790,058	63.7%
01/01/06	300,073,081	425,334,915	70.6%	125,261,834	182,934,101	68.5%
01/01/07	323,040,964	478,020,180	67.6%	154,979,216	188,088,292	82.4%
01/01/08	348,819,235	577,694,289	60.4%	228,875,054	212,961,351	107.5%
01/01/09	323,267,022	624,336,018	51.8%	301,068,996	226,351,702	133.0%
01/01/10	371,624,563	675,606,839	55.0%	303,982,276	230,878,997	131.7%

PENSION TRUST FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year	ARC	% of ARC Contributed
09/30/04	$ 13,335,923	121%
09/30/05	15,072,944	117%
09/30/06	14,825,200	128%
09/30/07	18,187,260	113%
09/30/08	21,173,010	106%
09/30/09	24,469,259	98%
09/30/10	30,316,622	89%

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2010

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date:	01/01/09
Actuarial cost method:	Projected unit credit cost method
Amortization method:	Level percentage of projected payroll
Remaining amortization period:	30 years, open
Asset valuation method:	Rate of 8.00%

The amortization period for this plan is open.

Actuarial Assumptions Utilized:

Investment rate of return:	8.0%
Projected salary increases:	3.00 % to 5.00%
Includes inflation at	3.0%
Cost-of-living adjustments	None

With the exception of the plan years listed below, there were no plan amendments.

In plan year 1995, the plan changed from the "market value" method to the "asset smoothing" method for valuing plan assets. This change in assumption had no effect on the pension benefit obligation but did result in a contribution decrease of $473,922 for that year. Also effective January 1, 1995, the plan was amended to allow for an early retirement window incentive through the period ended December 31, 1994. This incentive allowed for the waiver of the early retirement reduction factor for all eligible members. This amendment had no effect on the pension benefits obligation but did result in a contribution increase of $276,783 for that year.

In plan year 1998, the Board of Commissioners adopted certain changes to the Plan, the most significant of which included the adoption of a "Rule of 80" (combination of years of service and age) and an increase in the benefit formula to 2.5% of final average salary multiplied by years of service from the current 1.5% per year (for service before January 1, 1989). These changes became effective on April 1, 1998.

Employees of the County provide the required additional funding to the Plan. For all employees hired after April 1, 1998, participation is mandatory and requires a contribution of 4% of their salary. For existing employees, a one-time enrollment option was provided, the exercise of which requires a contribution of 4% of their salary. If an existing employee chose not to exercise this one-time option, their retirement benefits remained at the pre-April 1, 1998 level as explained above.

In plan year 2003, the Board of Commissioners adopted an increase of the County's contribution to the plan of .31% becoming effective October 1, 2002. This increased the County's total contribution to 8.56%. For plan year 2004 beginning October 1, 2003, the County's contribution rate increased by an additional .75% bringing the County's total contribution to 9.31%. In addition, effective January 1, 2004 the employees' contribution amount increased by .25% increasing the employees' total contribution to 4.25%. October 1, 2005 the County increased contributions from 9.75% to 10.00% and February 12, 2006 the employees' contributions increased from 4.25% to 4.50%. October 1, 2006 the County increased contributions from 10.00% to 10.25% and February 11, 2007 the employees' contributions increased from 4.50% to 4.75%. October 1, 2007 the County increased contributions from 10.25% to 10.50% and February 11, 2008 the employees' contributions increased from 4.75% to 5.00%. October 1, 2008 the County increased contributions from 10.50% to 11.25%.

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2010

OPEB TRUST FUND
SCHEDULE OF FUNDING PROGRESS

Valuation Date	Actuarial Value Of Assets	Actuarial Accrued Liability	Funded Ratio	Unfunded Actuarial Liability (UAL)	Annual Covered Payroll	UAL As A % Of Covered Payroll
01/01/08	$ -	$ 223,377,278	0.0%	$ 223,377,278	$ 212,961,351	104.9%
01/01/09	9,878,363	244,981,996	4.0%	235,103,633	232,989,182	100.9%
01/01/10	24,986,062	240,883,547	10.4%	215,897,485	235,893,031	91.5%

OPEB TRUST FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year	ARC	% of ARC Contributed
9/30/2008	19,472,701	101%
9/30/2009	19,472,701	103%
9/30/2010	20,303,644	95%

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Nonmajor Funds

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

The **Law Library Fund** provides for the operation and maintenance of the County's law library.

The **Community Services Fund** accounts for the grant monies received from the Georgia Department of Human Resources.

The **Grant Fund** accounts for grant monies received from various federal and state agencies.

The **Housing and Urban Development Grant Fund** accounts for monies received from the Department of Housing and Urban Development under the Community Development Block Grant Program.

The **Hotel/Motel Tax Fund** accounts for the collection of taxes for a special taxing district.

The **Emergency 911 Fund** accounts for fee collection and the operation of the Emergency 911 system within the County.

The **Parking Deck Facility Fund** accounts for the operation and maintenance of the Marietta Square parking deck.

The **800 MHz Fund** accounts for the operation, maintenance and collection of monies for the 800 MHz core system.

Capital Projects Funds

Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities and improvements – other than those financed by Proprietary Funds.

The **Road Sales Tax Extension 1994 Fund** accounts for the proceeds of a 1 percent local option sales tax approved in 1994 for construction and improvements of roads throughout the County.

The **Public Facilities Fund** accounts for monies transferred for various governmental funds for the purpose of the construction of public facilities throughout the County.

The **Parks Bond Fund** accounts for proceeds from the series 2007 Parks Bond issue for the purpose of acquiring parks and recreation land to be used for Cobb County parks and recreation purposes.

The **Parking Deck Construction Fund** accounts for proceeds from the 2010 Certificates of Participation issuance for the purpose of constructing a parking deck facility.

Debt Service Fund

The **Debt Service Fund** is utilized to account for the accumulation and disbursement of money needed to comply with the interest and principal redemption requirements of the governmental fund type general obligation bonds.

NONMAJOR BUSINESS-TYPE FUNDS

Enterprise Funds

The Enterprise Funds account for the activities that are usually self-sustaining, principally through user charges for services rendered. The accounting records are maintained on the same basis as a commercial business.

The **Cobblestone Golf Course Fund** accounts for the operation and maintenance of the Cobblestone Golf Course.

The **Public Transit System Fund** accounts for the operation and maintenance of the local public transit system and accounts for the monies received from the Federal Transit Authority.

The **Solid Waste Disposal Fund** accounts for the revenues and expenses relating to the disposal of solid waste.

Internal Service Funds

The Internal Service Funds account for services performed by a central service department for other departments or agencies of the governmental unit.

The **Claims Internal Service Fund** provides self-funding for casualty, liability, medical and dental claims and workmen's compensation.

Fiduciary Funds
Agency Funds

Agency Funds account for assets held by the County as an agent for individuals, private organizations, other governments and other County departments.

Cobb County, Georgia
All Nonmajor Governmental Funds
Combining Balance Sheet
September 30, 2010

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	$ 12,605,276	$ 6,951,929	$ 3,270,280	$ 22,827,485
Receivables:				
Taxes	-	-	4,454,034	4,454,034
Accrued interest	7	-	-	7
Other	2,741,518	4,698,264	69,985	7,509,767
Due from other funds	2,792,620	12,665,679	3,229,773	18,688,072
Due from component units	305,950	-	-	305,950
Due from other governments and agencies	4,406,570	15,746	-	4,422,316
Prepaid expenditures	1,309	47,638	-	48,947
Total assets	$ 22,853,250	$ 24,379,256	$ 11,024,072	$ 58,256,578
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ 2,158,919	$ 2,717,889	$ -	$ 4,876,808
Accrued payroll	192,041	-	-	192,041
Due to other funds	3,530,050	616,191	2,425,454	6,571,695
Due to other governments and agencies	44,943	3,047	-	47,990
Deferred revenue	4,160,375	-	354,344	4,514,719
Total liabilities	$ 10,086,328	$ 3,337,127	$ 2,779,798	$ 16,203,253
Fund balances:				
Nonspendable				
Inventories and prepaid items	$ 1,309	$ -	$ -	$ 1,309
Restricted for:				
Debt Service	2,425,454	-	8,244,274	10,669,728
Special programs	12,653,609	-	-	12,653,609
Committed for:				
Construction and capital outlay	-	7,338,797	-	7,338,797
Special programs	2,977,821	-	-	2,977,821
Assigned for:				
Construction and capital outlay	-	13,703,332	-	13,703,332
Special programs	633,538	-	-	633,538
Unassigned	(5,924,809)	-	-	(5,924,809)
Total fund balances	$ 12,766,922	$ 21,042,129	$ 8,244,274	$ 42,053,325
Total liabilities and fund balances	$ 22,853,250	$ 24,379,256	$ 11,024,072	$ 58,256,578

Cobb County, Georgia
All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2010

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:				
Taxes	$ 9,450,045	$ -	$ 6,543,652	$ 15,993,697
Intergovernmental	26,975,702	9,514,213	-	36,489,915
Charges for services	12,185,028	-	78,764	12,263,792
Interest earned	24,100	18,640	33,523	76,263
Miscellaneous	4,411,335	763,794	-	5,175,129
Total revenues	$ 53,046,210	$ 10,296,647	$ 6,655,939	$ 69,998,796
Expenditures:				
Current:				
General government	$ 9,611,573	$ -	$ 106,482	$ 9,718,055
Public safety	14,805,887	-	-	14,805,887
Public works	938,844	-	-	938,844
Health and welfare	1,320,789	-	-	1,320,789
Culture and recreation	6,462,266	-	-	6,462,266
Housing and development	12,947,321	-	-	12,947,321
Capital outlay	-	23,700,113	-	23,700,113
Debt Service:				
Principal	1,400,000	2,130,534	6,820,000	10,350,534
Interest and fiscal charges	2,398,961	491,888	2,412,750	5,303,599
Total expenditures	$ 49,885,641	$ 26,322,535	$ 9,339,232	$ 85,547,408
Excess (deficiency) of revenues over (under) expenditures	$ 3,160,569	$ (16,025,888)	$ (2,683,293)	$ (15,548,612)
Other financing sources (uses):				
Transfers in	$ 4,008,852	$ 11,249,830	$ 6,735,454	$ 21,994,136
Transfers out	(4,682,959)	(10,152,169)	(2,425,454)	(17,260,582)
Premium on issuance of certificates	-	103,572	-	103,572
Proceeds from issuance of certificates	-	10,730,000	-	10,730,000
Total other financing sources (uses)	$ (674,107)	$ 11,931,233	$ 4,310,000	$ 15,567,126
Net change in fund balances	$ 2,486,462	$ (4,094,655)	$ 1,626,707	$ 18,514
Fund balances at beginning of year	10,280,460	25,136,784	6,617,567	42,034,811
Fund balances at end of year	$ 12,766,922	$ 21,042,129	$ 8,244,274	$ 42,053,325

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Cobb County, Georgia
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
September 30, 2010

	Law Library Fund	Community Services Fund	Grant Fund	Housing & Urban Development Grant Fund
Assets				
Cash and cash equivalents	$ 359,529	$ 7,083	$ 193,299	$ 1,016,737
Receivables:				
Accrued interest	-	-	-	7
Other	51,080	-	1,149,919	-
Due from other funds	-	-	335,870	31,296
Due from component units	-	-	-	-
Due from other governments and agencies	-	138,974	3,719,584	519,228
Prepaid expenditures	-	-	-	-
Total assets	$ 410,609	$ 146,057	$ 5,398,672	$ 1,567,268
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	$ 69,830	$ 120,091	$ 1,027,071	$ 719,386
Accrued payroll	6,622	-	20,336	-
Due to other funds	-	15,378	3,205,479	3,243
Due to others	-	-	44,943	-
Deferred revenue	-	-	4,047,831	112,372
Total liabilities	$ 76,452	$ 135,469	$ 8,345,660	$ 835,001
Fund balances:				
Nonspendable	$ -	$ -	$ -	$ -
Restricted				
Debt Service	-	-	-	-
Special Programs	-	10,588	-	732,267
Committed				
Special Programs	-	-	2,977,821	-
Assigned				
Special Programs	334,157	-	-	-
Unassigned	-	-	(5,924,809)	-
Total fund balances	$ 334,157	$ 10,588	$ (2,946,988)	$ 732,267
Total liabilities and fund balances	$ 410,609	$ 146,057	$ 5,398,672	$ 1,567,268

Hotel/Motel Tax Fund	Emergency 911 Fund	Parking Deck Facility Fund	800 MHz Fund	Total Nonmajor Special Revenue Funds
$ -	$ 3,930,295	$ 295,689	$ 6,802,644	$ 12,605,276
-	-	-	-	7
-	1,458,045	276	82,198	2,741,518
-	-	2,425,454	-	2,792,620
305,950	-	-	-	305,950
-	-	-	28,784	4,406,570
-	1,309	-	-	1,309
$ 305,950	$ 5,389,649	$ 2,721,419	$ 6,913,626	$ 22,853,250
$ -	$ 222,541	$ -	$ -	$ 2,158,919
-	165,028	55	-	192,041
305,950	-	-	-	3,530,050
-	-	-	-	44,943
-	-	172	-	4,160,375
$ 305,950	$ 387,569	$ 227	$ -	$ 10,086,328
$ -	$ 1,309	$ -	$ -	$ 1,309
-	-	2,425,454	-	2,425,454
-	4,997,128	-	6,913,626	12,653,609
-	-	-	-	2,977,821
-	3,643	295,738	-	633,538
-	-	-	-	(5,924,809)
$ -	$ 5,002,080	$ 2,721,192	$ 6,913,626	$ 12,766,922
$ 305,950	$ 5,389,649	$ 2,721,419	$ 6,913,626	$ 22,853,250

Cobb County, Georgia
Nonmajor Governmental Funds - Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2010

	Law Library Fund	Community Services Fund	Grant Fund	Housing & Urban Development Grant Fund
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	577,766	17,920,299	8,336,489
Charges for services	691,742	-	29,900	-
Interest earned	699	30	3,160	1,553
Miscellaneous	5,451	-	877,904	3,521,249
Total revenues	$ 697,892	$ 577,796	$ 18,831,263	$ 11,859,291
Expenditures:				
Current:				
General government	$ 778,146	$ -	$ 8,833,427	$ -
Public safety	-	-	2,791,350	-
Public works	-	-	845,855	-
Health and welfare	-	527,772	793,017	-
Culture and recreation	-	-	515,988	-
Housing and development	-	-	1,787,944	11,159,377
Debt service:	-			
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	$ 778,146	$ 527,772	$ 15,567,581	$ 11,159,377
Excess (deficiency) of revenues over (under) expenditures	$ (80,254)	$ 50,024	$ 3,263,682	$ 699,914
Other financing sources (uses):				
Transfers in	$ -	$ -	$ 493,939	$ -
Transfers out	-	(50,000)	(4,598,948)	-
Total other financing sources (uses)	$ -	$ (50,000)	$ (4,105,009)	$ -
Net change in fund balances	$ (80,254)	$ 24	$ (841,327)	$ 699,914
Fund balances at beginning of year,	414,411	10,564	(2,105,661)	32,353
Fund balances at end of year	$ 334,157	$ 10,588	$ (2,946,988)	$ 732,267

