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COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED SEPTEMBER 30, 2016



COBB COUNTY GOVERNMENT
MARIETTA, GEORGIA

COBB COUNTY, GEORGIA

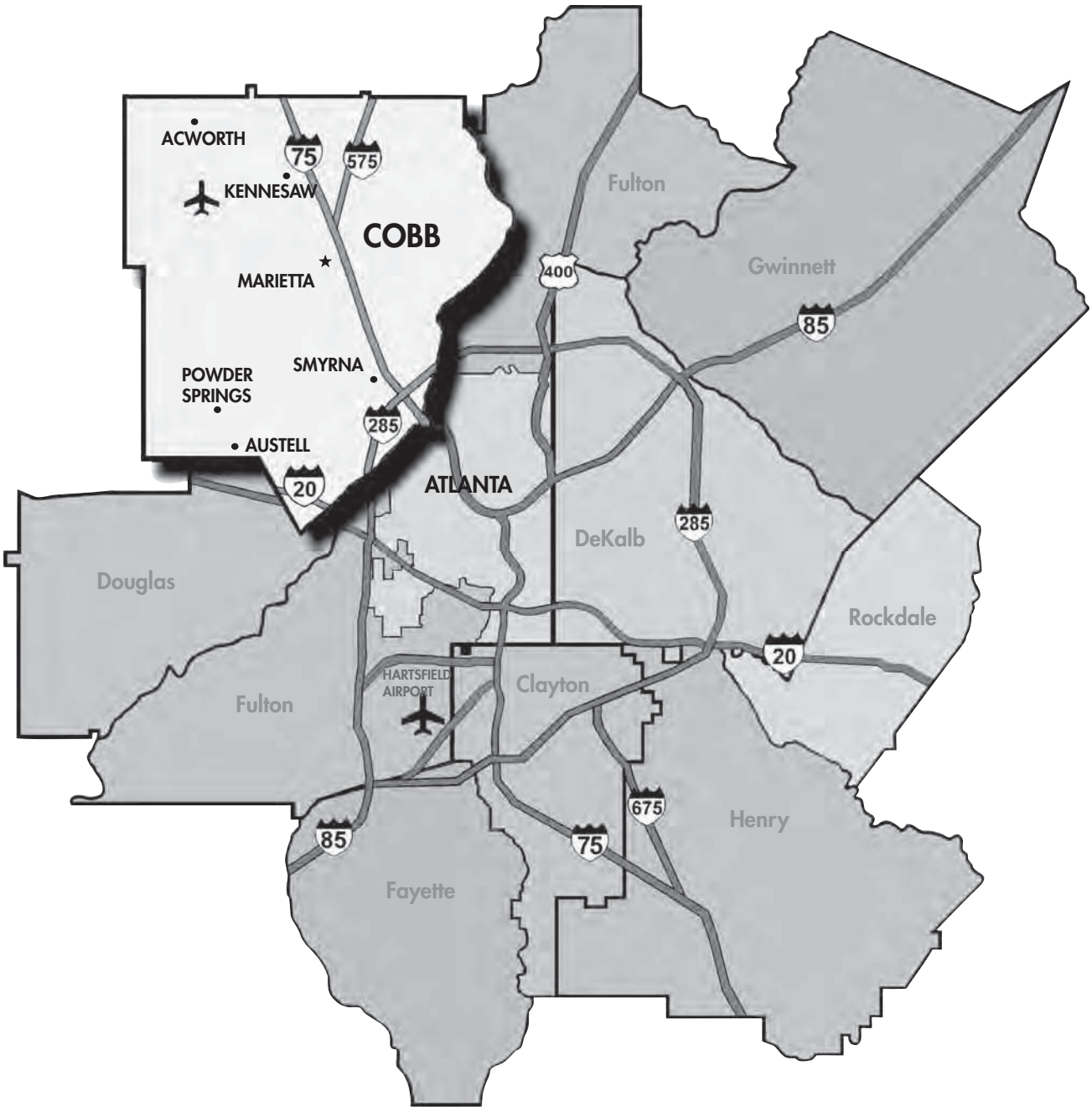
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2016

James Pehrson, CPA
Director of Finance/Comptroller

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

Metro Atlanta



COBB COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2016

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INTRODUCTORY SECTION

The Introductory Section includes a transmittal letter from the Director of Finance/Comptroller, a general government organization 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.

From the desk of:
JAMES D. PEHRSON, CPA
DIRECTOR and COMPTROLLER
jpehrson@cobbcounty.org

OFFICE OF FINANCE
& ECONOMIC DEVELOPMENT



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March 14, 2017

The Honorable Mike Boyce, 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, 2016, 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.

Nichols, Cauley & Associates, LLC, Certified Public Accountants, have issued an unmodified opinion on the Cobb County financial statements for the fiscal year ended September 30, 2016. 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 Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), audits of programs receiving federal grants have been performed for the fiscal year ended September 30, 2016. 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 22% since 2000 when approximately 607,751 people resided in the County. Based on the Woods & Poole Economic 2016 Data Pamphlet, Cobb's population is estimated to be 741,334. 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 741,334 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, four component units are included in these financial statements because of its operational and financial relationships to the County. The Cobb-Marietta Coliseum and Exhibit Hall Authority, a blended component unit, operates a multi-use exhibit hall and convention facility in the County. The South Cobb Redevelopment Authority (SCRA), a blended component unit, purposes is to revitalize and redevelop areas that have been underinvested or underutilized in the past. The overall intent is to promote and create favorable location for trade, commerce, industry, and employment opportunities. The Cobb County Board of Health provides a variety of health related services in the County. The ArtsBridge Foundation was organized for the purpose of receiving contributions and making grants and distributions to the Authority to support the construction and operation of the Performing Arts Centre. Additional information on these legally separate entities can be found under the Basic Financial Statements section.