Hotel/Motel Tax Fund	Emergency 911 Fund	Parking Deck Facility Fund	800 MHz Fund	Total Nonmajor Special Revenue Funds
$ 9,450,045	$ -	$ -	$ -	$ 9,450,045
-	-	-	141,148	26,975,702
-	11,032,828	430,558	-	12,185,028
-	8,153	391	10,114	24,100
-	6,391	340	-	4,411,335
$ 9,450,045	$ 11,047,372	$ 431,289	$ 151,262	$ 53,046,210
$ -	$ -	$ -	$ -	$ 9,611,573
-	12,014,537	-	-	14,805,887
-	-	92,989	-	938,844
-	-	-	-	1,320,789
5,946,278	-	-	-	6,462,266
-	-	-	-	12,947,321
1,195,000	-	205,000	-	1,400,000
2,274,756	-	124,205	-	2,398,961
$ 9,416,034	$ 12,014,537	$ 422,194	$ -	$ 49,885,641
$ 34,011	$ (967,165)	$ 9,095	$ 151,262	$ 3,160,569
$ -	$ 135,467	$ 2,425,454	$ 953,992	$ 4,008,852
(34,011)	-	-	-	(4,682,959)
$ (34,011)	$ 135,467	$ 2,425,454	$ 953,992	$ (674,107)
$ -	$ (831,698)	$ 2,434,549	$ 1,105,254	$ 2,486,462
-	5,833,778	286,643	5,808,372	10,280,460
$ -	$ 5,002,080	$ 2,721,192	$ 6,913,626	$ 12,766,922

Cobb County, Georgia
Nonmajor Governmental Funds - Capital Projects Funds
Combining Balance Sheet
September 30, 2010

	Road Sales Tax Extension 1994	Parks Bond	Public Facilities	Parking Deck	Total Nonmajor Capital Project Funds
Assets					
Cash and cash equivalents	$ 89,406	$ 58,232	$ 1,824,322	$ 4,979,969	$ 6,951,929
Receivables:					
Other	-	-	4,698,264	-	4,698,264
Due from other funds	-	-	12,665,679	-	12,665,679
Due from other governments and agencies	15,746	-	-	-	15,746
Prepaid expenditures	-	-	47,638	-	47,638
Total assets	$ 105,152	$ 58,232	$ 19,235,903	$ 4,979,969	$ 24,379,256
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 103,688	$ -	$ 1,624,290	$ 989,911	$ 2,717,889
Due to other funds	-	-	616,191	-	616,191
Due to other governments and agencies	-	-	3,047	-	3,047
Total liabilities	$ 103,688	$ -	$ 2,243,528	$ 989,911	$ 3,337,127
Fund balances:					
Committed					
Construction and capital outlay	$ -	$ -	$ 3,405,501	$ 3,933,296	$ 7,338,797
Assigned					
Construction and capital outlay	1,464	58,232	13,586,874	56,762	13,703,332
Total fund balance	$ 1,464	$ 58,232	$ 16,992,375	$ 3,990,058	$ 21,042,129
Total liabilities and fund balances	$ 105,152	$ 58,232	$ 19,235,903	$ 4,979,969	$ 24,379,256

Cobb County, Georgia
Nonmajor Governmental Funds - Capital Projects Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2010

	Road Sales Tax Extension 1994	Parks Bond	Public Facilities	Parking Deck	Total Nonmajor Capital Project Funds
Revenues:					
Intergovernmental	$ 75,896	$ -	$ 9,438,317	$ -	$ 9,514,213
Interest earned	7,678	170	10,792	-	18,640
Miscellaneous	7,260	-	756,534	-	763,794
Total revenues	$ 90,834	$ 170	$ 10,205,643	$ -	$ 10,296,647
Expenditures:					
Current:					
Capital outlay	$ 578,616	$ 40,593	$ 18,662,844	$ 4,418,060	$ 23,700,113
Debt Service:					
Principal	-	-	2,130,534	-	2,130,534
Interest and fiscal charges	-	-	491,888	-	491,888
Total expenditures	$ 578,616	$ 40,593	$ 21,285,266	$ 4,418,060	$ 26,322,535
Excess (deficiency) of revenues over expenditures	$ (487,782)	$ (40,423)	$ (11,079,623)	$ (4,418,060)	$ (16,025,888)
Other financing sources (uses):					
Transfers in	$ -	$ -	$ 11,249,830	$ -	$ 11,249,830
Transfers out	(4,752,070)	-	(2,974,645)	(2,425,454)	(10,152,169)
Premium on issued debt	-	-	-	103,572	103,572
Proceeds from issuance of debt	-	-	-	10,730,000	10,730,000
Total other financing sources (uses)	$ (4,752,070)	$ -	$ 8,275,185	$ 8,408,118	$ 11,931,233
Net change in fund balances	$ (5,239,852)	$ (40,423)	$ (2,804,438)	$ 3,990,058	$ (4,094,655)
Fund balances at beginning of year	5,241,316	98,655	19,796,813	-	25,136,784
Fund balances at end of year	$ 1,464	$ 58,232	$ 16,992,375	$ 3,990,058	$ 21,042,129

Cobb County, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 7,087,793	$ 7,087,793	$ 6,543,652	$ (544,141)
Charges for services	100,000	100,000	78,764	(21,236)
Interest earned	80,000	80,000	33,523	(46,477)
Total revenues	$ 7,267,793	$ 7,267,793	$ 6,655,939	$ (611,854)
Expenditures:				
Current:				
General government	$ 105,281	$ 105,281	$ 106,482	$ (1,201)
Debt service:				
Principal retirement	6,820,000	6,820,000	6,820,000	-
Interest and fiscal charges	2,398,871	2,417,750	2,412,750	5,000
Total expenditures	$ 9,324,152	$ 9,343,031	$ 9,339,232	$ 3,799
Excess (deficiency) of revenues over expenditures	$ (2,056,359)	$ (2,075,238)	$ (2,683,293)	$ (608,055)
Other financing sources (uses):				
Transfers in	$ -	$ 5,200,000	$ 6,735,454	$ 1,535,454
Transfers out	-	-	(2,425,454)	(2,425,454)
Total other financing sources (uses)	$ -	$ 5,200,000	$ 4,310,000	$ (890,000)
Net change in fund balance	$ (2,056,359)	$ 3,124,762	$ 1,626,707	$ (1,498,055)
Fund balance at beginning of year			6,617,567	
Fund balance at end of year - budgetary basis			$ 8,244,274	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			-	
Fund balance at end of year - GAAP basis			$ 8,244,274	

Cobb County, Georgia
Law Library Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 700,000	$ 700,000	$ 691,742	$ (8,258)
Interest earned	3,000	3,000	699	(2,301)
Miscellaneous	4,800	4,800	5,451	651
Total revenues	$ 707,800	$ 707,800	$ 697,892	$ (9,908)
Expenditures:				
Current:				
Personal services	$ 256,359	$ 262,182	$ 262,182	$ -
Operating expenditures	316,305	515,965	516,044	(79)
Total expenditures	$ 572,664	$ 778,147	$ 778,226	$ (79)
Net change in fund balance	$ 135,136	$ (70,347)	$ (80,334)	$ (9,987)
Fund balance at beginning of year			414,411	
Fund balance at end of year - budgetary basis			$ 334,077	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			80	
Fund balance at end of year-GAAP basis			$ 334,157	

Cobb County, Georgia
Community Services Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	$ 442,259	$ 632,352	$ 577,766	$ (54,586)
Interest earned	-	17	30	30
Total revenues	$ 442,259	$ 632,369	$ 577,796	$ (54,573)
Expenditures:				
Current:				
Operating expenditures	$ 403,747	$ 595,960	$ 527,772	$ 68,188
Capital outlay	1,117	250	-	250
Total expenditures	$ 404,864	$ 596,210	$ 527,772	$ 68,438
Excess of revenues over expenditures	$ 37,395	$ 36,159	$ 50,024	$ 13,865
Other financing sources (uses):				
Transfers out	$ (37,395)	$ (50,000)	$ (50,000)	$ -
Net change in fund balance	$ -	$ (13,841)	$ 24	$ 13,865
Fund balance at beginning of year			10,564	
Fund balance at end of year - budgetary basis			$ 10,588	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			-	
Fund balance at end of year - GAAP basis			$ 10,588	

Cobb County, Georgia
Hotel/Motel Tax Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 9,400,000	$ 9,450,046	$ 9,450,045	$ (1)
Total revenues	$ 9,400,000	$ 9,450,046	$ 9,450,045	$ (1)
Expenditures:				
Current:				
Operating expenditures	$ 5,930,244	$ 5,946,279	$ 5,946,278	$ 1
Debt service:				
Principal retirement	1,195,000	1,195,000	1,195,000	-
Interest and fiscal charges	2,274,756	2,274,756	2,274,756	-
Total expenditures	$ 9,400,000	$ 9,416,035	$ 9,416,034	$ 1
Excess of revenues over expenditures	$ -	$ 34,011	$ 34,011	$ -
Other financing sources (uses):				
Transfers out	$ -	$ (34,011)	$ (34,011)	$ -
Total other financing sources (uses)	$ -	$ (34,011)	$ (34,011)	$ -
Net change in fund balance	$ -	$ -	$ -	$ -
Fund balance at beginning of year			-	
Fund balance at end of year - budgetary basis			$ -	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			-	
Fund balance at end of year - GAAP basis			$ -	

Cobb County, Georgia
Emergency 911 Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 9,778,533	$ 9,768,593	$ 11,032,828	$ 1,264,235
Interest earned	60,000	60,000	8,153	(51,847)
Miscellaneous	-	-	6,391	6,391
Total revenues	$ 9,838,533	$ 9,828,593	$ 11,047,372	$ 1,218,779
Expenditures:				
Current:				
Personnel services	$ 7,714,279	$ 7,599,656	$ 7,159,922	$ 439,734
Operating expenditures	1,589,394	2,860,824	2,861,466	(642)
Capital outlay	3,000	2,018,196	1,996,792	21,404
Total expenditures	$ 9,306,673	$ 12,478,676	$ 12,018,180	$ 460,496
Excess (deficiency) of revenues over (under) expenditures	$ 531,860	$ (2,650,083)	$ (970,808)	$ 1,679,275
Other financing sources (uses):				
Transfers in	$ -	$ 135,467	$ 135,467	$ -
Transfers out	(55,337)	-	-	-
Total other financing sources (uses)	$ (55,337)	$ 135,467	$ 135,467	$ -
Net change in fund balance	$ 476,523	$ (2,514,616)	$ (835,341)	$ 1,679,275
Fund balance at beginning of year			5,833,778	
Fund balance at end of year - budgetary basis			$ 4,998,437	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			3,643	
Fund balance at end of year - GAAP basis			$ 5,002,080	

Cobb County, Georgia
Parking Deck Facility Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	$ 450,246	$ 450,246	$ 430,558	$ (19,688)
Interest earned	8,500	8,500	391	(8,109)
Miscellaneous	1,173	1,173	340	(833)
Total revenues	$ 459,919	$ 459,919	$ 431,289	$ (28,630)
Expenditures:				
Current:				
Personnel services	$ 55,887	$ 55,887	$ 28,160	$ 27,727
Operating expenditures	74,827	76,612	65,139	11,473
Capital outlay	-	40	40	-
Debt service:				
Principal	205,000	205,000	205,000	-
Interest and fiscal charges	124,205	124,205	124,205	-
Total expenditures	$ 459,919	$ 461,744	$ 422,544	$ 39,200
Excess (deficiency) of revenues over (under) expenditures	$ -	$ (1,825)	$ 8,745	$ 10,570
Other financing sources (uses):				
Transfers in	$ -	$ -	$ 2,425,454	$ 2,425,454
Total other financing sources (uses)	$ -	$ -	$ 2,425,454	$ 2,425,454
Net change in fund balance	$ -	$ (1,825)	$ 2,434,199	$ 2,436,024
Fund balance at beginning of year			286,643	
Fund balance at end of year - budgetary basis			$ 2,720,842	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			350	
Fund balance at end of year - GAAP basis			$ 2,721,192	

Cobb County, Georgia
800 MHz Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	$ 99,109	$ 141,148	$ 141,148	$ -
Interest earned	-	10,112	10,114	2
Total revenues	$ 99,109	$ 151,260	$ 151,262	$ 2
Other financing sources (uses):				
Transfers in	$ -	$ -	$ 953,992	$ 953,992
Total other financing sources (uses)	$ -	$ -	$ 953,992	$ 953,992
Net change in fund balance	$ 99,109	$ 151,260	$ 1,105,254	$ 953,994
Fund balance at beginning of year			5,808,372	
Fund balance at end of year - budgetary basis			$ 6,913,626	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			-	
Fund balance at end of year - GAAP basis			$ 6,913,626	

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Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Balance Sheet
September 30, 2010

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Totals
Assets				
Current assets:				
Cash	$ 2,299	$ -	$ 8,619	$ 10,918
Receivables:				
Accounts (net of allowance for uncollectibles)	-	-	24,376	24,376
Other	39,291	261,010	40,358	340,659
Due from other funds	-	347,071	-	347,071
Due from other governments and agencies	-	1,220,231	-	1,220,231
Prepaid items	3,272	-	-	3,272
Total current assets	$ 44,862	$ 1,828,312	$ 73,353	$ 1,946,527
Property, plant and equipment:				
Capital assets not being depreciated	$ 5,453,615	$ 10,778,196	$ 3,778,386	$ 20,010,197
Capital assets being depreciated, net	927,475	33,862,216	5,652,468	40,442,159
Net property, plant and equipment	$ 6,381,090	$ 44,640,412	$ 9,430,854	$ 60,452,356
Unamortized bond costs	$ 14,217	$ -	$ 80,080	$ 94,297
Total noncurrent assets	$ 6,395,307	$ 44,640,412	$ 9,510,934	$ 60,546,653
Total assets	$ 6,440,169	$ 46,468,724	$ 9,584,287	$ 62,493,180

Continued on next page.

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Balance Sheet
September 30, 2010

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Totals
Liabilities and Fund Equity				
Liabilities:				
Current liabilities (payable from current assets):				
Accounts payable	$ 56,357	$ 2,946,216	$ 282,662	$ 3,285,235
Accrued payroll	-	18,318	11,072	29,390
Due to other funds	-	-	240,600	240,600
Due to other governments and agencies	12,300	-	-	12,300
Accrued interest payable	26,440	-	120,300	146,740
Deferred revenues	15,541	-	-	15,541
Current portion of revenue bonds	490,000	-	2,030,000	2,520,000
Current portion of compensated absences	-	31,496	31,434	62,930
Current portion of postclosure care	-	-	142,773	142,773
Current portion of capital lease payable	17,401	-	-	17,401
Total current liabilities	$ 618,039	$ 2,996,030	$ 2,858,841	$ 6,472,910
Long-term liabilities:				
Revenue bonds (net of current portion, bond discount, and loss on refunding)	$ 1,491,550	$ -	$ 8,306,041	$ 9,797,591
Compensated absences (net of current portion)	-	-	23,177	23,177
Advances from other funds	1,928,500	-	-	1,928,500
Closure and postclosure care (net of current portion)	-	-	26,471,140	26,471,140
Total long-term liabilities	$ 3,420,050	$ -	$ 34,800,358	$ 38,220,408
Total liabilities	$ 4,038,089	$ 2,996,030	$ 37,659,199	$ 44,693,318
Net Assets:				
Invested in capital assets, net of related debt	$ 4,382,139	$ 44,562,067	$ (905,187)	$ 48,039,019
Unrestricted	(1,980,059)	(1,089,373)	(27,169,725)	(30,239,157)
Total net assets	$ 2,402,080	$ 43,472,694	$ (28,074,912)	$ 17,799,862

Continued from preceding page.