Local Economy

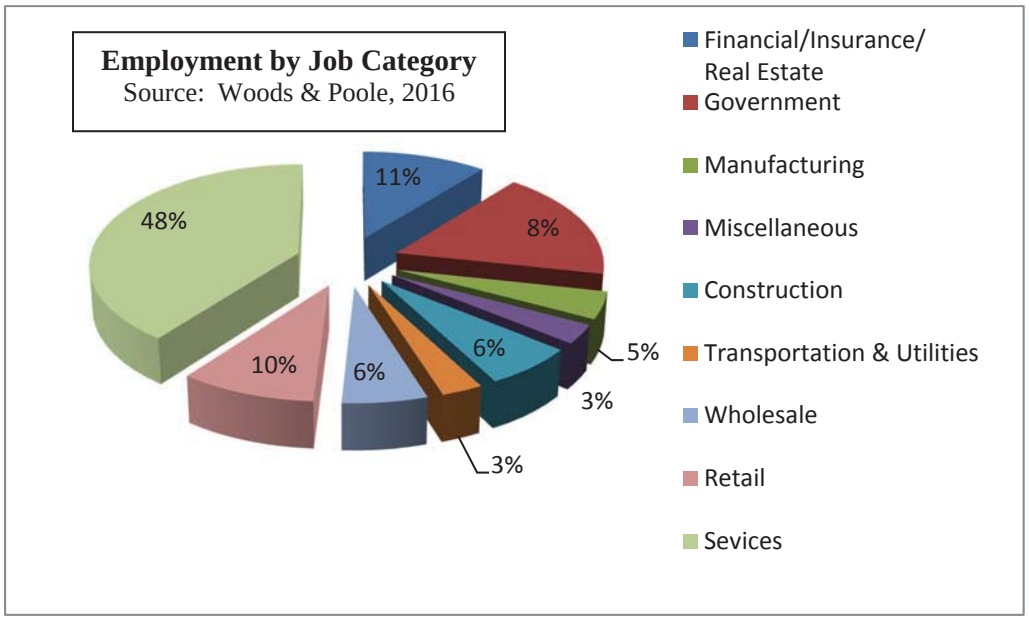
Cobb County is part of a very select group that includes less than 1% of counties nationwide to have achieved a Triple-Triple A credit rating, and this achievement has been accomplished for the twentieth consecutive year. In 1995, Moody's Investor Services awarded Cobb its first AAA rating citing strong 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. Cobb employs more than 497,160 within its boundaries and currently, there are approximately 30,000 licensed businesses. The County's unemployment rate was 4.5% which is lower than the State of Georgia (5.1%) and the United States (4.9%).

The County is highly-regarded for its pro-business environment, a product of careful planning, cooperation with other local governments, and progressive leadership which, over the years, has generated a strong and diverse economy that is not dependent on any one industry or sector. Major national and international companies are represented in the County. Some of the top employers in Cobb County include, the Home Depot, Cobb County Schools, WellStar, Lockheed Martin and Kennesaw State University to name a few.

On November 11, 2013, the Atlanta Braves organization announced their partnership with the County that will bring the new world-class Major League Baseball stadium and integrated mixed-use development to Cobb County. The construction of the new stadium began in the second half of 2014 and will be completed by Opening Day 2017. This partnership will bring an estimated 5,227 construction jobs, 3,141 ongoing ballpark jobs, as well as an increase in visitor spending, resulting in 873 jobs to the County.

According to Woods & Poole Economics (2016 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.



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 November 2014, 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. The SPLOST tax will be collected from January 1, 2016 to December 31, 2021. A complete list of the projects and further details regarding the program is available at the website: www.cobbsplost2016.org. Since this SPLOST began, the improvements

total: $43.8 million Transportation Projects; $2.5 million Parks Projects; $3.1 million Support Services Projects and $271.1 million for Public Safety Projects. Additionally, $25.3 million has been disbursed to the six municipalities within Cobb County. Total revenue generated for the SPLOST program since this SPLOST began is $104.9 million with expenditures totaling $83.2 million.

In March 2011, voters approved the Special Purpose Local Option Sales Tax (SPLOST) that ceased collections in December 2015. Since this SPLOST began, the improvements total: $246.4 million Transportation Projects; $72.8 million Parks Projects; $16.9 million Support Services Projects and $11.3 million for Public Safety Projects. Additionally, $140.6 million has been disbursed to the six municipalities within Cobb County. Total revenue generated for the SPLOST program since this SPLOST began is $585.3 million with expenditures totaling $488.1 million.

In September 2005, voters approved a one cent the Special Purpose Local Option Sales Tax (SPLOST) that ceased collections in December 2011. Since this SPLOST began, the improvements total: $485.3 million Transportation Projects; $195.9 million Public Safety Projects, and $124.2 million has been disbursed to the six municipalities within Cobb County. Total revenue generated for the SPLOST program since this SPLOST began is $876.2 million with expenditures totaling $805.4 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	$0	$0	0.00%	0.00%
Total General Obligation Direct Debt	$10,490,000	$14.15	0.01%	0.03%
Total Primary Government Debt	$819,669,320	$1,105.69	0.98%	2.45%

Outstanding General Obligation Bonds at September 30, 2016 totaled $10,490,000.

Cobb's legal General Obligation Bond debt limitation by state law is 10% of the taxable digest or $3,341,064,769. Cobb County currently is utilizing 0.31% of this limitation with its $10,490,000 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. Two additional loans in the amount of $25 million and $35 million were requested in FY 2011 [however, only $49.9 million was received in FY2011]. One additional loan in the amount of $35 million was requested in FY 2012 [however, only $27.1 million was received in FY2012]. 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, 2016, is $138,736,509.

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.

County-Owned Transit System The County's bus service, recently rebranded as CobbLinc, continues to meet its goals of providing the citizens of Cobb County with a safe, reliable, attractive and cost effective public transportation system. In 2016, CobbLinc riders took nearly 2.7 million trips. CobbLinc continues with the Breeze Fare Collection System which allows passengers to be able to easily transfer between CobbLinc and MARTA. In 2016 CobbLinc replaced 35 buses with new Wi-Fi-equipped buses and continue to add and update routes, providing better access for more people than ever before.

SPLOST Projects Every project funded by the 2011 and 2016 SPLOSTs will improve the quality of life in Cobb County by maintaining, improving and enhancing County parks, transportation, infrastructure, public safety, libraries, senior services, judicial, and public health facilities.

SPLOST - Transportation With the 2011 and 2016 SPLOST programs proceeding on schedule and on track, improvements to Cobb County's transportation system steadily move along. The 2011 SPLOST program to date has approximately 205 transportation projects that are underway or completed while the 2016 SPLOST program has 60 transportation projects that are underway or completed.

SPLOST Transportation Project Highlights from 2016:

- Floyd Road Improvements $4.8M , estimated completion date October 2016
- South Barrett Reliever, Phase 2 $5.4M, estimated completion date Fall 2017
- Windy Hill Road Corridor Improvements,$15.2M, estimated completion date January 2017
- Countywide Resurfacing Projects, contracts of $110.1M, 1,529 roads and 496 miles

SPLOST – Public Safety Public Safety enhancements include adding apparatus/vehicles to increase response capability through-out the county, as well as the renovation of existing facilities.

SPLOST Public Safety Project Highlights from 2016:

- Upgraded 800Mhz radio system $13.4M
- Purchased vehicles and equipment $10M

SPLOST –Public Services: Funding for these projects will be used for parks, library, and senior center improvements to benefit the citizens of Cobb County.