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
For the Fiscal Year Ended September 30, 2010

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Totals
Operating revenues:				
Charges for services	$ 1,027,897	$ 4,997,340	$ 181,662	$ 6,206,899
Miscellaneous income	32,409	69,231	66,472	168,112
Total operating revenues	$ 1,060,306	$ 5,066,571	$ 248,134	$ 6,375,011
Operating expenses:				
Personnel services	$ -	$ 669,398	$ 624,065	$ 1,293,463
Other operating expenses	1,279,959	19,566,623	508,757	21,355,339
Total operating expenses	$ 1,279,959	$ 20,236,021	$ 1,132,822	$ 22,648,802
Operating income (loss) before depreciation	$ (219,653)	$ (15,169,450)	$ (884,688)	$ (16,273,791)
Less depreciation	(104,617)	(4,529,601)	(507,459)	(5,141,677)
Operating income (loss)	$ (324,270)	$ (19,699,051)	$ (1,392,147)	$ (21,415,468)
Nonoperating revenues (expenses):				
Interest income	$ 14	$ 917	$ 2,130	$ 3,061
Interest and fiscal charges	(113,131)	-	(495,975)	(609,106)
Gain on sale of capital assets	-	36,295	243,158	279,453
Amortization of bond costs	(40,143)	-	56,491	16,348
Total nonoperating revenues (expenses)	$ (153,260)	$ 37,212	$ (194,196)	$ (310,244)
Net income (loss) before transfers and capital contributions	$ (477,530)	$ (19,661,839)	$ (1,586,343)	$ (21,725,712)
Capital contributions	$ -	$ 11,840,880	$ -	$ 11,840,880
Transfers:				
Transfers in	$ 32,000	$ 9,359,265	$ 3,057,377	$ 12,448,642
Transfers out	-	(47,603)	(3,491)	(51,094)
Total transfers	$ 32,000	$ 9,311,662	$ 3,053,886	$ 12,397,548
Net change in net assets	$ (445,530)	$ 1,490,703	$ 1,467,543	$ 2,512,716
Total net assets - beginning	$ 2,847,610	$ 41,981,991	$ (29,542,455)	$ 15,287,146
Total net assets - ending	$ 2,402,080	$ 43,472,694	$ (28,074,912)	$ 17,799,862

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2010

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Totals
Cash flows from operating activities:				
Cash received from customers	$ 1,033,723	$ 6,147,098	$ 459,321	$ 7,640,142
Cash payments for goods and services	(1,303,671)	(18,123,382)	(725,007)	(20,152,060)
Cash payments for employee services and fringe benefits	-	(652,762)	(655,186)	(1,307,948)
Net cash from (to) operating activities	$ (269,948)	$ (12,629,046)	$ (920,872)	$ (13,819,866)
Cash flows from noncapital financing activities:				
Transfers in	$ 32,000	$ 9,359,265	$ 3,057,377	$ 12,448,642
Transfers out	-	(47,603)	(3,491)	(51,094)
Net cash from (to) noncapital financing activities	$ 32,000	$ 9,311,662	$ 3,053,886	$ 12,397,548
Cash flows from capital and related financing activities:				
Payments on capital leases	$ (84,631)	$ -	$ -	$ (84,631)
Capital contributions	-	11,840,880	-	11,840,880
Proceeds from sale of fixed assets	-	36,295	276,241	312,536
Payments for capital acquisitions	(30,999)	(8,698,492)	-	(8,729,491)
Bond principal payments	(465,000)	-	(1,970,000)	(2,435,000)
Bond interest and fiscal charges	(118,827)	-	(510,750)	(629,577)
Net cash from (to) capital and related financing activities	$ (699,457)	$ 3,178,683	$ (2,204,509)	$ 274,717
Cash flows from investing activities:				
Interest received	$ 14	$ 917	2,130	$ 3,061
Investment purchases	728,500	-	-	728,500
Net cash from investing activities	$ 728,514	$ 917	$ 2,130	$ 731,561
Net increase (decrease) in cash and cash equivalents	$ (208,891)	$ (137,784)	$ (69,365)	$ (416,040)
Cash and cash equivalents at beginning of year	211,190	137,784	77,984	426,958
Cash and cash equivalents at end of year	$ 2,299	$ -	$ 8,619	$ 10,918

Continued on next page.

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2010

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Totals
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	$ (324,270)	$ (19,699,051)	$ (1,392,147)	$ (21,415,468)
Adjustments to reconcile operating income (loss) to net cash from operating activities:				
Depreciation	$ 104,617	$ 4,529,601	$ 507,459	$ 5,141,677
Change in assets and liabilities:				
Decrease (increase) in accounts receivables	-	-	239,150	239,150
Decrease (increase) in other receivables	(26,583)	(8,117)	(27,963)	(62,663)
Decrease (increase) in due from others	-	306,561	-	306,561
Decrease (increase) in due from other governments	-	782,083	-	782,083
Increase (decrease) in accounts payable	(8,181)	1,442,991	101,886	1,536,696
Increase (decrease) in prepaid expenses	-	250	-	250
Increase (decrease) in accrued liabilities	-	4,516	(11,926)	(7,410)
Increase (decrease) in accrued vacation payable	-	12,120	(31,121)	(19,001)
Increase (decrease) in due to other governments	(28,240)	-	-	(28,240)
Increase (decrease) in due to others	-	-	(29,550)	(29,550)
Increase (decrease) in closure/post closure care	-	-	(276,660)	(276,660)
Increase (decrease) in deferred revenues	12,709	-	-	12,709
Total adjustments	$ 54,322	$ 7,070,005	$ 471,275	$ 7,595,602
Net cash provided (used) by operating activities	$ (269,948)	$ (12,629,046)	$ (920,872)	$ (13,819,866)

Continued from preceding page.

Agency Funds
Cobb County, Georgia
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended September 30, 2010

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010
Clerk of State Court				
Assets				
Cash and cash equivalents	$ 4,733,891	$ 43,707,604	$ 43,706,878	$ 4,734,617
Liabilities				
Funds held in trust for others	$ 4,733,891	$ 43,707,604	$ 43,706,878	$ 4,734,617
Clerk of Juvenile Court				
Assets				
Cash	$ 1,869	$ 28,489	$ 28,042	$ 2,316
Liabilities				
Funds held in trust for others	$ 1,869	$ 28,489	$ 28,042	$ 2,316
Sheriff				
Assets				
Cash and cash equivalents	$ 6,088,565	$ 5,293,721	$ 7,555,686	$ 3,826,600
Liabilities				
Funds held in trust for others	$ 6,088,565	$ 5,293,721	$ 7,555,686	$ 3,826,600
Clerk of Superior Court				
Assets				
Cash and cash equivalents	$ 19,104,453	$ 44,395,422	$ 52,347,567	$ 11,152,308
Liabilities				
Funds held in trust for others	$ 19,104,453	$ 44,395,422	$ 52,347,567	$ 11,152,308
Clerk of Probate Court				
Assets				
Cash	$ -	$ 1,275,833	$ 1,275,833	$ -
Liabilities				
Due to other funds	$ -	$ 1,275,833	$ 1,275,833	$ -
Tax Commissioner				
Assets				
Cash	$ 206,093,771	$ 667,889,011	$ 833,738,135	$ 40,244,647
Taxes and penalties receivable	467,876,802	623,852,794	624,897,038	466,832,558
	$ 673,970,573	$ 1,291,741,805	$ 1,458,635,173	$ 507,077,205
Liabilities				
Unremitted tax collections	$ 206,093,771	$ 667,889,011	$ 833,738,135	$ 40,244,647
Taxes payable to others upon collection	467,876,802	623,852,794	624,897,038	466,832,558
	$ 673,970,573	$ 1,291,741,805	$ 1,458,635,173	$ 507,077,205

Continued on next page.

Cobb County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended September 30, 2010

	Balance October 1, 2009	Additions	Deductions	Balance September 30, 2010
Accounts Payable Fund				
Assets				
Accounts receivable	$ 649	$ 59,996,414	$ 59,997,062	$ 1
Liabilities				
Bank overdraft	$ 649	$ 59,996,414	$ 59,997,062	$ 1
Payroll Fund				
Assets				
Cash and cash equivalents	$ 132,720	$ 262,073,668	$ 262,206,388	$ -
Accounts receivable	-	44,974	66	44,908
	$ 132,720	$ 262,118,642	$ 262,206,454	$ 44,908
Liabilities				
Bank overdraft	$ -	$ 44,908	$ -	$ 44,908
Unremitted payroll tax and withholdings	132,720	262,073,734	262,206,454	-
	132,720	262,118,642	262,206,454	44,908
Child Support, Witness and Jurors' Fees				
Assets				
Cash	$ 46,437	$ 3,848,897	$ 3,833,665	$ 61,669
Liabilities				
Funds held in trust for others	$ 46,437	$ 3,848,897	$ 3,833,665	$ 61,669
Total assets	$ 704,079,157	$ 1,712,406,827	$ 1,889,586,360	$ 526,899,624
Total liabilities	$ 704,079,157	$ 1,712,406,827	$ 1,889,586,360	$ 526,899,624

Continued from preceding page.

Supplemental Information

Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 226,888,876	$ 219,903,571	$ 215,809,376	$ (4,094,195)
Licenses and permits	17,504,838	17,515,502	16,658,146	(857,356)
Intergovernmental	4,387,708	5,381,645	6,197,273	815,628
Charges for services	44,257,756	45,464,531	45,296,018	(168,513)
Fines and forfeits	15,632,000	16,548,678	13,761,213	(2,787,465)
Interest earned	1,833,000	1,833,000	1,220,350	(612,650)
Miscellaneous	3,051,432	4,192,990	4,683,508	490,518
Total revenues	$ 313,555,610	$ 310,839,917	$ 303,625,884	$ (7,214,033)
Expenditures:				
Current				
General government:				
Legislative:				
Board of Commissioners				
Personnel services	$ 861,547	$ 861,547	$ 780,489	$ 81,058
Operating expenditures	69,805	69,805	45,368	24,437
	931,352	931,352	825,857	105,495
Other Governmental				
Operating expenditures	1,896,505	1,652,900	1,635,730	17,170
Non-Profit				
Operating expenditures	1,206,199	1,212,934	1,201,208	11,726
	1,206,199	1,212,934	1,201,208	11,726
Total legislative	4,034,056	3,797,186	3,662,795	134,391
Judicial:				
Clerk of State Court				
Personnel services	4,314,000	4,314,000	4,158,085	155,915
Operating expenditures	109,187	110,037	97,541	12,496
Capital outlay	-	5,045	1,101	3,944
	4,423,187	4,429,082	4,256,727	172,355
Clerk of Superior Court				
Personnel services	4,997,390	4,985,890	4,871,316	114,574
Operating expenditures	137,124	154,366	154,141	225
Capital outlay	-	2,780	2,771	9
	5,134,514	5,143,036	5,028,228	114,808
District Attorney				
Personnel services	5,869,814	6,584,399	6,534,689	49,710
Operating expenditures	328,930	419,650	364,396	55,254
Capital outlay	-	73,106	-	73,106
	6,198,744	7,077,155	6,899,085	178,070
Chief Magistrate				
Personnel services	3,002,259	3,002,259	2,928,922	73,337
Operating expenditures	79,295	79,418	78,775	643
	3,081,554	3,081,677	3,007,697	73,980

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Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Juvenile Court				
Personnel services	5,124,456	5,254,712	5,254,712	-
Operating expenditures	153,331	258,092	257,804	288
	5,277,787	5,512,804	5,512,516	288
State Court Division II				
Personnel services	1,449,990	1,449,990	1,398,991	50,999
Operating expenditures	123,867	123,867	105,622	18,245
Capital outlay	-	27,000	23,724	3,276
	1,573,857	1,600,857	1,528,337	72,520
Probate Court				
Personnel services	1,107,581	1,107,214	1,099,291	7,923
Operating expenditures	74,355	74,722	74,724	(2)
	1,181,936	1,181,936	1,174,015	7,921
Solicitor				
Personnel services	4,802,859	5,618,314	5,576,756	41,558
Operating expenditures	44,565	74,864	65,613	9,251
	4,847,424	5,693,178	5,642,369	50,809
State Court				
Personnel services	4,757,294	4,876,628	4,770,622	106,006
Operating expenditures	379,795	522,958	424,323	98,635
	5,137,089	5,399,586	5,194,945	204,641
Superior Court				
Personnel services	4,755,876	5,266,416	5,118,246	148,170
Operating expenditures	846,246	1,183,254	1,114,087	69,167
	5,602,122	6,449,670	6,232,333	217,337
Circuit Defender				
Personnel services	735,191	735,191	696,126	39,065
Operating expenditures	4,584,730	5,670,185	5,670,282	(97)
Capital outlay	-	6,000	5,969	31
	5,319,921	6,411,376	6,372,377	38,999
Total judicial	47,778,135	51,980,357	50,848,629	1,131,728
Executive and administrative:				
County Manager				
Personnel services	1,100,453	1,144,702	1,144,701	1
Operating expenditures	104,494	94,874	95,317	(443)
	1,204,947	1,239,576	1,240,018	(442)

Continued on next page.

Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
General Administrative				
Personnel services	23,000	23,000	-	23,000
Operating expenditures	6,200,303	6,220,236	5,035,557	1,184,679
	6,223,303	6,243,236	5,035,557	1,207,679
Information Services				
Personnel services	9,048,986	9,096,076	9,096,078	(2)
Operating expenditures	3,877,512	3,766,514	3,766,514	-
Capital outlay	-	275,180	275,180	-
	12,926,498	13,137,770	13,137,772	(2)
Drug Treatment				
Personnel services	263,461	263,925	243,721	20,204
Operating expenditures	222,217	229,029	210,363	18,666
	485,678	492,954	454,084	38,870
Finance				
Personnel services	2,868,744	3,040,310	3,040,308	2
Operating expenditures	253,385	324,243	324,241	2
	3,122,129	3,364,553	3,364,549	4
Purchasing				
Personnel services	3,565,766	3,497,606	3,497,606	-
Operating expenditures	2,227,573	2,280,502	2,274,805	5,697
Capital outlay	703,600	703,600	558,098	145,502
	6,496,939	6,481,708	6,330,509	151,199
Tax Assessor				
Personnel services	3,557,408	3,653,434	3,653,434	-
Operating expenditures	1,574,389	1,429,679	1,351,171	78,508
	5,131,797	5,083,113	5,004,605	78,508
Internal Audit				
Personnel services	298,184	298,329	298,327	2
Operating expenditures	4,900	4,755	3,022	1,733
	303,084	303,084	301,349	1,735
Human Resources				
Personnel services	1,833,969	1,834,341	1,834,341	-
Operating expenditures	466,333	479,616	453,504	26,112
Capital outlay	-	4,086	4,086	-
	2,300,302	2,318,043	2,291,931	26,112
Ethics Board				
Operating expenditures	1,130	1,130	-	1,130
	1,130	1,130	-	1,130
Property Management				
Personnel services	4,408,891	4,361,530	4,361,529	1
Operating expenditures	4,403,541	4,448,881	4,448,881	-
Capital outlay	-	2,900	2,525	375
	8,812,432	8,813,311	8,812,935	376

Continued on next page.

Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Tax Commissioner				
Personnel services	7,128,372	7,128,372	6,901,999	226,373
Operating expenditures	539,347	541,430	393,076	148,354
Capital outlay	-	10,995	7,182	3,813
	7,667,719	7,680,797	7,302,257	378,540
Public Services				
Personnel services	257,069	292,686	292,686	-
Operating expenditures	8,345	5,451	5,068	383
	265,414	298,137	297,754	383
Communications				
Personnel services	1,030,979	975,813	975,813	-
Operating expenditures	269,701	208,520	206,450	2,070
	1,300,680	1,184,333	1,182,263	2,070
Support Services				
Personnel services	898,125	896,661	896,661	-
Operating Services	1,007,319	945,247	938,364	6,883
	1,905,444	1,841,908	1,835,025	6,883
Elections & Registration				
Personnel services	2,242,031	2,234,849	1,947,881	286,968
Operating expenditures	573,846	609,368	609,368	-
Capital outlay	-	29,359	26,927	2,432
	2,815,877	2,873,576	2,584,176	289,400
County Clerk				
Personnel services	306,615	306,615	268,122	38,493
Operating expenditures	35,577	35,577	21,360	14,217
	342,192	342,192	289,482	52,710
Law Department				
Personnel services	1,559,300	1,522,141	1,522,139	2
Operating expenditures	476,094	411,816	405,411	6,405
	2,035,394	1,933,957	1,927,550	6,407
Total executive and administrative	63,340,959	63,633,378	61,391,816	2,241,562
Total general government	115,153,150	119,410,921	115,903,240	3,507,681
Public Safety:				
P S Training Center				
Personnel services	1,222,111	1,256,450	1,256,450	-
Operating expenditures	228,233	239,394	239,403	(9)
Capital outlay	1,200	9,025	8,863	162
	1,451,544	1,504,869	1,504,716	153
Police Department				
Personnel services	51,458,625	52,135,346	52,135,347	(1)
Operating expenditures	3,088,172	3,083,802	3,078,450	5,352
Capital outlay	178,689	882,917	882,917	-
	54,725,486	56,102,065	56,096,714	5,351

Continued on next page.

Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Countywide-800MHZ				
Personnel services	244,329	244,329	242,908	1,421
Operating expenditures	1,445,875	1,418,201	1,403,011	15,190
Capital outlay	-	54,994	54,994	-
	1,690,204	1,717,524	1,700,913	16,611
Animal Control				
Personnel services	2,137,362	2,068,503	2,065,179	3,324
Operating expenditures	397,151	416,830	423,536	(6,706)
Capital outlay	-	27,776	29,280	(1,504)
	2,534,513	2,513,109	2,517,995	(4,886)
Public Safety				
Personnel services	1,376,136	1,415,267	1,415,267	-
Operating expenditures	78,758	67,745	67,719	26
	1,454,894	1,483,012	1,482,986	26
Sheriff				
Personnel services	19,004,005	19,371,652	19,371,651	1
Operating expenditures	1,120,011	1,169,295	1,169,295	-
Capital outlay	63,500	220,467	157,343	63,124
	20,187,516	20,761,414	20,698,289	63,125
Corrections				
Personnel services	30,503,307	30,151,831	30,025,771	126,060
Operating expenditures	16,672,954	16,753,166	15,581,224	1,171,942
	47,176,261	46,904,997	45,606,995	1,298,002
Medical Examiner				
Personnel services	610,844	610,844	583,835	27,009
Operating expenditures	489,593	489,593	483,359	6,234
Capital outlay	5,200	7,600	5,260	2,340
	1,105,637	1,108,037	1,072,454	35,583
Total public safety	130,326,055	132,095,027	130,681,062	1,413,965
Public Works:				
Department of Transportation				
Personnel services	11,176,962	11,343,039	11,007,720	335,319
Operating expenditures	7,397,485	7,566,081	7,566,082	(1)
Capital outlay	234,000	405,238	407,581	(2,343)
	18,808,447	19,314,358	18,981,383	332,975
Total public works	18,808,447	19,314,358	18,981,383	332,975
Culture and Recreation				
Extension Service				
Personnel services	552,271	483,758	483,758	-
Operating expenditures	26,007	24,043	24,042	1
	578,278	507,801	507,800	1

Continued on next page.

Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Library				
Personnel services	8,639,412	8,545,369	8,545,369	-
Operating expenditures	3,224,729	3,166,391	3,166,391	-
	11,864,141	11,711,760	11,711,760	-
Parks and Recreation				
Personnel services	13,379,783	13,564,814	13,564,812	2
Operating expenditures	7,126,690	7,241,303	7,241,298	5
Capital outlay	-	122,060	122,057	3
	20,506,473	20,928,177	20,928,167	10
Total culture and recreation	32,948,892	33,147,738	33,147,727	11
Health and welfare:				
Senior Services				
Personnel services	3,996,807	4,018,597	3,895,339	123,258
Operating expenditures	2,065,942	2,012,408	1,775,034	237,374
	6,062,749	6,031,005	5,670,373	360,632
Cobb County Board of Health				
Operating expenditures	1,208,099	1,208,099	1,208,099	-
Total health and welfare	7,270,848	7,239,104	6,878,472	360,632
Housing and development:				
Community Development				
Personnel services	7,336,062	7,422,215	7,422,215	-
Operating expenditures	290,774	490,732	472,905	17,827
Capital outlay	-	3,990	3,989	1
	7,626,836	7,916,937	7,899,109	17,828
Total housing and development	7,626,836	7,916,937	7,899,109	17,828
Total current	$ 312,134,228	$ 319,124,085	$ 313,490,993	$ 5,633,092
Debt service:				
Principal retirement	$ 294,360	$ 362,760	$ 334,917	$ 27,843
Interest and fiscal charges	914,596	926,036	246,820	679,216
Total debt service	$ 1,208,956	$ 1,288,796	$ 581,737	$ 707,059
Total expenditures	$ 313,343,184	$ 320,412,881	$ 314,072,730	$ 6,340,151
Excess (deficiency) of revenues over expenditures	$ 212,426	$ (9,572,964)	$ (10,446,846)	$ (873,882)

Continued on next page

Cobb County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2010

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Other financing sources (uses):				
Transfers in	$ 24,089,867	$ 22,473,324	$ 20,445,492	$ (2,027,832)
Proceeds from sale of capital assets	352,894	1,952,894	1,870,415	(82,479)
Proceeds from capital lease	-	280,310	280,310	(0)
Transfers out	(21,958,805)	(23,000,546)	(22,023,892)	976,654
Total other financing sources (uses)	$ 2,483,956	$ 1,705,982	$ 572,325	$ (1,133,657)
Net change in fund balance	$ 2,696,382	$ (7,866,982)	$ (9,874,521)	$ (2,007,539)
Fund balance at beginning of year, before restatement			47,934,444	
Restatement			30,328	
Fund balance at beginning of year, restated			47,964,772	
Fund balance at end of year - budgetary basis			$ 38,090,251	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			-	
Fund balance at end of year - GAAP basis			$ 38,090,251	

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Statistical Section

The Statistical Section includes selected financial and general information presented on a multi-year comparative basis. The statistics are used to provide detailed data on the physical, economic, social and political characteristics of the County government. They are intended to provide financial report users with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements.

COBB COUNTY, GEORGIA
STATISTICAL SECTION
September 30, 2010

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding the financial statements, note disclosures, required supplementary information as well as the overall financial position of the County.

Financial Trends

These schedules contain trend information to help the user understand how the County's financial performance has changed over time. Pages 117-122

Revenue Capacity

These schedules contain information to help the user assess the County's major revenue sources. Pages 123-126

Debt Capacity

These schedules present information to help the user assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future. Pages 127-132

Demographic and Economic Information

These schedules present demographic and economic indicators to help the user understand the environment within which the County's financial activities take place. Pages 133-134

Operating Information

These schedules contain staffing, key operating and capital statistics comparisons to help the user understand how the information in the County's financial report relates to the services the County provides and the activities it performs. Pages 135-137

Cobb County, Georgia
Net Assets by Component
Unaudited

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities									
Invested in capital assets, net of related debt	$ 2,937,351,872	$ 2,845,141,332	$ 2,697,785,423	$ 2,519,108,757	$ 2,480,941,152	$ 2,476,786,038	$ 2,462,887,568	$ 2,443,180,328	$ 2,448,721,064
Restricted	85,902,876	107,900,772	173,324,280	183,127,588	85,045,197	4,501,533	102,020,091	75,568,888	82,922,156
Unrestricted	30,533,812	56,626,064	61,584,531	76,623,771	82,350,806	70,015,602	29,981,942	58,464,900	45,642,328
Total governmental activities net assets	$ 3,053,788,560	$ 3,009,668,168	$ 2,932,694,234	$ 2,778,860,116	$ 2,648,337,155	$ 2,551,303,173	$ 2,594,889,601	$ 2,577,214,116	$ 2,577,285,548
Business-type activities									
Invested in capital assets, net of related debt	$ 1,213,125,239	$ 1,214,901,904	$ 1,221,223,766	$ 1,184,655,823	$ 1,160,044,646	$ 1,113,718,561	$ 959,605,058	$ 949,944,450	$ 815,807,798
Restricted	41,766,430	-	-	-	-	-	144,528,897	111,445,686	177,793,801
Unrestricted	(8,524,185)	18,017,954	7,356,104	26,521,995	4,806,173	2,306,436	(25,510,809)	(39,411,425)	(42,748,221)
Total business-type activities net assets	$ 1,246,367,484	$ 1,232,919,858	$ 1,228,579,870	$ 1,211,177,818	$ 1,164,850,819	$ 1,116,024,997	$ 1,078,623,146	$ 1,021,978,711	$ 950,853,378
Primary government									
Invested in capital assets, net of related debt	$ 4,150,477,111	$ 4,060,043,236	$ 3,919,009,189	$ 3,703,765,580	$ 3,640,985,798	$ 3,590,504,599	$ 3,422,492,626	$ 3,393,124,778	$ 3,264,528,862
Restricted	127,669,306	107,900,772	173,324,280	183,127,588	85,045,197	4,501,533	246,548,988	187,014,574	260,715,957
Unrestricted	22,009,627	74,644,018	68,940,635	103,145,766	87,156,979	72,322,038	4,471,133	19,053,475	2,894,107
Total primary government net assets	$ 4,300,156,044	$ 4,242,588,026	$ 4,161,274,104	$ 3,990,038,934	$ 3,813,187,974	$ 3,667,328,170	$ 3,673,512,747	$ 3,599,192,827	$ 3,528,138,926

Source: Basic Financial Statements

Note: Accrual-basis financial information for Cobb County as a whole is available back to 2002 only, the year GASB 34 was implemented.

Cobb County, Georgia
Changes in Net Assets
Unaudited

	2010	2009	2008	2007	2006	2005	2004	2003	2002
Expenses									
Governmental activities:									
General government	$ 135,559,677	$ 130,964,498	$ 129,487,420	$ 120,717,451	$ 115,843,895	$ 107,749,514	$ 108,191,828	$ 99,766,869	$ 95,009,466
Public safety	226,008,723	218,818,569	216,428,501	193,571,694	178,947,049	168,711,238	163,535,307	154,774,012	139,360,166
Public works	112,031,838	110,796,058	104,411,823	104,327,448	90,377,404	69,421,056	66,385,387	66,256,600	68,070,044
Health and welfare	8,288,145	6,389,272	7,216,169	13,616,494	7,478,849	6,684,836	5,919,160	4,932,192	5,073,402
Culture and recreation	43,049,762	42,245,820	45,361,751	35,607,314	39,071,797	30,582,562	30,360,077	28,921,885	27,798,680
Housing and development	20,588,418	14,458,129	15,357,027	14,722,882	13,609,064	16,930,505	14,232,310	15,213,345	15,953,347
Interest on long-term debt	5,228,323	5,781,065	6,547,418	6,685,179	6,592,636	6,300,694	3,135,529	3,319,712	4,743,966
Total governmental activities expenses	$ 550,754,886	$ 529,453,411	$ 524,810,109	$ 489,248,462	$ 451,920,694	$ 406,380,405	$ 391,759,598	$ 373,184,615	$ 356,009,071
Business-type activities:									
Water and Sewer	$ 163,448,806	$ 156,686,447	$ 144,220,614	$ 145,833,553	$ 144,457,437	$ 123,198,230	$ 121,115,557	$ 112,023,923	$ 112,263,460
Solid Waste	2,079,765	10,793,537	12,005,039	11,953,423	11,095,700	12,179,338	13,346,843	13,678,893	13,900,762
Transit	24,765,622	22,227,266	22,799,515	19,686,139	17,477,215	15,362,394	14,073,213	10,685,976	12,014,385
Cobblestone Golf Course	1,537,850	1,673,843	1,778,843	1,741,765	1,677,078	1,881,091	1,792,480	1,703,874	1,871,441
Mable House Barnes Amphitheatre	-	-	-	-	1,621,898	1,370,258	1,294,694	1,213,026	-
Total business-type activities expenses	$ 191,832,043	$ 191,381,093	$ 180,804,011	$ 179,214,880	$ 176,329,328	$ 153,991,311	$ 151,622,787	$ 139,305,692	$ 140,050,048
Total primary government expenses	$ 742,586,929	$ 720,834,504	$ 705,614,120	$ 668,463,342	$ 628,250,022	$ 560,371,716	$ 543,382,385	$ 512,490,307	$ 496,059,119
Program Revenues									
Governmental activities:									
Charges for services:									
General government	$ 48,147,632	$ 50,767,215	$ 51,978,918	$ 53,256,545	$ 51,709,360	$ 44,800,932	$ 49,574,327	$ 52,953,905	$ 49,078,823
Public safety	15,237,639	15,131,886	14,780,887	14,341,033	14,469,395	13,425,582	12,138,789	11,960,137	12,280,544
Public works	5,168,770	5,282,949	4,949,018	5,582,231	5,320,149	4,796,608	4,463,356	4,448,905	4,481,838
Health and welfare	80,686	82,003	80,917	74,041	80,017	79,569	72,894	73,935	68,902
Culture and recreation	3,792,402	4,163,871	4,218,145	4,022,119	3,219,150	3,266,955	3,078,532	3,052,475	2,907,402
Housing and development	16,456,025	16,755,918	19,987,871	21,749,780	21,724,082	22,130,157	20,197,584	18,098,184	17,757,681
Operating grants and contributions	33,068,410	17,745,892	17,665,432	17,442,439	16,342,417	16,700,061	16,131,983	8,539,450	10,107,108
Capital grants and contributions	41,288,426	61,489,833	99,891,365	43,962,989	39,290,010	32,790,400	46,758,335	11,975,118	17,723,508
Total governmental activities program revenues	$ 163,239,990	$ 171,419,567	$ 213,552,553	$ 160,431,177	$ 152,154,580	$ 137,990,264	$ 152,415,800	$ 111,102,109	$ 114,405,806
Business-type activities:									
Charges for services:									
Water and Sewer	$ 183,146,980	$ 170,690,750	$ 150,084,927	$ 174,833,409	$ 167,580,879	$ 143,171,222	$ 141,959,651	$ 133,266,282	$ 158,358,196
Solid Waste	181,662	5,578,983	6,711,561	6,215,070	5,868,070	5,929,112	5,994,436	5,609,955	4,829,398
Transit	4,997,340	5,347,538	5,095,171	3,704,693	3,703,228	3,297,030	2,796,707	3,003,725	2,792,849
Cobblestone Golf Course	1,027,897	1,710,920	2,076,810	2,146,252	2,160,557	1,955,870	1,922,315	1,799,798	1,816,019
Mable House Barnes Amphitheater	-	-	-	-	625,294	591,996	392,400	255,109	-
Operating grants and contributions	-	638,096	500,989	571,081	1,445,712	-	-	-	248,932
Capital grants and contributions	21,178,823	10,517,614	31,341,068	37,980,311	39,555,767	38,670,446	53,387,271	65,726,743	10,874,104
Total business-type activities program revenues	$ 210,532,702	$ 194,483,901	$ 195,810,526	$ 225,450,816	$ 220,939,507	$ 193,615,676	$ 206,452,780	$ 209,661,612	$ 178,919,498
Total primary government program revenues	$ 373,772,692	$ 365,903,468	$ 409,363,079	$ 385,881,993	$ 373,094,087	$ 331,605,940	$ 358,868,580	$ 320,763,721	$ 293,325,304
Net (Expense)/Revenue									
Governmental activities	$ (387,514,896)	$ (358,033,844)	$ (311,257,556)	$ (328,817,285)	$ (299,766,114)	$ (268,390,141)	$ (239,343,798)	$ (262,082,506)	$ (241,603,265)
Business-type activities	18,700,659	3,102,808	15,006,515	46,235,936	44,610,179	39,624,365	54,829,993	70,355,920	38,869,450
Total primary government net (expense)/revenue	$ (368,814,237)	$ (354,931,036)	$ (296,251,041)	$ (282,581,349)	$ (255,155,935)	$ (228,765,776)	$ (184,513,805)	$ (191,726,586)	$ (202,733,815)