SPLOST Park projects completed in 2016:

District 1
- Fair Oaks Park Tennis Center Building
- Lost Mountain Park Upper Hub Restroom Building Renovation
- J.T. Anderson Theater Roof Replacement and Interior Lighting System
- Civic Center Renovation and Addition, Parking Lot Pavement and Lighting
- Perry Parham Park Concession / Restroom Building
- Big Shanty Park Field Renovation, Concession/Restroom Renovation

District 2
- East Cobb Park Restroom Renovation
- Fullers Park Groundwater Well – Exploration and Drilling

District 3
- Shaw Park – Association Storage Building Roof Replacement
- Bells Ferry Park Field Renovation
- Eastern District Office Building at Noonday Creek Park
- Sweat Mountain Park Field Renovation, Concession/Restroom Building, Dog Park Improvements, Pedestrian Bridge

District 4

- Wild Horse Creek Park Athletic Field Renovation, Maintenance Building, Concession/Restroom Building, Relocate and Rebuild BMX Bicycle Track
- Hurt Road Park Parking Lot and Access Roadway Repaving
- Jim R. Miller Park New Restroom Buildings at Camp Road and at Arena/Plaza
- Sweetwater Park New Tennis Center building
- Heritage Park Boardwalk Renovation
- Milford Park Athletic Field Renovation, New Concession/Restroom
- Nickajack Park Athletic Field Renovation, New Concession/Restroom, Parking Lot Repaving
- Powder Springs Park Athletic Field Renovation, New Concession/Restroom, New Maintenance Building

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 within restricted, committed, or assigned 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, 2015. This represented the thirtieth 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.

In addition, the County received its nineteenth consecutive GFOA Award for Distinguished Budget Presentation for its biennial operating budget which was presented in the FY 15/16 Biennial Budget document. The FY 17/18 Biennial Budget document is the twentieth consecutive submission for this award and is currently under review by GFOA. To qualify for the Distinguished Budget Presentation Award, the County's budget document must be reviewed by several independent GFOA members and rated as proficient in several categories as a policy document, financial plan, operational guide and a communications device.

The Water System Fund received several awards throughout FY16. The following water reclamation facilities received platinum awards from the Georgia Association of Water Professionals: Northwest, Noonday, South Cobb, and R.L. Sutton.

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,



William Volckmann
Interim Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Cobb County

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

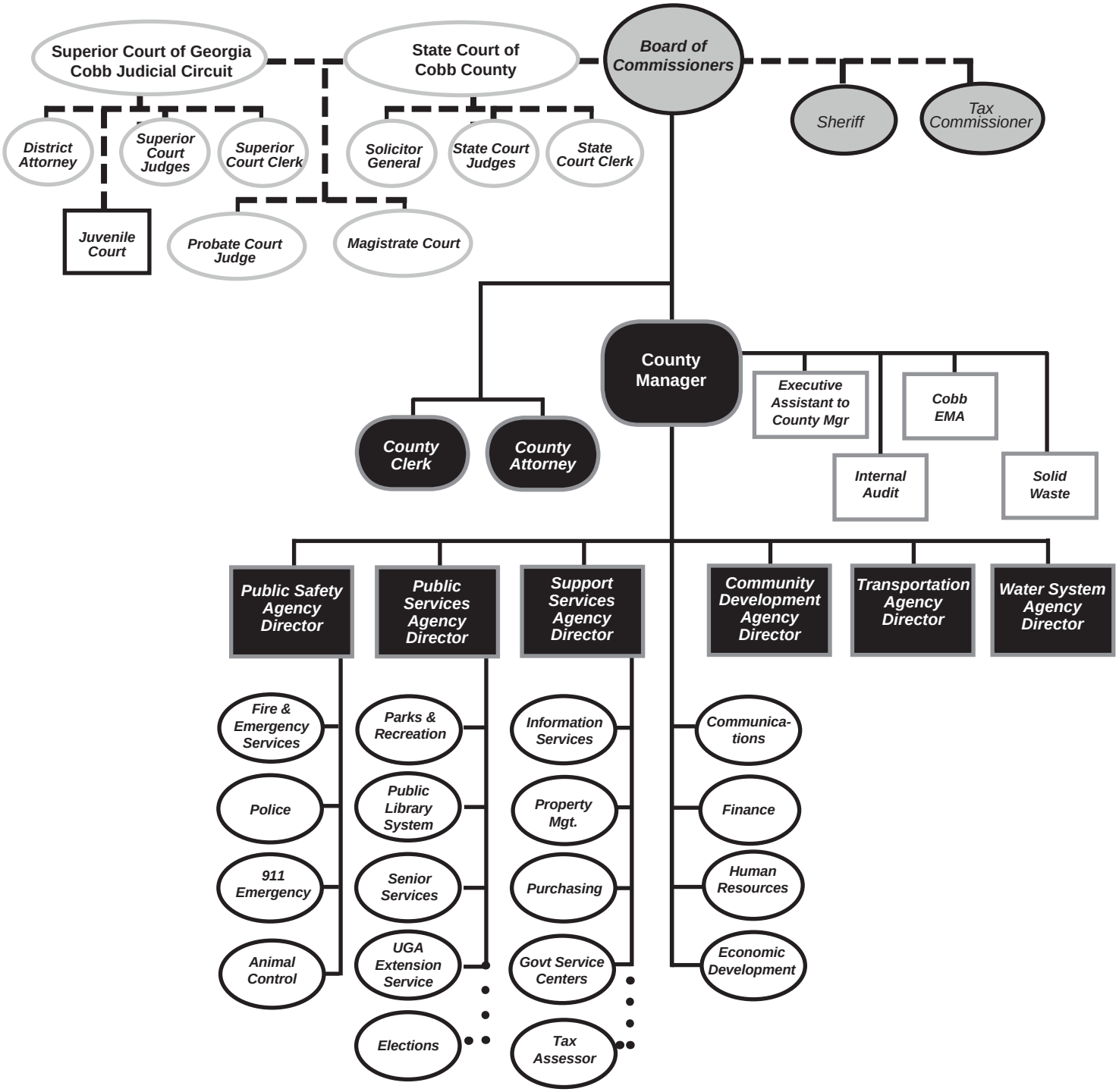
September 30, 2015



Executive Director/CEO

Cobb County Government Organizational Chart

Cobb County…Expect the Best!



rev 7/08

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.

COBB COUNTY BOARD OF COMMISSIONERS

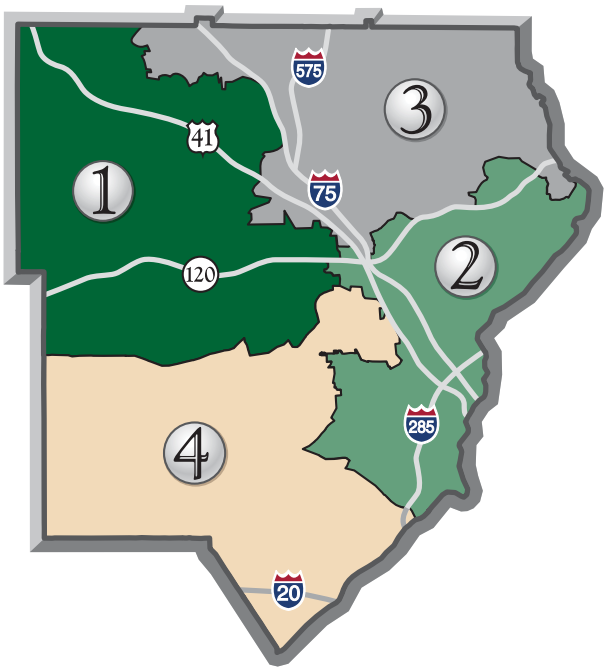
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770-528-3305
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Assistants: Millie Rogers and Charlotte Collins



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Assistant: Shannon Woody





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Assistant: Inger Eberhart



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Assistant: Bianca Keaton



District Two Commissioner
Bob Ott
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Assistant: Thea Powell



County Manager
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Assistant: Judy Humphries

Cobb County, Georgia

County Manager
David Hankerson

Finance Department

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

Assistant Comptroller ..... Bill Volckmann

Accounting Division Manager ..... Lindy Tisdel, CPA

Accounts Payable Division Manager ..... Stefani Balli

Economic Development Division Manager ..... Michael Hughes

Payroll Division Manager ..... Maureen Claffy

Risk Division Manager ..... Brett LaFoy

Treasury Division Manager ..... Buddy Tesar

Budget Administrator ..... Susan Revill



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.

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kennesaw@nicholscauley.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Mike Boyce, Chairman
Members of the Cobb County Board of Commissioners
Cobb County, Georgia

Report on the Financial Statements

We have audited the accompanying 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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Cobb County, Georgia, as of September 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Fire District Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liability and related ratios, the schedule of pension contributions, schedule of pension investment returns, the OPEB trust fund schedule of funding progress, and the OPEB trust fund schedule of employer contributions, on pages 4 through 16 and pages 80 through 85 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

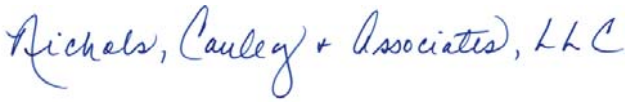
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cobb County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, supplemental information, the statistical section, the schedule of projects constructed with special sales tax proceeds, the water and sewer fund comparative statement of revenues and expenses, and the schedule of expenditures of federal awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Projects Constructed with Special Sales Tax Proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, supplemental information, the schedule of projects constructed with special sales tax proceeds, the water and sewer fund comparative statement of revenues and expenses, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, supplemental information, the schedule of projects constructed with special sales tax proceeds, the water and sewer fund comparative statement of revenues and expenses, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2017, on our consideration of Cobb County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cobb County, Georgia's internal control over financial reporting and compliance.



Kennesaw, GA

March 14, 2017



MANAGEMENT'S DISCUSSION & ANALYSIS

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, 2016. 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.

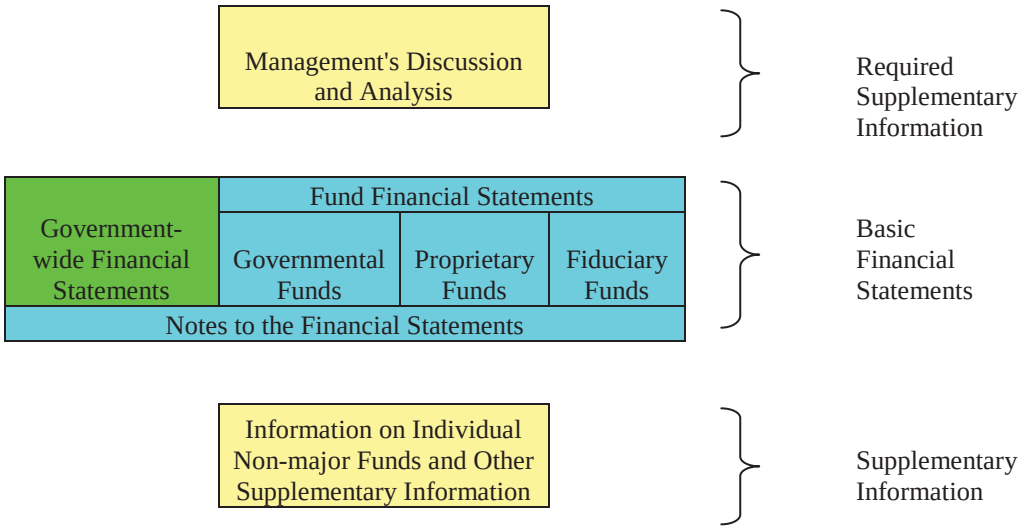
Financial Highlights

Key financial highlights for FY16 are as follows:

- The County's combined net position totaled $4.7 billion. Of this amount, $295.9 million is restricted for renewal and expansion, debt service, and various projects and programs.
- Combined revenue totaled $1.03 billion of which governmental activities totaled $766.9 million and business-type activities totaled $261.1 million.
- Overall expenses totaled $858.1 million of which governmental activities totaled $640.5 million and business-type activities totaled $217.6 million.
- At the end of September 30, 2016, governmental activities expenses exceeded program revenues, resulting in the use of $382.6 million in general revenues (mostly taxes).
- At September 30, 2016, the County's General Fund reported an unassigned fund balance of $52.9 million.

Overview of the Financial Statements

This is the twelfth 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:



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 Position and the Statement of Activities which are described below.

The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with residual of all other elements reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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, Performing Arts Centre, Solid Waste Operations, Transit, Golf Course Operations, and Galleria Specialty Shops.

The government-wide financial statements include not only Cobb County Government and its two blended component units Cobb-Marietta Coliseum and Exhibit Hall Authority and the South Cobb Redevelopment Authority (SCAR), but also a legally separate Arts Bridge Foundation and a separate Board of Health for which the government is financially accountable. Financial information for the ArtsBridge Foundation and the Cobb County Board of Health are 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, Street Light District, Law Library, Community Services, Grant, Housing and Urban Development Grant, Hotel/Motel Tax, Emergency 911, Parking Deck Facility, Six Flags Service District, Cumberland Special Service District 1, Cumberland Special Service District 2, CMCEHA and 800 MHz); Debt Service Funds; and the Capital Projects Funds (Public Facilities, SPLOST, SCRA Construction, CMECHA Stadium Construction and Stadium). 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, Stadium Construction Fund, CMCEHA Stadium Construction Fund and the SPLOST Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 19-24.

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, Performing Arts Centre Fund, Galleria Specialty Shops, 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 and the Performing Arts Centre Fund which are considered to be major funds of the County. The basic proprietary fund financial statements can be found on pages 25-29 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 eleven fiduciary funds; nine 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, the Child Support, Witness

and Jurors' Fees, and two trust funds for the Pension Fund, and the Other Post Employment Benefit Fund. The basic fiduciary funds financial statements can be found on pages 30-31 of this report.