Continued on next page

Cobb County, Georgia
Changes in Net Assets
Unaudited

	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Property taxes	$ 242,217,484	$ 258,642,957	$ 251,204,278	$ 238,915,529	$ 218,244,514	$ 214,511,969	$ 195,394,493	$ 181,170,485	$ 190,948,717
Sales taxes	121,143,588	113,364,227	132,348,036	134,143,700	100,562,325	161,617	485,445	150,785	1,335,432
Insurance and premium tax	22,308,881	22,633,407	22,094,857	21,012,449	20,050,624	18,776,151	17,352,880	16,180,639	14,653,816
Alcoholic beverage tax	4,766,808	4,743,585	4,896,525	4,786,541	4,115,598	4,524,862	4,548,280	4,378,044	4,552,006
Hotel/Motel tax	9,450,045	9,327,241	11,084,810	10,625,801	10,452,605	3,327,163	3,038,009	3,021,223	3,194,741
Real estate transfer tax	735,743	805,210	1,285,897	2,381,465	2,565,691	2,449,347	1,908,363	3,962,093	1,421,517
Miscellaneous taxes	11,846,938	10,946,137	10,982,764	10,213,949	11,190,228	8,990,786	10,570,872	9,209,203	6,996,745
Miscellaneous	9,375,895	10,034,725	6,435,465	7,369,832	9,046,114	4,090,731	7,651,872	5,134,596	2,770,196
Grant and contributions not restricted to specific programs	-	-	11,458,132	11,291,129	11,256,630	12,289,502	12,594,993	14,044,620	12,533,276
Gain or (loss) on sale of capital assets	967,324	43,858	248,756	160,675	812,344	392,556	166,281	(81,086)	74,463
Increase/decrease in fair market value	-	-	-	-	-	-	(1,319)	2,038	(84,471)
Unrestricted investment earnings	2,219,575	5,550,704	12,485,150	13,999,773	7,251,088	2,881,915	1,745,217	1,903,733	3,309,033
Extraordinary gain - donated roads	-	-	-	-	-	-	-	21,939,200	88,998,000
Extraordinary gain - capital contributions	-	-	-	-	-	-	-	769,129	-
Transfers	6,603,007	(1,084,273)	567,004	4,439,403	2,643,338	6,057,506	1,563,897	226,372	(785,032)
Total governmental activities	$ 431,635,288	$ 435,007,778	$ 465,091,674	$ 459,340,246	$ 398,191,099	$ 278,454,105	$ 257,019,283	$ 262,011,074	$ 329,918,439
Business-type activities:									
Miscellaneous	$ 615,141	$ 721,233	$ 942,405	$ 913,102	$ 1,487,088	$ -	$ -	$ -	$ -
Gain or (loss) on sale of capital assets	375,196	(1,060,661)	31,240	47,478	-	157,878	985,040	(143,065)	79,951
Increase/decrease in fair market value	-	-	-	-	-	(18)	(2,543)	7,325	(275,732)
Unrestricted investment earnings	359,637	492,335	1,988,896	3,569,886	5,371,893	3,677,132	2,395,842	2,295,482	5,842,748
Transfers	(6,603,007)	1,084,273	(567,004)	(4,439,403)	(2,643,338)	(6,057,506)	(1,563,897)	(1,290,340)	(507,300)
Total business-type activities	$ (5,253,033)	$ 1,237,180	$ 2,395,537	$ 91,063	$ 4,215,643	$ (2,222,514)	$ 1,814,442	$ 869,402	$ 5,139,667
Total primary government	$ 426,382,255	$ 436,244,958	$ 467,487,211	$ 459,431,309	$ 402,406,742	$ 276,231,591	$ 258,833,725	$ 262,880,476	$ 335,058,106
Change in Net Assets Before Restatement									
Governmental activities	$ 44,120,392	$ 76,973,934	$ 153,834,118	$ 130,522,961	$ 98,424,985	$ 10,063,964	$ 17,675,485	$ (71,432)	$ 88,315,174
Business-type activities	13,447,626	4,339,988	17,402,052	46,326,999	48,825,822	37,401,851	56,644,435	71,225,322	44,009,117
Total primary government	$ 57,568,018	$ 81,313,922	$ 171,236,170	$ 176,849,960	$ 147,250,807	$ 47,465,815	$ 74,319,920	$ 71,153,890	$ 132,324,291
Restatement									
Governmental activities	$ -	$ -	$ -	$ -	$ (1,391,003)	$ (53,650,392)	$ -	$ -	$ -
Business-type activities	-	-	-	-	-	-	-	(99,989)	-
Total primary government	$ -	$ -	$ -	$ -	$ (1,391,003)	$ (53,650,392)	$ -	$ (99,989)	$ -
Change in Net Assets After Restatement									
Governmental activities	$ 44,120,392	$ 76,973,934	$ 153,834,118	$ 130,522,961	$ 97,033,982	$ (43,586,428)	$ 17,675,485	$ (71,432)	$ 88,315,174
Business-type activities	13,447,626	4,339,988	17,402,052	46,326,999	48,825,822	37,401,851	56,644,435	71,125,333	44,009,117
Total primary government	$ 57,568,018	$ 81,313,922	$ 171,236,170	$ 176,849,960	$ 145,859,804	$ (6,184,577)	$ 74,319,920	$ 71,053,901	$ 132,324,291

Source: Basic Financial Statements
Note: Accrual-basis financial information for Cobb County as a whole is available back to 2002 only, the year GASB 34 was implemented.

Continued from proceeding page

Cobb County, Georgia
Fund Balances, Governmental Funds
Unaudited

	2010	2009	2008	2007	2006
General Fund					
Nonspendable	$ 3,377,881	$ -	$ -	$ -	$ -
Restricted	1,909,472	5,744,747	6,035,817	7,085,586	6,763,639
Committed	4,395,900	-	-	-	-
Assigned	895,727				
Unassigned	29,130,898	42,189,697	40,743,565	51,628,912	53,847,873
Total General Fund	$ 39,709,878	$ 47,934,444	$ 46,779,382	$ 58,714,498	$ 60,611,512
All Other Governmental Funds					
Nonspendable	$ 1,983	$ -	$ -	$ -	$ -
Restricted	93,562,980	133,774,416	136,002,073	90,325,264	56,453,588
Committed	7,338,797	-	-	-	-
Assigned	20,576,836	-	-	-	-
Unassigned	(8,747,169)	-	-	-	-
Special Revenue Funds	-	426,956	17,907,147	26,838,435	27,327,858
Capital Projects Funds	-	17,165,427	72,154,167	142,747,333	78,621,544
Total all other governmental funds	$ 112,733,427	$ 151,366,799	$ 226,063,387	$ 259,911,032	$ 162,402,990

	2005	2004	2003	2003	2002
General Fund					
Reserved	$ 6,893,207	$ 5,632,515	$ 5,097,575	$ 5,097,575	$ 5,059,721
Unreserved	49,737,523	40,439,209	63,125,053	63,125,053	39,395,452
Total General Fund	$ 56,630,730	$ 46,071,724	$ 68,222,628	$ 68,222,628	$ 44,455,173
All Other Governmental Funds					
Reserved	$ 8,678,307	$ 2,060,457	$ 6,074,340	$ 6,074,340	$ 63,336,996
Unreserved					
Special Revenue Funds	23,536,835	17,698,893	17,290,675	17,290,675	10,680,024
Capital Projects Funds	47,925,922	73,864,196	43,870,351	43,870,351	-
Total all other governmental funds	$ 80,141,064	$ 93,623,546	$ 67,235,366	$ 67,235,366	$ 74,017,020

Source: Basic Financial Statements
Note: The change in fund balance report for fiscal year 2002 does not account for the entire change in fund balance from 2001 to 2002. Prior to fiscal year 2002, the Transit fund was reported as a governmental fund, but the County changed the fund from a governmental fund to an enterprise fund to comply with the State of Georgia Uniform Chart of Accounts in 2002. The Transit Fund had a fund balance of $2,813,937 at the end of fiscal year 2001.

Cobb County, Georgia
Changes in Fund Balances, Governmental Funds
Unaudited

	2010	2009	2008	2007
Revenues				
Taxes	$ 415,633,188	$ 420,576,822	$ 430,494,106	$ 421,478,808
Licenses and permits	16,659,309	16,895,893	20,002,557	21,757,476
Intergovernmental	50,635,105	41,864,297	47,620,520	43,927,165
Charges for services	58,462,632	59,486,597	58,031,429	59,521,098
Fines and forfeits	13,761,213	15,801,352	17,961,770	17,747,175
Interest earned	2,174,725	5,339,066	11,702,780	13,130,180
Contributions	-	-	-	-
Increase (decrease) in fair value of investments	-	-	-	-
Miscellaneous	10,053,251	10,034,725	6,435,465	7,369,832
Total revenues	$ 567,379,423	$ 569,998,752	$ 592,248,627	$ 584,931,734
Expenditures				
General government	$ 125,328,297	$ 123,341,205	$ 125,709,498	$ 133,657,911
Public safety	216,262,152	207,638,521	205,020,261	199,303,102
Public works	19,089,629	37,719,789	30,598,324	89,477,872
Health and welfare	8,199,261	7,738,451	7,769,638	7,413,307
Culture and recreation	39,403,023	39,065,599	42,377,184	52,030,237
Housing and development	20,834,947	14,074,012	15,183,400	15,150,457
Debt service				
Principal retirement	10,666,662	12,913,462	13,961,512	16,548,903
Interest and fiscal charges	5,640,833	6,157,146	6,742,631	6,977,162
Capital outlay	177,623,740	218,458,686	207,489,112	-
Total expenditures	$ 623,048,544	$ 667,106,871	$ 654,851,560	$ 520,558,951
Excess of revenues over (under) expenditures	$ (55,669,121)	$ (97,108,119)	$ (62,602,933)	$ 64,372,783
Other financing sources (uses)				
Transfers in	$ 48,899,093	$ 39,580,576	$ 60,545,358	$ 80,462,127
Transfers out	(41,516,848)	(40,312,340)	(59,309,482)	(82,436,523)
Capital lease proceeds	280,310	12,567,168	291,405	6,975,011
Proceeds from sale of capital assets	1,871,876	174,369	292,891	310,697
Bonds issued	10,730,000	-	15,000,000	25,000,000
Premium on bonds issued	-	-	-	926,933
Premium on issance of certificates	103,572	-	-	-
Total other financing sources (uses)	$ 20,368,003	$ 12,009,773	$ 16,820,172	$ 31,238,245
Net change in fund balances before restatement	$ (35,301,118)	$ (85,098,346)	$ (45,782,761)	$ 95,611,028
Restatement	$ 30,328	$ -	$ -	$ -
Net change in fund balances after restatement	$ (35,270,790)	$ (85,098,346)	$ (45,782,761)	$ 95,611,028
Debt service as a percentage of noncapital expenditures	7.81%	7.81%	8.18%	5.30%

Source: Basic Financial Statements
Note: Capital outlay in caital project funds in years prior to 2008 was classified by function

2006	2005	2004	2003	2002	2001
$ 365,649,916	$ 243,253,752	$ 233,912,522	$ 219,514,807	$ 209,332,705	$ 187,468,350
21,477,431	21,952,259	20,081,455	18,073,485	17,714,856	16,527,532
40,119,513	45,972,924	45,024,359	33,188,602	39,870,040	37,460,731
57,707,513	53,948,110	51,881,834	55,541,607	52,303,368	45,993,473
17,337,209	19,439,582	16,781,751	16,307,448	15,738,490	14,469,760
6,717,914	2,684,393	1,679,490	1,903,733	3,114,946	9,138,181
-	73,565	230,213	190,505	79,018	97,096
-	-	(1,319)	2,038	(84,471)	778,462
9,046,114	6,249,544	8,560,148	7,029,846	5,890,938	5,061,806
$ 518,055,610	$ 393,574,129	$ 378,150,453	$ 351,752,071	$ 343,959,890	$ 316,995,391
$ 121,042,343	$ 136,122,674	$ 108,899,536	$ 97,376,226	$ 97,303,459	$ 132,410,718
184,595,327	167,931,065	164,439,721	144,972,677	135,378,095	93,595,649
57,385,232	40,980,529	47,421,144	42,145,316	58,546,137	32,963,840
6,578,840	6,284,246	5,118,992	4,708,724	4,919,873	5,576,896
39,809,495	32,471,529	33,045,343	28,915,435	33,029,275	24,353,465
15,105,680	16,859,368	17,401,587	17,335,630	15,906,049	8,854,555
10,944,224	7,123,315	7,614,617	7,607,097	6,297,335	10,146,064
6,963,792	3,859,569	3,310,637	3,560,168	4,682,003	5,603,367
-	-	-	-	-	59,663,116
$ 442,424,933	$ 411,632,295	$ 387,251,577	$ 346,621,273	$ 356,062,226	$ 373,167,670
$ 75,630,677	$ (18,058,166)	$ (9,101,124)	$ 5,130,798	$ (12,102,336)	$ (56,172,279)
$ 58,146,991	$ 41,216,609	$ 80,629,289	$ 45,041,284	$ 33,954,139	$ 46,392,091
(55,394,987)	(34,830,124)	(79,635,859)	(37,383,272)	(34,729,810)	(35,333,979)
7,019,390	-	12,344,970	3,787,719	2,748,771	-
840,637	1,515,000	-	-	-	-
-	19,245,880	-	34,218,180	-	-
-	-	-	-	-	-
-	(19,144,311)	-	(33,808,908)	-	-
$ 10,612,031	$ 8,003,054	$ 13,338,400	$ 11,855,003	$ 1,973,100	$ 11,058,112
$ 86,242,708	$ (10,055,112)	$ 4,237,276	$ 16,985,801	$ (10,129,236)	$ (45,114,167)
$ -	$ 7,131,636	$ -	$ -	$ -	$ -
$ 86,242,708	$ (2,923,476)	$ 4,237,276	$ 16,985,801	$ (10,129,236)	$ (45,114,167)
4.50%	3.20%	3.41%	3.74%	6.79%	13.22%

Cobb County, Georgia
Assessed Value and Actual Value
Unaudited

	Real Property											
	Residential Property		Commercial Property		Other		Personal Property					
Fiscal Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Total Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Value	Assessed Value as of a Percentage of Actual Value
2001	11,228,268,662	28,070,671,655	4,643,927,963	11,609,819,908	2,354,497,123	5,886,242,808	2,301,589,509	5,753,973,773	20,528,283,257	9.72	51,320,708,143	40%
2002	13,095,676,643	32,739,191,608	5,841,482,874	14,603,707,185	2,411,250,813	6,028,127,033	2,366,090,193	5,915,225,483	23,714,500,523	9.72	59,286,251,308	40%
2003	13,869,536,368	34,673,840,920	5,680,625,084	14,201,562,710	2,695,204,513	6,738,011,283	2,374,834,364	5,937,085,910	24,620,200,329	9.72	61,550,500,823	40%
2004	14,958,680,641	37,396,701,603	5,838,567,796	14,596,419,490	2,672,153,123	6,680,382,808	2,619,127,023	6,547,817,558	26,088,528,583	9.72	65,221,321,458	40%
2005	16,509,842,871	41,274,607,178	6,468,662,962	16,171,657,405	2,341,387,292	5,853,468,230	2,782,135,693	6,955,339,233	28,102,028,818	9.72	70,255,072,045	40%
2006	18,163,497,752	45,408,744,380	6,908,697,628	17,271,744,070	2,314,114,953	5,785,287,383	2,900,098,221	7,250,245,553	30,286,408,554	9.60	75,716,021,385	40%
2007	19,808,664,015	49,521,660,038	7,250,705,550	18,126,763,875	2,518,491,916	6,296,229,790	2,994,219,975	7,485,549,938	32,572,081,456	9.60	81,430,203,640	40%
2008	20,221,351,894	50,553,379,735	8,105,159,926	20,262,899,815	2,558,206,943	6,395,517,358	2,934,178,648	7,335,446,620	33,818,897,411	9.60	84,547,243,528	40%
2009	20,135,446,844	50,338,617,110	8,007,177,834	20,017,944,585	2,650,047,807	6,625,119,518	2,964,921,509	7,412,303,773	33,757,593,994	9.60	84,393,984,985	40%
2010	18,078,841,365	45,197,103,413	7,720,793,266	19,301,983,165	2,430,590,424	6,076,476,060	3,198,128,714	7,995,321,785	31,428,353,769	9.60	78,570,884,423	40%

Source: Cobb County Tax Digest
Note: (1) Per $1,000 of assessed value.