Component Units

Cobb County has four component units; Cobb-Marietta Coliseum and Exhibit Hall Authority, the South Cobb Redevelopment Authority (SCAR), the ArtsBridge Foundation and the Cobb County Board of Health. The Cobb-Marietta Coliseum and Exhibit Hall Authority and the South Cobb Redevelopment Authority (SCAR) are reported as blended component units, and the ArtsBridge Foundation and the Cobb County Board of Health are discretely presented component units. The component units are included in the financial statements because of their operational and financial relationship 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 ArtsBridge Foundation and the Cobb County Board of Health are as of and for the year ended September 30, 2016 and June 30, 2016, respectively.

Budgetary Comparisons

Cobb County adopts an annual appropriated budget for the General Fund, Special Revenue Funds, and the Debt Service Funds. A budgetary comparison statement has been provided for the General Fund and Fire District Special Revenue Fund and can be found on pages 23-24. Budget to actual comparisons for some of the non-major 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 32-79 of this report.

Government-wide Financial Analysis

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's combined net position (government and business-type activities) totaled $4.7 billion at September 30, 2016.

The following table provides a summary of the County's governmental and business-type net position for fiscal years 2016 and 2015:

Cobb County, Georgia
Statement of Net Position

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	Total 2016	Total 2015
Assets:						
Current assets	$ 524,786,454	$ 746,462,026	$ 122,550,062	$ 117,107,932	$ 647,336,516	$ 863,569,958
Other - noncurrent	9,024,844	8,209,455	893,821	800,551	9,918,665	9,010,006
Capital assets - net	3,796,272,915	3,428,936,371	1,722,849,486	1,711,972,639	5,519,122,401	5,140,909,010
Total assets	$ 4,330,084,213	$ 4,183,607,852	$ 1,846,293,369	$ 1,829,881,122	$ 6,176,377,582	$ 6,013,488,974
Deferred Outflows of Resources						
Deferred outflows related to pensions	$ 104,768,479	$ 61,150,274	$ 9,908,052	$ 5,783,039	$ 114,676,531	$ 66,933,313
Deferred charges on bond refunding	1,298,373	1,584,973	-	-	1,298,373	1,584,973
Total deferred outflows	$ 106,066,852	$ 62,735,247	$ 9,908,052	$ 5,783,039	$ 115,974,904	$ 68,518,286
Total Assets and Deferred Outflows of Resources	$ 4,436,151,065	$ 4,246,343,099	$ 1,856,201,421	$ 1,835,664,161	$ 6,292,352,486	$ 6,082,007,260
Liabilities						
Current liabilities	$ 108,878,974	$ 97,650,098	$ 38,156,045	$ 33,013,733	$ 147,035,019	$ 130,663,831
Long-term liabilities (net)	1,052,106,892	994,046,240	369,735,147	393,959,407	1,421,842,039	1,388,005,647
Total liabilities	$ 1,160,985,866	$ 1,091,696,338	$ 407,891,192	$ 426,973,140	$ 1,568,877,058	$ 1,518,669,478
Deferred Inflows of Resources						
Deferred inflows related to pensions	$ -	$ 8,650,795	$ -	$ 818,113	$ -	$ 9,468,908
Deferred gain on bond refunding	457,095	523,300	1,359,556	1,553,779	1,816,651	2,077,079
Total deferred inflows	$ 457,095	$ 9,174,095	$ 1,359,556	$ 2,371,892	$ 1,816,651	$ 11,545,987
Total Liabilities and Deferred Inflows of Resources	$ 1,161,442,961	$ 1,100,870,433	$ 409,250,748	$ 429,345,032	$ 1,570,693,709	$ 1,530,215,465
Net Position						
Net investment in capital assets	$ 3,318,300,453	$ 3,165,004,359	$ 1,420,350,770	$ 1,382,534,953	$ 4,738,651,223	$ 4,547,539,312
Restricted	261,643,812	296,312,716	34,265,586	26,807,385	295,909,398	323,120,101
Unrestricted	(305,236,161)	(315,844,409)	(7,665,683)	(3,023,209)	(312,901,844)	(318,867,618)
Total net position	$ 3,274,708,104	$ 3,145,472,666	$ 1,446,950,673	$ 1,406,319,129	$ 4,721,658,777	$ 4,551,791,795

100% of the County's net position reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, sidewalks, water lines and sewer lines) less any related debt used to acquire those assets that is still outstanding. Net investment in capital assets increased by $190.1 million (4.2%) in FY16.

The County uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. At the end of the current fiscal year, the County is able to report positive balances in all categories of net position for the governmental activities.