Cobb County, Georgia
Direct and Overlapping Property Tax Rates
Unaudited

	Year Taxes Are Payable									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Cobb County Direct Rates										
General	6.82	6.82	6.82	6.82	6.82	6.85	6.85	6.85	6.80	6.57
Fire District	2.56	2.56	2.56	2.56	2.56	2.65	2.65	2.65	2.65	2.65
Debt Service	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.22	0.27	0.50
Total direct rates	9.60	9.60	9.60	9.60	9.60	9.72	9.72	9.72	9.72	9.72
City Rates										
Acworth	36.35	36.35	36.35	36.35	37.44	37.74	37.24	37.32	37.37	37.75
Austell	29.31	29.31	29.31	29.31	30.31	30.34	30.34	30.34	30.72	30.73
Kennesaw	38.25	38.25	38.25	38.25	38.00	36.62	36.62	36.62	36.62	36.77
Marietta	30.49	29.94	29.94	29.94	29.94	29.97	29.97	29.97	29.47	26.97
Powder Springs	37.25	37.25	37.25	37.25	38.25	38.37	38.37	36.87	36.87	37.02
Smyrna	35.18	35.18	35.18	35.18	36.36	36.79	36.87	37.07	37.07	37.47
School District										
Cobb County Board of Education	18.90	18.90	18.90	18.90	19.90	19.90	19.90	19.90	19.90	20.05
State of Georgia	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25

Source: Cobb County Tax Commissioner's Office

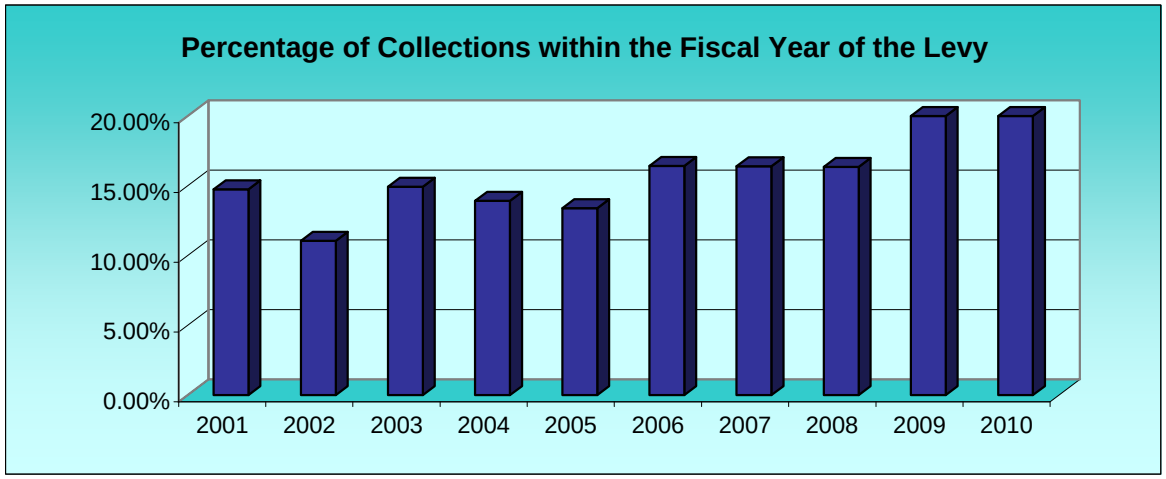
Cobb County, Georgia
Principal Property Tax Payers
Unaudited

	Fiscal Year 2010			Fiscal Year 2001		
Taxpayer	Taxes Levied	Rank	Percentage of Total County Taxes Levied	Taxes Levied	Rank	Percentage of Total County Taxes Levied
Atlanta Gas & Light	$			$ 1,249,997	9	0.87%
BellSouth Telecommunication	2,454,407	6	1.11%	2,996,614	4	2.07%
Cobb EMC	2,933,769	5	1.33%	2,001,792	7	1.39%
Crow Companies				1,239,548	10	0.86%
Diamondrock Waverly Owner, LLC	1,802,886	10	0.82%			
Georgia Power Co.	8,082,487	1	3.65%	2,345,272	6	1.62%
Home Depot	5,172,508	2	2.34%	3,525,697	2	2.44%
Lockheed Martin Corp	2,452,526	7	1.11%	2,563,317	5	1.77%
Ohio Teacher's Retirement Fund	3,259,598	3	1.47%			
Post Properties				3,342,455	3	2.31%
State of California Public Employees				1,253,885	8	0.87%
SP4	2,993,445	4	1.35%			
Walton Communities	1,881,793	9	0.85%			
Wildwood Properties	2,207,716	8	1.00%	4,817,783	1	3.34%

Source: Cobb County Tax Commissioner's Office

Cobb County, Georgia
Property Tax Levies and Collections
Unaudited

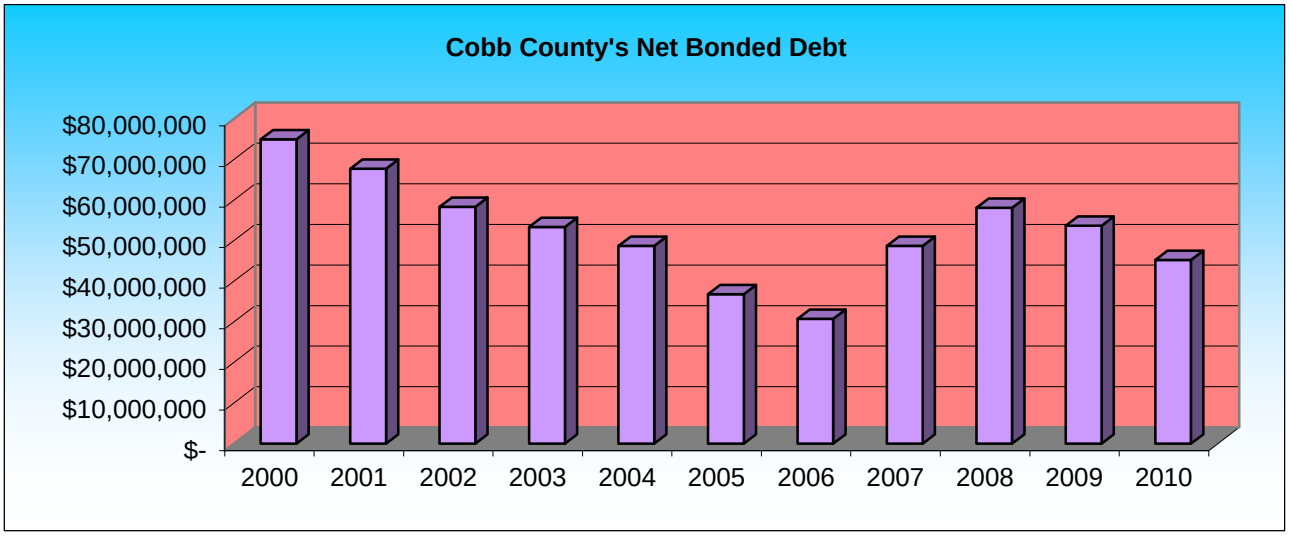
Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
				Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
2001	147,388,883	(2,929,393)	144,459,490	21,751,878	14.76%	121,544,382	143,296,260	99.19%
2002	168,071,481	(5,028,006)	163,043,475	18,581,936	11.06%	143,561,760	162,143,696	99.45%
2003	173,817,379	(2,783,868)	171,033,511	25,963,777	14.94%	143,967,797	169,931,574	99.36%
2004	182,667,127	(2,080,556)	180,586,571	25,450,248	13.93%	154,262,630	179,712,878	99.52%
2005	197,751,595	(1,841,598)	195,909,997	26,498,532	13.40%	168,361,204	194,859,736	99.46%
2006	211,393,308	(1,137,603)	210,255,705	34,705,014	16.42%	173,725,072	208,430,086	99.13%
2007	226,524,907	(1,246,479)	225,278,428	37,148,299	16.40%	186,658,054	223,806,353	99.35%
2008	240,393,700	(1,195,186)	239,198,514	39,301,350	16.35%	197,425,190	236,726,540	98.97%
2009	239,646,001	(2,650,394)	236,995,607	79,131,484	33.02%	154,668,187	233,799,671	98.65%
2010	224,451,029	(3,263,579)	221,187,450	59,693,126	26.60%	-	59,693,126	26.99%



Source: Cobb County Tax Commissioner's Office

Cobb County, Georgia
Ratios of General Bonded Debt Outstanding
Unaudited

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Net Bonded Debt	Percentage of Personal Income	Percentage Actual Value of Taxable Property	Per Capita
2000	$ 77,585,000	$ 2,638,987	$ 74,946,013	0.36%	0.16%	$ 122.36
2001	69,440,000	1,751,265	67,688,735	0.32%	0.13%	107.97
2002	60,785,000	2,459,518	58,325,482	0.28%	0.10%	91.45
2003	55,355,000	1,985,667	53,369,333	0.26%	0.09%	82.90
2004	50,545,000	1,863,735	48,681,265	0.22%	0.07%	74.62
2005	44,895,000	8,058,583	36,836,417	0.16%	0.05%	55.69
2006	39,095,000	8,366,821	30,728,179	0.13%	0.04%	45.21
2007	58,070,000	9,380,967	48,689,033	0.18%	0.06%	70.41
2008	66,815,000	8,732,742	58,082,258	0.21%	0.07%	82.41
2009	60,300,000	6,617,567	53,682,433	0.19%	0.06%	75.11
2010	53,480,000	8,244,274	45,235,726	0.17%	0.06%	62.67



Source: Basic Financial Statements

Cobb County, Georgia
Direct and Overlapping Governmental Activities Debt
Unaudited
As of September 30, 2010

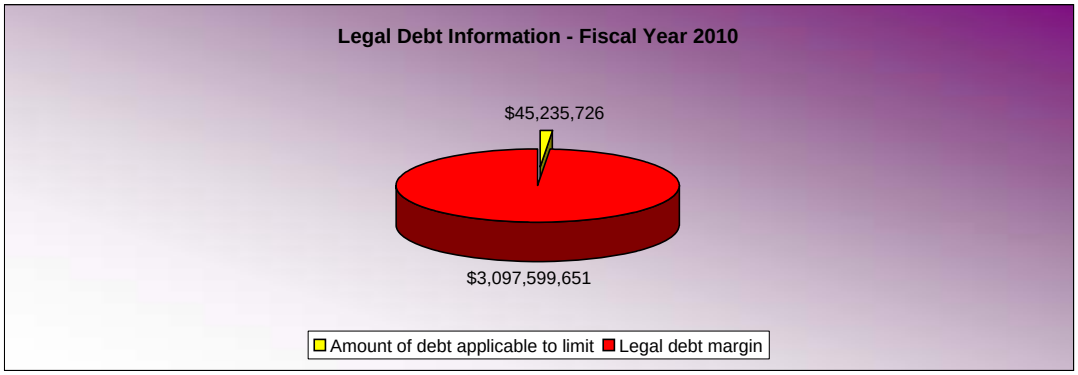
Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Cities			
Austell	$ 5,205,000	100%	$ 5,205,000
Kennesaw	13,015,000	100%	13,015,000
Marietta	61,360,706	100%	61,360,706
Powder Springs	9,021,038	100%	9,021,038
Total cities			$ 88,601,744
Development Authorities			
Acworth	$ 10,655,000	100%	$ 10,655,000
Marietta	43,490,000	100%	43,490,000
Smyrna	37,105,000	100%	37,105,000
Total development authorities			$ 91,250,000
Subtotal, overlapping debt			$ 179,851,744
Total direct debt			$ 243,175,000
Total direct and overlapping debt			$ 423,026,744

Cobb County, Georgia
Legal Debt Margin Information
Unaudited

	Fiscal Year				
	2010	2009	2008	2007	2006
Assessed value of property	$ 31,428,353,769	$ 33,757,593,994	$ 33,818,897,411	$ 32,572,081,456	$ 30,286,408,554
Debt limit, 10% of assessed value	3,142,835,377	3,375,759,399	3,381,889,741	3,257,208,146	3,028,640,855
Amount of debt applicable to limit	45,235,726	53,682,433	58,082,258	48,689,033	30,728,179
General Obligation Bonds	53,480,000	60,300,000	66,815,000	58,070,000	39,095,000
Less: Resources restricted to paying principal	(8,244,274)	(6,617,567)	(8,732,742)	(9,380,967)	(8,366,821)
Total net debt applicable to limit	45,235,726	53,682,433	58,082,258	48,689,033	30,728,179
Legal debt margin	$ 3,097,599,651	$ 3,322,076,966	$ 3,323,807,483	$ 3,208,519,113	$ 2,997,912,676
Total net debt applicable to the limit as a percentage of debt limit	1.44%	1.59%	1.72%	1.49%	1.01%

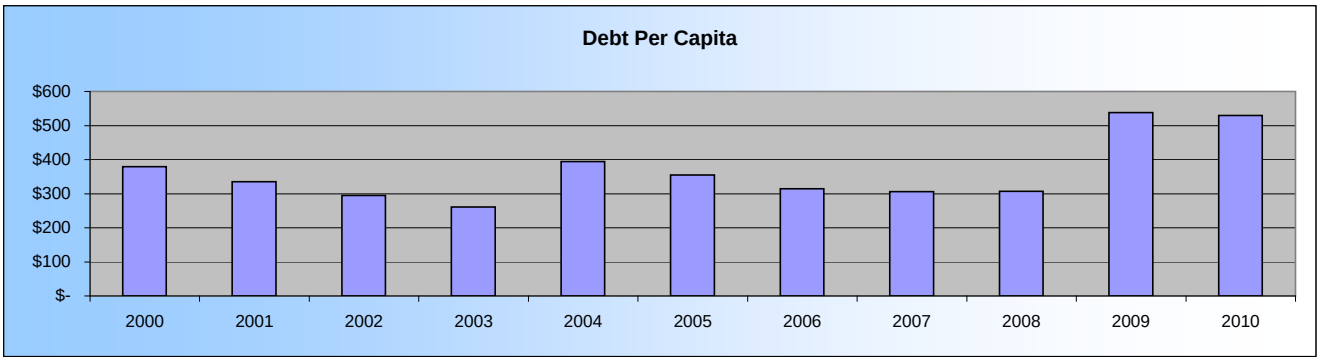
	Fiscal Year				
	2005	2004	2003	2002	2001
Assessed value of property	$ 28,102,028,818	$ 26,088,528,583	$ 24,620,200,329	$ 23,714,500,523	$ 20,528,283,257
Debt limit, 10% of assessed value	2,810,202,882	2,608,852,858	2,462,020,033	2,371,450,052	2,052,828,326
Amount of debt applicable to limit	36,836,417	48,681,265	53,369,333	58,325,482	67,688,735
General Obligation Bonds	44,895,000	50,545,000	55,355,000	60,785,000	69,440,000
Less: Resources restricted to paying principal	(8,058,583)	(1,863,735)	(1,985,667)	(2,459,518)	(1,751,265)
Total net debt applicable to limit	36,836,417	48,681,265	53,369,333	58,325,482	67,688,735
Legal debt margin	$ 2,773,366,465	$ 2,560,171,593	$ 2,408,650,700	$ 2,313,124,570	$ 1,985,139,591
Total net debt applicable to the limit as a percentage of debt limit	1.31%	1.87%	2.17%	2.46%	3.30%