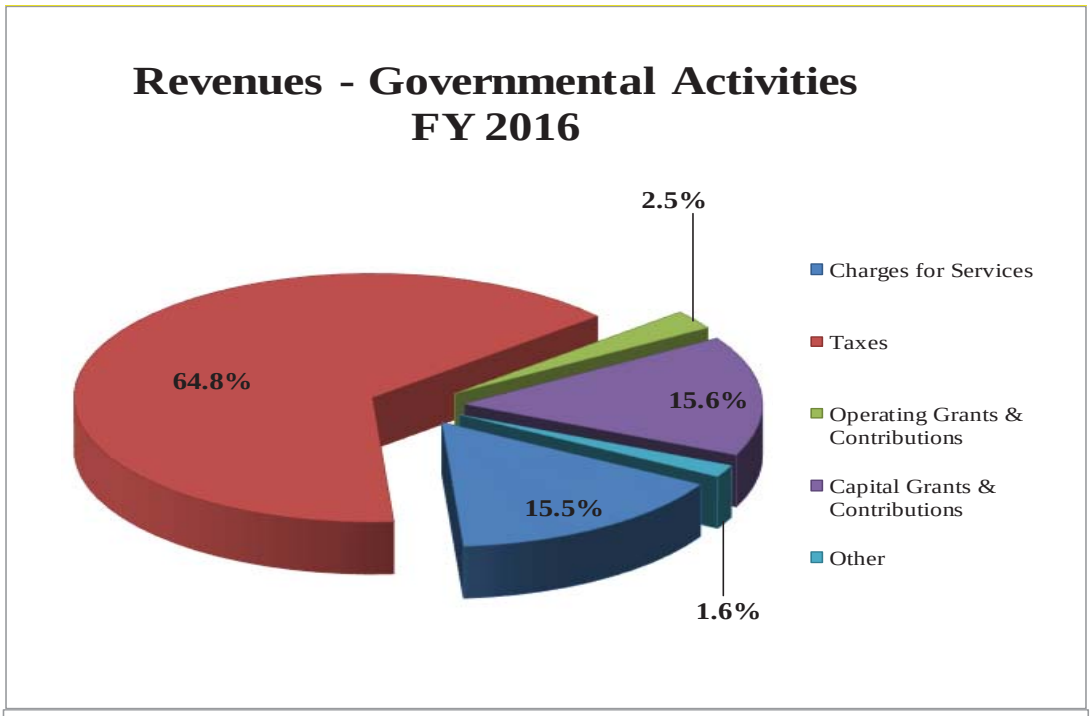
Changes in Net Position

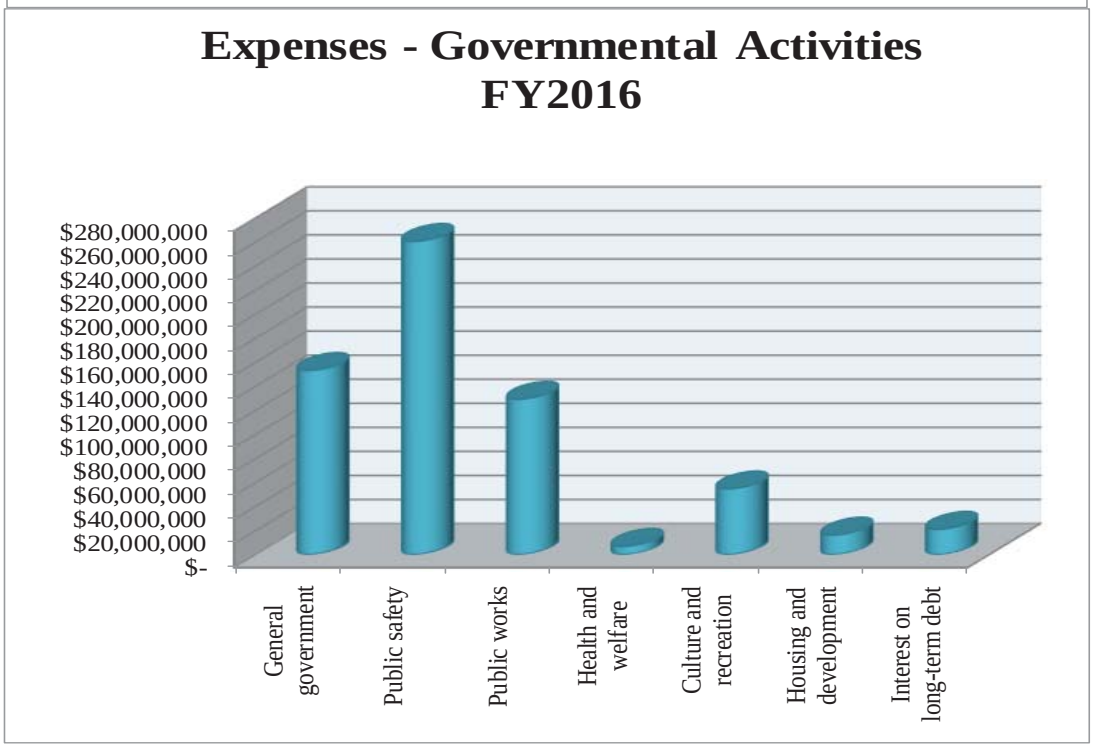
Governmental and business-type activities increased the County's net position by $169.9 million in FY16. The following table indicates the changes in net position for governmental and business-type activities in FY16 and FY15:

	Governmental Activities 2016	Governmental Activities 2015	Business-type Activities 2016	Business-type Activities 2015	Total 2016	Total 2015
Revenues:						
Program Revenues:						
Charges for Services	$ 118,888,135	$ 112,212,668	$ 222,735,643	$ 215,460,445	$ 341,623,778	$ 327,673,113
Operating Grants & Contributions	19,455,937	22,416,730	3,443,307	-	22,899,244	22,416,730
Capital Grants & Contributions	119,580,091	41,017,800	34,058,991	17,684,800	153,639,082	58,702,600
General Revenues:					-	-
Property Taxes	296,940,107	301,401,010	-	-	296,940,107	301,401,010
Other Taxes	199,555,237	195,808,570	-	-	199,555,237	195,808,570
Other	12,516,515	16,099,912	818,160	356,581	13,334,675	16,456,493
Total Revenues	$ 766,936,022	$ 688,956,690	$ 261,056,101	$ 233,501,826	$ 1,027,992,123	$ 922,458,516
Expenses:						
General government	$ 152,978,160	$ 138,660,902	$ -	$ -	$ 152,978,160	$ 138,660,902
Public safety	260,257,459	235,115,102	-	-	260,257,459	235,115,102
Public works	129,004,776	131,167,118	-	-	129,004,776	131,167,118
Health and welfare	6,717,051	6,519,036	-	-	6,717,051	6,519,036
Culture and recreation	54,545,427	48,839,786	-	-	54,545,427	48,839,786
Housing and development	16,113,070	18,376,639	-	-	16,113,070	18,376,639
Interest on long-term debt	20,911,456	15,275,354	-	-	20,911,456	15,275,354
Water and Sewer	-	-	182,120,179	173,041,157	182,120,179	173,041,157
Solid Waste	-	-	710,965	737,827	710,965	737,827
Transit	-	-	22,531,352	22,965,800	22,531,352	22,965,800
Cobblestone Golf Course	-	-	1,623,370	1,449,393	1,623,370	1,449,393
Galleria speciality shops	-	-	883,963	963,200	883,963	963,200
Performing arts centre	-	-	9,727,913	9,516,067	9,727,913	9,516,067
Total Expenses:	$ 640,527,399	$ 593,953,937	$ 217,597,742	$ 208,673,444	$ 858,125,141	$ 802,627,381
Increase in net position before transfers	$ 126,408,623	$ 95,002,753	$ 43,458,359	$ 24,828,382	$ 169,866,982	$ 119,831,135
Transfers	2,826,815	2,706,577	(2,826,815)	(2,706,577)	-	-
Increase in net position	$ 129,235,438	$ 97,709,330	$ 40,631,544	$ 22,121,805	$ 169,866,982	$ 119,831,135
Net Position - beginning	$ 3,145,472,666	$ 3,047,763,336	$ 1,406,319,129	$ 1,384,197,324	$ 4,551,791,795	$ 4,431,960,660
Net Position - ending	$ 3,274,708,104	$ 3,145,472,666	$ 1,446,950,673	$ 1,406,319,129	$ 4,721,658,777	$ 4,551,791,795

Governmental Activities

Governmental activities increased the County's net position by $129.2 million thereby accounting for 76.1% of the total growth in net position.





Business-type Activities
Business-type activities increased the County's net position by $40.6 million thereby accounting for 23.9% of the total growth in net position.

Changes in Overall Net Position from Operating Results
Revenues
The County's total revenue increased 11.4%, or $105.5 million, in FY16. The County's increase in revenue was caused by an increase of $14 million in Charges for Services and $94.9 million increase in Capital Grants.

Expenses
The County's total expenses increased 6.9%, or $55.5 million, in FY16. $46.6 million of this increase is related to governmental activities and $8.9 million is related to business-type activities. The three functions that had the largest increases over the prior year were Public safety ($25.1 million), General government ($14.3 million), and Water and sewer ($9.1 million).

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 unassigned 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 FY16 with strong fund balances in its governmental funds. The combined balance of all the governmental funds is $386.3 million. Of this total, $46.1 million or 11.9% represents 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 $52.9 million, and total fund balance was $102.7 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 15.5% of total general fund operating expenditures and total fund balance represents 30.0% of that same amount.