Source: Cobb County Tax Commissioner's Office



Cobb County, Georgia
Ratios of Outstanding Debt By Type
Unaudited

Fiscal Year	Governmental Activities: General Obligation Bonds	Governmental Activities: Capital Leases	Business - Type Activities: Revenue Bonds	Business - Type Activities: Capital Leases	Business - Type Activities: Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2000	$ 77,585,000	$ 6,644,265	$ 147,340,000	$ 775,617	$ -	$ 232,344,882	1.11%	$ 379.32
2001	69,440,000	6,751,533	133,665,000	321,371	-	210,177,904	1.00%	335.25
2002	60,785,000	8,003,194	119,305,000	213,920	-	188,307,114	0.91%	295.26
2003	55,355,000	8,779,865	103,455,000	100,058	240,190	167,930,113	0.81%	260.84
2004	50,545,000	19,123,133	187,455,000	-	136,615	257,259,748	1.19%	394.35
2005	44,895,000	17,744,916	171,815,000	-	136,615	234,591,531	1.04%	354.67
2006	39,095,000	20,600,870	153,835,000	144,381	27,978	213,703,229	0.91%	314.41
2007	58,070,000	18,136,978	135,565,000	108,769	-	211,880,747	0.77%	306.41
2008	66,815,000	11,766,872	116,950,000	190,709	20,759,274	216,481,855	0.79%	307.14
2009	60,300,000	19,055,578	236,025,000	102,032	69,257,915	384,740,525	1.45%	538.33
2010	53,480,000	16,767,946	224,675,000	17,401	87,374,239	382,314,586	1.40%	529.64



Cobb County, Georgia
Revenue Bond Coverage
Unaudited

Water and Sewer Bonds:

Fiscal Year	Gross Revenues (2)	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2001	150,748,619	76,912,634	73,835,985	12,285,000	5,987,568	18,272,568	4.04
2002	164,213,180	79,408,182	84,804,998	12,890,000	5,385,130	18,275,130	4.64
2003	197,376,530	80,035,368	117,341,162	13,530,000	5,165,293	18,695,293	6.28
2004	164,190,681	87,999,837	76,190,844	14,510,000	3,783,425	18,293,425	4.16
2005	153,188,996	88,727,602	64,461,394	15,425,000	7,341,200	22,766,200	2.83
2006	180,208,549	100,559,507	79,649,042	15,770,000	6,891,850	22,661,850	3.51
2007	184,031,381	103,915,935	80,115,446	15,950,000	6,103,350	22,053,350	3.63
2008	155,667,100	102,378,852	53,288,248	16,330,000	5,305,850	21,635,850	2.46
2009	173,328,501	111,624,602	61,703,899	5,135,000	5,503,503	10,638,503	5.80
2010	184,733,255	113,271,988	71,461,267	8,915,000	9,202,344	18,117,344	3.94

Solid Waste Disposal Bonds:

Fiscal Year	Gross Revenues (2)	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2001	5,088,975	9,909,856	-	985,000	1,442,096	2,427,096	0.00
2002	10,517,939	9,360,086	1,157,853	1,050,000	1,378,503	2,428,503	0.48
2003	5,636,001	9,246,132	-	1,110,000	1,311,003	2,421,003	0.00
2004	12,620,017	9,044,479	3,575,538	1,180,000	1,268,721	2,448,721	1.46
2005	11,094,215	9,403,159	1,691,056	19,025,000	1,090,199	20,115,199	0.08
2006	12,779,670	9,494,382	3,285,288	1,720,000	732,913	2,452,913	1.34
2007	15,311,516	10,566,538	4,744,978	1,800,000	680,113	2,480,113	1.91
2008	16,526,644	10,695,503	5,831,141	1,855,000	607,897	2,462,897	2.37
2009	31,470,188	9,594,733	21,875,455	1,910,000	553,431	2,463,431	8.88
2010	3,607,290	1,132,822	2,474,468	1,970,000	510,750	2,480,750	1.00

Golf Course Bonds:

Fiscal Year	Gross Revenues (2)	Direct Operating Expenses (1)	Net Revenue Available for Debt Service	Debt Service Requirements			
				Principal	Interest	Total	Coverage
2001	1,845,130	1,551,340	293,790	320,000	275,933	595,933	0.49
2002	1,817,872	1,455,580	362,292	330,000	262,118	592,118	0.61
2003	1,802,803	1,302,627	500,176	345,000	247,519	592,519	0.84
2004	1,923,862	1,418,890	504,972	355,000	232,116	587,116	0.86
2005	1,958,163	1,561,470	396,693	375,000	215,686	590,686	0.67
2006	2,173,064	1,364,593	808,471	390,000	198,185	588,185	1.37
2007	2,164,737	1,441,263	723,474	410,000	179,785	589,785	1.23
2008	2,083,592	1,496,261	587,331	430,000	153,697	583,697	1.01
2009	1,716,691	1,328,341	388,350	450,000	133,945	583,945	0.67
2010	1,092,320	1,279,959	(187,639)	465,000	117,153	582,153	(0.32)

(1) Depreciation expense not included.
(2) Includes non operating revenues and transfers in.

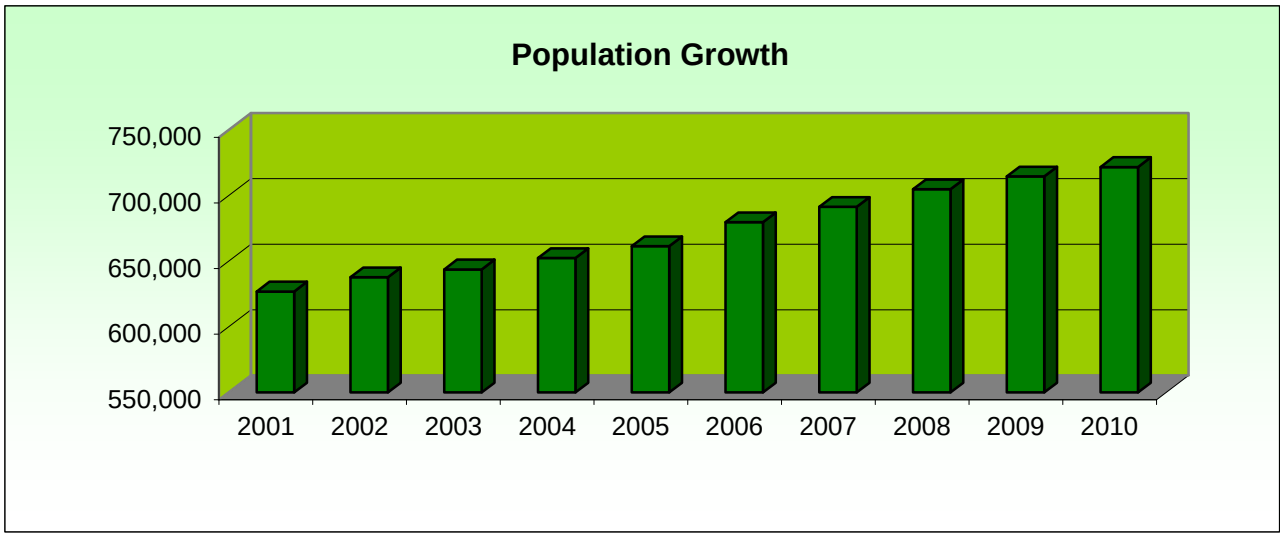
Cobb County, Georgia
Annual Debt Service Requirements
Unaudited

Year Ending September 30	Governmental Activities General Obligation Bonds Principal	Governmental Activities General Obligation Bonds Interest	Business Type Activities Revenue Bonds Principal	Business Type Activities Revenue Bonds Interest	Component Units Revenue Bonds Principal	Component Units Revenue Bonds Interest
2011	$ 6,410,000	$ 2,126,813	$ 12,185,000	$ 10,020,130	$ 4,540,000	$ 6,310,485
2012	6,700,000	1,853,362	12,385,000	9,467,325	4,775,000	6,120,664
2013	6,995,000	1,559,018	13,040,000	8,885,150	5,035,000	5,910,244
2014	7,310,000	1,247,782	13,455,000	8,233,776	5,335,000	5,684,838
2015	7,625,000	929,238	13,285,000	7,660,875	5,755,000	5,445,386
2016-2020	18,440,000	900,036	64,015,000	30,483,025	33,660,000	22,745,903
2021-2025	-	-	61,185,000	15,047,937	44,710,000	13,223,983
2026-2029	-	-	35,125,000	3,852,863	29,190,000	2,623,926
	$ 53,480,000	$ 8,616,249	$ 224,675,000	$ 93,651,081	$ 133,000,000	$ 68,065,429

Year Ending September 30	Total Primary Government General Obligation Bonds Principal	Total Primary Government General Obligation Bonds Interest	Total Primary Government Revenue Bonds Principal	Total Primary Government Revenue Bonds Interest	Total Principal	Total Interest
2011	$ 6,410,000	$ 2,126,813	$ 12,185,000	10,020,130	$ 18,595,000	$ 12,146,943
2012	6,700,000	1,853,362	12,385,000	9,467,325	19,085,000	11,320,687
2013	6,995,000	1,559,018	13,040,000	8,885,150	20,035,000	10,444,168
2014	7,310,000	1,247,782	13,455,000	8,233,776	20,765,000	9,481,558
2015	7,625,000	929,238	13,285,000	7,660,875	20,910,000	8,590,113
2016-2020	18,440,000	900,036	64,015,000	30,483,025	82,455,000	31,383,061
2021-2025	-	-	61,185,000	15,047,937	61,185,000	15,047,937
2026-2029	-	-	35,125,000	3,852,863	35,125,000	3,852,863
	$ 53,480,000	$ 8,616,249	$ 224,675,000	$ 93,651,081	$ 278,155,000	$ 102,267,330

Cobb County, Georgia
Demographic and Economic Statistics
Unaudited

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	County Unemployment Rate (3)
2001	626,934	21,110,380,000	33,672.41	3.0%
2002	637,772	20,729,560,000	32,503.09	4.6%
2003	643,816	20,724,110,000	32,189.49	4.2%
2004	652,358	21,645,330,000	33,180.14	4.1%
2005	661,442	22,504,970,000	34,024.10	4.3%
2006	679,699	23,511,880,000	34,591.61	4.0%
2007	691,496	27,669,090,000	40,013.38	3.5%
2008	704,822	27,538,100,000	39,071.00	6.2%
2009	714,692	26,482,600,000	37,054.56	9.6%
2010	721,839	27,274,880,000	37,785.27	9.5%



Source:
(1) Estimated from July 2005 Census using 1.5% growth rate
(2) Woods & Poole Economics 2011 Data Pamphlet
(3) Office of Economic Development and Cobb Chamber of Commerce

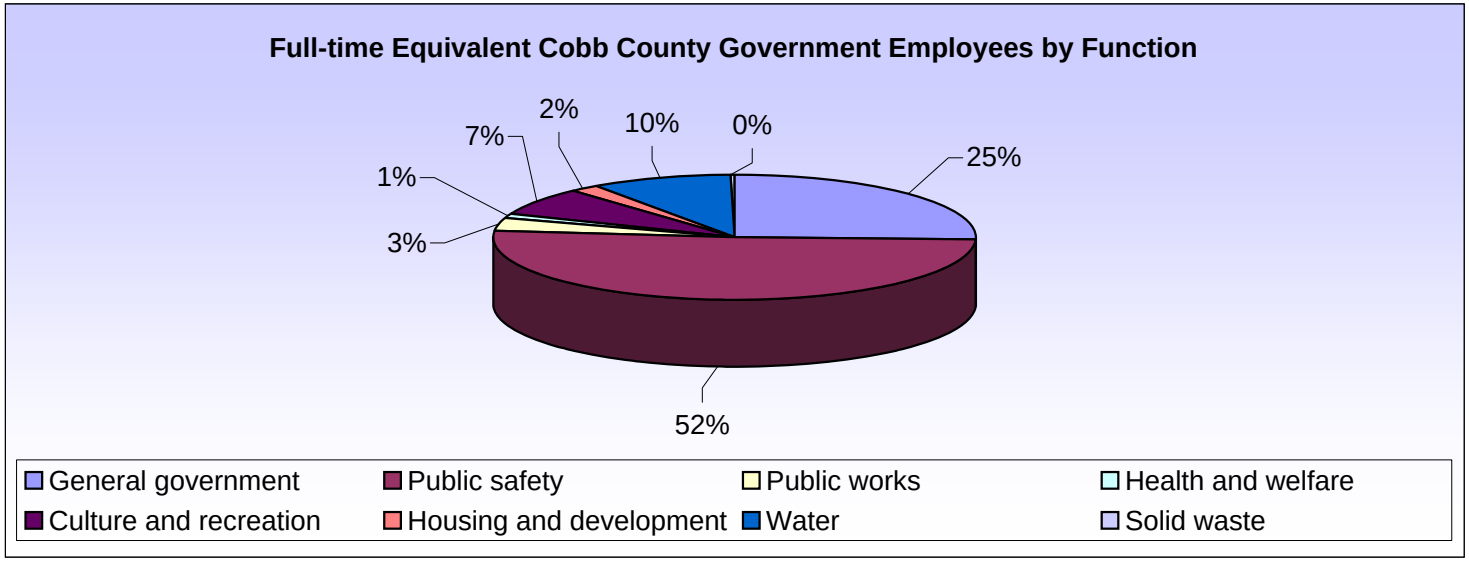
Cobb County, Georgia
Principal Employers
Unaudited

Employer	2010 Employees	2010 Percentage of Total County Employment	2001 Employees	2001 Percentage of Total County Employment
Blue Circle America Inc			4,200	1.06%
Cobb County Government	5,103	1.19%	4,613	1.17%
Cobb County Schools	19,123	4.46%	10,300	2.60%
Dobbins Air Force Base	2,547	0.59%		
Home Depot	11,784		4,500	1.14%
IBM Corporation			4,000	1.01%
Kennesaw State University	3,400	0.79%		
Kroger Co.	1,974			
Lockheed Martin	7,568	1.77%	9,500	2.40%
Medaphis Corporation			9,200	2.32%
Publix Super Markets	2,905	0.68%		
Ryla Teleservices Inc	6,011	1.40%		
Six Flags Over Georgia	2,226	0.52%	2,600	0.66%
Walmart	2,750	0.64%		
Wellstar Health System	11,840	2.76%	6,500	1.64%
Worldspan	671	0.16%	3,000	0.76%

Source: Office of Economic Development and Cobb Chamber of Commerce

Cobb County, Georgia
Full-time Equivalent Cobb County Government Employees by Function
Unaudited

	Full-time Equivalent Employees as of September 30									
Function/Program	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government	1,143	1,170	1,175	1,169	1,145	1,105	1,075	1,068	1,061	1,046
Public safety	2,294	2,291	2,251	2,174	2,095	2,072	2,044	2,025	1,979	1,932
Public works	148	174	179	179	174	167	165	165	165	162
Health and welfare	53	59	58	57	57	56	56	56	54	53
Culture and recreation	318	331	338	336	331	324	313	313	302	289
Housing and development	93	103	112	112	108	108	106	106	107	104
Water	429	434	439	439	419	417	398	401	397	397
Solid waste	7	58	58	58	58	57	57	62	63	63
Total	4,485	4,620	4,610	4,524	4,387	4,306	4,214	4,196	4,128	4,046