The fund balance of the General Fund decreased $813 thousand in FY16 for a total of $102.7 million. The Board of Commissioners made a collaborative effort to focus on maintaining the county's excellent financial position. Revenues remained flat while operating expenditures increased approximately $11.2 million (3.4%). The largest increases were in Public Safety and Culture and Recreation.

Total transfers out of the General Fund of $26.9 million represent the appropriation of funds to the Public Facilities Fund, Transit Fund, Solid Waste Fund, Water System Funds, CMCEHA Fund, and the Grant Fund.

Fire Fund
The Fire Fund is used to account for the operation of the fire department within the County. $35.3 million of fund balance is reported as restricted for construction and capital outlay while $19.8 thousand is

nonspendable due to inventories and prepaid items. The fund balance increased by $2.5 million during the current fiscal year mainly due to an increase in tax revenue. While total assets decreased by $11.4 million, total liabilities decreased by $13.8 million.

SPLOST Fund
The SPLOST Fund accounts for the financial resources provided from the 2006, 2011, and 2016 one percent Special Purpose Local Option Sales Tax. Such funds were approved by voter referendum for public safety and transportation projects, as well as parks, recreational and cultural affairs, and support services. At the end of the current fiscal year, the SPLOST Fund reported a fund balance of $186 million all of which is restricted for specific construction projects. Expenditures exceeded revenues by $13.5 million. Of the $186.6 million in expenditures, $27 million was spent on facility projects by the County's Property Management and Parks Divisions, $24.1 million for Public Safety, $96.6 million was spent on various DOT safety and improvement road, bridge and sidewalk projects, and $4.1 million was spent on principal and interest for capital leases. The remaining $34.9 million represents payments to the cities for their portion of SPLOST proceeds.

Stadium Construction and CMCEHA Stadium Construction Funds
These capital projects funds account for the issuance of the Series 2015 Bonds which were issued to finance, in part, the acquisition, construction, and equipping of the stadium project.

Non-major Funds:
Special Revenue Funds
The County uses Special Revenue Funds to account for the collection and disbursement of specific revenues that are legally restricted or committed 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, 800 MHz Fund, Streetlight District Fund, Six Flags Special Service District Fund, Cumberland Special Service District 1 and 2 Funds, and the CMCEHA Fund.

Non-major Special Revenue Funds' operating revenue totaled $74 million for the fiscal year ended September 30, 2016. Total operating revenues decreased by $1.9 million (2.5%). This decrease was attributed primarily to the timing of receipts of grant funds.

Operating expenditures of the non-major Special Revenue Funds totaled $56.1 million for FY16. Total Non-major Special Revenue Funds' operating expenditures increased by $1.2 million (2.2%).

The fund balance of the nonmajor Special Revenue Funds totaled $34.5 million. This was a decrease of $4.5 million from FY15.

BOC and CMCEHA Debt Service Funds
The Debt Service Funds 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 Funds had a total fund balance of $17.7 million, all of which is reserved for the payment of debt service.

Capital Project Funds
The County uses Capital Project 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 are accounted for in the Capital Project Funds until improvement projects are completed. The non-major Capital Project Funds' overall fund balance is $10.2 million. $17.0 million is non spendable, restricted or committed for specific construction and improvement projects and capital acquisitions which is offset by a negative unassigned fund balance of $6.8 million.

Operating expenditures exceeded operating revenues by $15.3 million for the non-major Capital Project Funds which was partially offset by transfers in of $7.5 million. In the Capital Project Funds, the primary

expenditures are accounted for in various Information Services computer replacement projects, county building construction and renovation projects, and stadium construction projects.

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 Funds:
Water and Sewer Fund
The Water and Sewer Fund, accounts for the operation of the water distribution system and sewage processing plants. Unrestricted net position of the Water and Sewer Fund at the end of the year amounted to $27.8 million. The fund had a change in net position of $29.9 million in FY16 mostly due to $17.8 million in capital contributions.

Performing Arts Centre Fund
The Performing Arts Centre Fund ended the year with negative unrestricted net position of $7.5 million. The fund had a negative change in net position of $798 thousand in FY16, which included depreciation expense of $2.7 million.

Non-major 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 $17.1 million; however, it generated a net income from operations before depreciation of $179 thousand. 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 FY16 landfill liability is $23.7 million.

The Cobblestone Golf Course Fund accounts for the operations and maintenance of the County's golf course. It ended FY16 with a net income from operations before depreciation of $159 thousand. However, overall change in net position (including depreciation, non-operating revenues and expenses) was $(250) for FY16 due to renegotiations of capital leases. Net position totaled $3.3 million.

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 ended FY16 with a change in net position of $11.6 million which was due largely to grants received for the purchase of new transit buses. Net position totaled $52 million at the end of the fiscal year.

The Galleria Specialty Shop Fund, accounts for the activities of the Authority's retail specialty shops. The Galleria Specialty Shop Fund's operating revenue increased $55.3 thousand (10.7%) from FY15 and total operating expenses decreased by $26.7 thousand (3.5%). Net position totaled $3.5 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 $12.3 million increase. The final budget is a result of increases in personal services ($3.9 million), operating expenditures ($5.2 million) and capital outlay ($3.0 million). The legislative departments recognized an overall $0.7 million increase in the final budgets for personal service and operating expenditures. The judicial departments recognized an overall $5.5 million increase in the final budgets for personal service, operating expenditures, and capital outlays. The executive and administrative departments recognized an overall $6.0 million increase in the final budgets for personal service, operating expenditures and capital outlay.

Public Safety

- Public Safety had an overall $9.2 million increase. Personnel services increased $4.7 million due to increased positions. Operating expenditures increased by $3.1 million mainly due to increased inmate medical and dental costs. Capital outlay increased $1.3 million primarily due to police department vehicle replacements.

Public works:

- Public works had an overall $1.9 million increase. This increase is due mainly to an increase in operating expenditures of $1.3 million for roadway maintenance contracts.

Culture and recreation:

- Culture and recreation had an overall increase of $5.8 million. Personnel services increased $1.7 million due to increased library staff. There was an increase in operating expenditures of $1.7 million to provide increased landscaping and other grounds and maintenance services at the various park locations. Capital outlay increased by $2.3 million for building and land improvements.

The County's final budget less reserves projected a loss of $20.0 million in the General Fund with the fund reporting an actual decrease of $8.7 million. Overall revenues ended the year $2.8 million over budget while expenditures ended the fiscal year $8.5 million under budget. Expenditure control was very important in the FY16 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, 2016 amounts to $4.7 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	
	2016	2015	2016	2015	2016	2015
Land	$ 1,074,485	1,060,141	$ 82,878	$ 82,552	$ 1,157,363	$ 1,142,693
Artwork	-	-	199	199	199	199
Buildings and structures	418,627	423,553	116,275	120,026	534,902	543,579
Improvements	18,550	17,103	-	-	18,550	17,103
Sewerage Plants	-	-	487,059	500,915	487,059	500,915
Machinery and equipment	80,796	59,098	33,789	14,939	114,585	74,037
Infrastructure	1,565,460	1,551,913	598,518	608,521	2,163,978	2,160,434
Construction in progress	638,355	317,128	404,131	384,821	1,042,486	701,949
Total	$ 3,796,273	3,428,936	$ 1,722,849	$ 1,711,973	$ 5,519,122	$ 5,140,909

The County's total net increase in capital assets for the current fiscal year was 7.4%.