Source: Cobb County Human Resources Department
* Information not available

Cobb County, Georgia
Operating Indicators by Function
Unaudited

Function/Program	Fiscal Year 2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government										
Vehicle tags issued	681,339	679,519	696,900	717,060	703,127	689,536	673,521	647,487	636,370	623,730
Public safety										
E-911 calls	382,357	392,177	358,375	367,507	399,423	387,682	358,350	348,454	348,422	387,160
Police service calls	488,890	502,275	425,049	494,134	529,557	520,575	544,658	534,984	454,320	403,379
Fire/EMS dispatches	61,841	61,763	64,006	64,697	63,572	62,013	66,008	63,006	62,125	44,253
Public works										
Miles of road resurfacing	35.93	45.00	77.00	71.89	55.36	59.00	88.00	83.06	55.00	43.96
Health and welfare										
Number of child support cases	7,814	8,108	7,953	8,058	7,873	7,747	7,580	7,053	*	*
Culture and recreation										
Golf rounds played	24,198	40,414	46,715	47,242	47,834	44,692	45,536	*	*	*
Housing and development										
Building permits issued	5,508	9,014	11,912	10,032	10,204	9,879	9,703	8,345	8,058	7,975
Water										
Water accounts	175,688	175,075	174,709	173,725	171,609	164,323	161,115	157,509	154,325	150,974
Daily average consumption										
- 1,000 gal units	56,312	54,027	54,100	67,925	66,644	61,705	62,513	59,150	64,828	60,823
Solid waste										
Solid waste and compost tonnage	-	144,661	167,642	156,389	151,137	162,544	168,313	166,414	*	*

Source: Department managers within each function/program.
* Information not available

Cobb County, Georgia
Capital Asset Statistics by Function
Unaudited

Function/Program	Fiscal Year 2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
General government										
Vehicles	234	238	235	242	231	237	224	219	*	*
Public safety										
Police stations	6	6	6	6	6	6	6	6	5	5
Fire stations	31	29	29	28	27	27	27	27	27	27
Public works										
Miles of road	3,418	3,393	2,434	2,492	2,472	2,434	2,307	2,307	2,307	2,307
Miles of sidewalks	1,146	1,130	1,100	1,080	1,060	1,030	1,100	1,100	1,100	1,000
Health and welfare										
Senior service centers	5	5	5	5	5	5	5	5	4	4
Culture and recreation										
County parks	77	75	74	66	66	65	49	49	49	47
County libraries	17	17	17	17	17	17	17	17	17	16
County golf courses	2	2	2	2	2	2	2	2	2	2
Housing and development										
HUD homes built	1	1	1	2	3	1	1	1	1	*
Water										
Miles of water mains**	3,121	3,086	3,062	3,023	2,987	2,945	2,907	2,855	2,820	2,764
Miles of sewers**	2,611	2,582	2,576	2,558	2,529	2,493	2,477	2,430	2,380	2,318
Solid waste										
Facilities	-	2	2	2	2	2	2	2	2	2

Source: Department managers within each function/program.
* Information not available

Compliance Section

The Compliance Section includes the Single Audit with the independent auditor's report on compliance, a Schedule of Expenditures of Federal Awards with notes and an Illustrative Schedule of Findings and Questioned Costs. It also contains the special report of the 1 percent Sales and Use Tax and the Water System Comparative Statement of Revenues and Expenses as required by the Security and Exchange Commission's Rule 15c2-12(b)(5).

Cobb County, Georgia
Road Sales Tax Funds
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Fiscal Year Ended September 30, 2010

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
1994:						
Road Improvement Program	$ 377,875,873	$ 407,408,238	$ 402,077,661	$ 5,329,113	$ 407,406,774	100.00%
2006:						
Public Safety						
Jail Expansion	$ 110,000,000	$ 110,000,000	$ 101,879,122	$ 5,065,877	$ 106,944,999	97.22%
New Court House	55,000,000	63,000,000	12,508,026	41,376,086	53,884,112	85.53%
800Mhz Communication System	27,000,000	27,000,000	27,000,000	-	27,000,000	100.00%
Transportation	662,600,355	678,836,948	275,090,848	107,481,664	382,572,512	56.36%
Total 2006	854,600,355	878,836,948	416,477,996	153,923,627	570,401,623	64.90%

Cobb County, Georgia
Water and Sewer Enterprise Fund
Comparative Statements of Revenues and Expenses
For the Fiscal Years Ended September 30, 2010 and 2009

	2010	2009
Operating revenues:		
Water sales	$ 82,614,026	$ 76,054,675
Sewer sales	95,172,633	90,412,176
Water connection charges	4,780,162	3,353,789
Sewer connection charges	490,145	449,544
Other	537,043	1,031,329
Total operating revenues	$ 183,594,009	$ 171,301,513
Operating expenses:		
Administrative	$ 19,547,363	$ 18,172,497
Engineering	2,848,156	2,704,549
Water operations	49,131,627	44,429,487
Sewer operations	41,744,842	46,318,069
Total operating expenses	$ 113,271,988	$ 111,624,602
Operating income before depreciation	$ 70,322,021	$ 59,676,911
Less depreciation	(38,660,105)	(38,160,743)
Operating income	$ 31,661,916	$ 21,516,168
Nonoperating revenues (expenses):		
Intergovernmental	$ -	$ 638,096
Interest income	356,576	475,413
Interest and fiscal charges	(12,086,285)	(7,128,528)
Amortization of bond costs	569,572	227,426
Gain from sale of capital assets	95,743	47,684
Total nonoperating revenues (expenses)	$ (11,064,394)	$ (5,739,909)
Net income before transfers and capital contributions	$ 20,597,522	$ 15,776,259
Capital contributions	$ 9,337,943	$ 4,246,962
Total capital contributions	$ 9,337,943	$ 4,246,962
Transfers:		
Transfers in	$ 117,355	$ 638,369
Transfers out	(19,117,910)	(36,380,017)
Total transfers	$ (19,000,555)	$ (35,741,648)
Change in net assets	$ 10,934,910	$ (15,718,427)

Note: The comparative financial statement above has been prepared in order to meet continuing disclosure requirements as set forth in the Security and Exchange Commission's Rule 15c2-12(b)(5).

MOORE & CUBBEDGE LLP
Certified Public Accountants & Advisors

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Tim Lee, Chairman
Members of the Cobb County Board of Commissioners
Cobb County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cobb County, Georgia as of and for the year ended September 30, 2010, which collectively comprise Cobb County, Georgia's basic financial statements and have issued our report thereon dated March 10, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Cobb County, Georgia's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cobb County, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Cobb County, Georgia's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses.

Michael R. Crace Jean K. Hawkins Richard H. Lewis Tammy A. Galvis Donald L. McGrath Jr. Retired: C. Frank Moore Edwin W. Cubbedge III
T 770.422.0500 F 770.421.6440 366 Powder Springs Street Marietta, Georgia 30064 www.moore-cubb.com
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We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cobb County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Commissioners, audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Moore & Cubbedge, LLP

March 10, 2011

MOORE & CUBBEDGE LLP
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Tim Lee, Chairman
Members of the Cobb County Board of Commissioners
Cobb County, Georgia

Compliance

We have audited Cobb County, Georgia's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2010. Cobb County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Cobb County, Georgia's management. Our responsibility is to express an opinion on Cobb County, Georgia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cobb County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Cobb County, Georgia's compliance with those requirements.

In our opinion, Cobb County, Georgia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2010.

Michael R. Crace Jean K. Hawkins Richard H. Lewis Tammy A. Galvis Donald L. McGrath Jr. Retired: C. Frank Moore Edwin W. Cubbedge III
T 770.422.0500 F 770.421.6440 366 Powder Springs Street Marietta, Georgia 30064 www.moore-cubb.com

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Internal Control Over Compliance

The management of Cobb County, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Cobb County, Georgia's internal control over compliance with requirements that could have a direct and material effect on major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Cobb County, Georgia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, audit committee, management, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Moore & Cubbedge, LLP

March 10, 2011

Cobb County, Georgia
Schedule of Findings and Questioned Costs
Year Ended September 30, 2010

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	unqualified		
Internal control over financial reporting:			
Material weakness identified?	_____ yes	X	no
Significant deficiency identified not considered to be material weaknesses?	_____ yes	X	none reported
Noncompliance material to financial statements noted?	_____ yes	X	no

Federal Awards

Internal Control over major programs:			
Material weakness identified?	_____ yes	X	no
Significant deficiency identified not considered to be material weaknesses?	_____ yes	X	none reported
Type of auditor's report issued on compliance for major programs:	unqualified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	_____ yes	X	no

Identification of major programs:

CFDA Number	Name of Federal Programs
17.258, 17.259 & 17.260	WIA Cluster
20.507	Federal Transit - Formula Grants
14.239	Home Investment Partnerships Program
14.228 & 14.255	CDBG – State's Program
14.218	CDBG/Entitlement
93.569 & 93.710	Community Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	$ 1,043,311		
Auditee qualified as low-risk auditee?	X yes	_____	no

Cobb County, Georgia
Schedule of Findings and Questioned Costs
Year Ended September 30, 2010

Section II- Financial Statement Findings

None Reported

Section III - Federal Award Findings

None Reported

Cobb County, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2010

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through or Grant Number	Expenditures
U. S. Department of Defense			
Pass-through:			
Ga. Office of Treasury and Fiscal Services	12.112	--	$ 15,173
U. S. Department of Homeland Security			
Pass-through United Way of America:			
Emergency Food and Shelter Grant	97.024	LR0-005	19,355
Emergency Food and Shelter Grant Stimulus	97.114	LRD-005	4,540
			23,895
Pass-through Georgia Emergency Management Agency:			
GA Department of Homeland Security Grant - EMPG Program	97.042	P08-9-016	23,879
GA Department of Homeland Security Grant - EMPG Program	97.042	OME09-034	100,000
GA Department of Homeland Security Grant - EMPG-SRR Program	97.042	OME09-034	24,981
GA Department of Homeland Security Grant - EMPG Program	97.042	OME10-034	1,597
			150,457
GA Department of Homeland Security Grant - CERT Program	97.067	2007-GE-T7-0054	716
GA Department of Homeland Security Grant - CERT Program	97.067	2008-GE-T8-0017	13,460
GA Department of Homeland Security Grant - CERT Program	97.067	2009-SS-T9-0047	5,591
GA Department of Homeland Security Grant - SHSP Program	97.067	2008-GE-T8-0017	57,561
GA Department of Homeland Security Grant - SHSG Program	97.067	2008-GE-T8-0017	37,481
GA Department of Homeland Security Grant - LETP Program	97.067	2007-GE-T7-0054	13,500
			128,309
GA Department of Homeland Security Grant - PDMG Program	97.047	PDM-PL-04-GA-2008-002	31,340
Total for U. S. Department of Homeland Security			334,001
U.S. Department of Health and Human Services			
Pass-through Georgia Department of Human Resources:			
CSBG Cluster			
Community Services Block Grant	93.569	427-93-09090968-99	577,766
ARRA - Community Services Block Grant	ARRA - 93.710	427-93-09090968-99	649,305
			1,227,071
Child Support Enforcement	93.563	42700-401-0000004859	143,170
Child Support Enforcement	93.563	401-000000-3193	479,463
			622,633

Cobb County, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2010

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through or Grant Number	Expenditures
Pass-through Atlanta Regional Commission:			
Social Services Block Grant	93.667	AG1112	132,822
Aging Cluster			
Special Programs for the Aging - Title III, Part B	93.044	AG1112	184,031
Special Programs for the Aging - Title III, Part C	93.045	AG1112	415,570
ARRA - Aging Congregate Nutrition Services for States	ARRA - 93.707	AG0942	80,154
Nutrition Services Incentive Program	93.053	AG1112	35,249
			715,004
National Family Caregiver Support Title III, Part E	93.052	AG1112	49,319
Total for U. S. Department of Health and Human Services			2,746,849
U.S. Department of Housing and Urban Development			
Direct Grants:			
Homelessness Prevention and Rapid Re-Housing Program	14.257	--	617,351
Community Development Block Grant/ Entitlement	14.218	--	2,871,974
Home Investment Partnership	14.239	--	3,184,442
Emergency Shelter Grants Program	14.231	--	108,049
CDBG Cluster			
ARRA - Community Development Block Grant/ Entitlement	ARRA -14.255	--	95,718
Neighborhood Stabilization Program	14.228	--	1,950,807
Pass-through Georgia Department of Community Affairs:			
Neighborhood Stabilization Program	14.228	08-NS-5056	221,217
			2,267,742
Total for U. S. Department of Housing and Urban Development			9,049,558
U. S. Department of Energy			
Emergency Efficiency and Conservation Block Grant	81.128	--	870,511

Cobb County, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2010

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through or Grant Number	Expenditures
U.S. Department of Justice			
Direct Grants:			
Office of Justice Programs:			
COPS Technology Initiative III	16.710	2008CKWX0626	48,900
COPS Technology Initiative III	16.710	2009CKWX0211	675,000
			723,900
Pass-through Georgia Council of Juvenile Court Judges:			
Purchases of Services 10	16.540	2007-JB-FX-0049	9,700
National CASA 2011	16.547	GA10109-10-0710-U1	7,349
			17,049
Pass-through Georgia Criminal Justice Coordinating Council:			
Victims of Crime	16.575	C09-8-042	64,394
Victims Witness Assistance	16.803	B82-8-007	50,585
VAWA Recovery	16.588	W82-8-011	9,645
			124,624
Pass-through Metro Atlanta Project Pact:			
Local Law Enforcement Block Grant	16.738	2007-DJ-BX-0365	30,461
Local Law Enforcement Block Grant	16.738	2008-DJ-BX-0200	23,869
Local Law Enforcement Block Grant	16.738	2009-DJ-BX-0516	153,349
Local Law Enforcement Block Grant	16.803	2009-SB-B9-0003	91,790
Local Law Enforcement Block Grant	16.738	2009-SB-B9-0913	543,660
			843,129
Total for U. S. Department of Justice			1,708,702
U.S. Department of Labor			
Pass through Georgia Department of Labor:			
Workforce Investment Act (WIA) Cluster			
Adult Program	17.258	11-10-11-03-004	297,130
	17.258	11-09-11-03-004	305,079
	17.258	10-09-11-03-004	131,341
Youth Program	17.259	15-08-11-03-004	545,363
	17.259	15-09-11-03-004	619,958
Dislocated Worker Program	17.260	30-09-11-03-004	236,183
	17.260	31-10-11-03-004	1,147,664
	17.260	30-10-11-03-004	264,606
ARRA - Adult Program	ARRA - 17.258	32-09-11-03-004	400,986
ARRA - Youth Program	ARRA - 17.259	33-09-11-03-004	186,655
ARRA - Dislocated Worker Program	ARRA - 17.260	34-09-11-03-004	1,426,240
	ARRA - 17.260	35-10-09-03-004	235,191
	ARRA - 17.260	20-10-TY-03-134	971,116
Total for U. S. Department of Labor			6,767,512

Cobb County, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2010

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through or Grant Number	Expenditures
U.S. Department of Transportation			
Direct Grants:			
Federal Aviation Administration			
Runway Improvement Project	20.106	--	135,800
			135,800
Federal Transit Administration			
Capital Improvement, Sect.9	20.507	--	1,632,821
Surface Transportation Program	20.507	--	87,859
Job Access and Reverse Commute Program	20.507	--	670,599
Discretionary	20.507	--	2,166,114
Capital Improvements	20.507	--	4,808,645
ARRA - Urbanized Area Formula Program	ARRA - 20.507	GA-96-X002-01	3,729,773
			13,095,811
New Freedom Program	20.521	--	44,270
			13,140,081
Pass-through Georgia Dept Motor Vehicle Safety			
Motor Carrier Safety Assistance	20.218	MC-05-13-1	18,720
Total for U.S. Department of Transportation			13,294,601
U. S. Department of Treasury			
Social Security-Inmate Reporting Incentives			56,800
Total Federal Financial Awards			$ 34,843,707

Cobb County, Georgia
Notes To Schedule Of Expenditures Of Federal Awards
For The Fiscal Year Ended September 30, 2010

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards received by Cobb County, Georgia. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included in this schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1C of the County's financial statements.

3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

Cobb County, Georgia
Summary Schedule of Prior Year Findings
Fiscal Year Ended September 30, 2010

NONE REPORTED

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Finance Department
100 Cherokee Street, Suite 400
Marietta, GA 30090
770-528-1503

www.CobbCounty.org