Governmental assets that were moved from construction in progress to the asset records during the year totaled approximately $73.2 million. Some of the major projects for FY16 consisted of the following: road construction or improvements, pedestrian bridges, and sidewalks. In addition, all of the Special Purpose Local Option Sales Tax (SPLOST) programs that were approved by voters in September 2005, March 2011, and subsequently in November 2015 funded various improvements around the County. The 2011 & 2016 SPLOST Programs have added various opportunities for DOT to pursue projects not approved during the 2005 SPLOST Program conception phase. Every project funded by the 2011-16 SPLOSTs will improve the quality of life in Cobb County by maintaining, improving and enhancing County parks, transportation, infrastructure, public safety, libraries, senior services, judicial, and public health facilities. Projects include infrastructure preservation (resurfacing, bridges and drainage), pedestrian improvements, transit, traffic congestion relief, safety and operational improvements (roadways, intersections, and school zones), and federal/state matching funds. A complete list of the projects and further details regarding the 2011-2016 SPLOST programs are available on the County's website.

Business-type assets moved from construction in progress to the asset records during the year totaled approximately $10.0 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, 2016, Cobb County had a net of $1.4 billion in outstanding long-term debt, which does not include interest expense. Of this amount, $10.5 million (net of bond premium) comprises general obligation debt backed by the full faith and credit of the government and $639.7 million in revenue bonds (net of bond premium).

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

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

For the twelfth 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 the 2016 Wastewater Collections Platinum Award

for Outstanding Operation of a Wastewater Collection System in the category of Large Systems. Platinum awards were also received for fifteen consecutive years of Complete and Consistent NPDES Permit Compliance at Northwest Water Reclamation Facility, eleven consecutive years at Noonday Water Reclamation Facility, eight consecutive years at South Cobb Water Reclamation Facility and six consecutive years at R.L. Sutton Water Reclamation Facility. In October, 2016, the U.S. Environmental Protection Agency also recognized the Water System as WaterSense Promotional Partner of the Year: Large Utility for their extraordinary efforts in promoting WaterSense in 2015.

During the last twenty 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.

The County continued to maintain a strong financial position during fiscal year 2016 and we expect the trend to continue in 2017. Tourism revenue showed an increase of 5.1% over the prior year. Additionally the one percent sales tax (SPLOST) generated $138.8 million in tax revenue which is a $1.2 million increase compared to FY15. Also, the value of commercial and residential building permits issued increased by 27.3% from the previous year.

Many factors were taken into consideration when preparing the FY17 budget. The FY17 adopted budget had a 9.26% increase compared to the FY16 adopted budget. The FY16 budget had significant budget amendments throughout the year, and these tight controls carried forward into the FY17 budget process with a few exceptions. As a result, most operating budgets remained the same in preparation for the FY17 budget. Significant adjustments were limited to personnel services, debt service, and transfers-out categories. Personnel services were largely affected by changes in fringe benefits, mainly increases in health premiums and pension contributions of $6.1 million and $1.4 million respectively. The debt services category increased approximately $14.2 million to accommodate the payment of principal and interest on the Cobb Marietta Coliseum Exhibit Hall Authority Revenue Bonds. Transfers-out were mainly affected by the increase of the Transit Fund subsidy and DOT local share requirements for future grant awards.

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

BASIC FINANCIAL STATEMENTS

Cobb County, Georgia
Statement of Net Position
September 30, 2016

	Primary Government			Component Unit	
	Governmental Activities	Business-type Activities	Total	ArtsBridge Foundation September 30, 2016	Cobb County Board of Health June 30, 2016
Assets and Deferred Outflows of Resources					
Assets					
Cash and cash equivalents	$ 45,200,591	$ 25,755,094	$ 70,955,685	$ 283,255	$ 1,707,025
Investments, at fair value	112,298,151	200,000	112,498,151	4,627,039	3,007,775
Receivables	192,866,370	24,834,442	217,700,812	904,038	416,283
Internal balances	(26,277,251)	26,277,251	-	-	-
Due from component unit	-	21,353	21,353	-	-
Due from other governments and agencies	26,140,127	874,227	27,014,354	-	4,865,145
Due from others	41,212,831	-	41,212,831		
Inventories	1,865,518	1,560,702	3,426,220	-	177,439
Prepaid items	1,055,759	113,149	1,168,908	21,796	-
Advance to component unit	1,614,931	-	1,614,931		
Restricted cash and cash equivalents	128,809,427	42,913,844	171,723,271	-	-
Other assets	9,024,844	893,821	9,918,665	-	-
Capital assets not being depreciated	1,712,839,953	487,207,788	2,200,047,741	-	-
Capital assets being depreciated, net	2,083,432,962	1,235,641,698	3,319,074,660	2,602	959,994
Total assets	4,330,084,213	1,846,293,369	6,176,377,582	5,838,730	11,133,661
Deferred Outflows of Resources					
Deferred outflows related to pensions	104,768,479	9,908,052	114,676,531	-	2,153,600
Deferred charges on bond refunding	1,298,373	-	-	-	-
Total Deferred Outflows of Resources	106,066,852	9,908,052	115,974,904	-	2,153,600
Total Assets and Deferred Outflows of Resources	4,436,151,065	1,856,201,421	6,292,352,486	5,838,730	13,287,261
Liabilities and Deferred Inflows of Resources					
Liabilities					
Accounts payable	73,618,537	20,029,923	93,648,460	18,571	217,619
Accrued payroll	4,602,375	490,588	5,092,963	-	610,378
Arbitrage liability	-	54,882	54,882	-	-
Due to primary government	-	-	-	21,353	-
Due to others	864,124	13,516	877,640	-	-
Due to other governments and agencies	7,915,458	57,231	7,972,689	-	692,867
Claims and judgments	14,429,604	-	14,429,604	-	-
Customer deposits	-	8,154,130	8,154,130	-	-
Accrued interest payable	5,818,154	1,825,706	7,643,860	-	-
Unearned revenue	1,630,722	7,530,069	9,160,791	50,000	-
Advance from primary government	-	-	-	1,614,931	-
Noncurrent liabilities					
Due within one year	34,345,768	23,479,630	57,825,398	-	695,655
Due in more than one year	1,017,761,124	346,255,517	1,364,016,641	-	14,786,265
Total liabilities	1,160,985,866	407,891,192	1,568,877,058	1,704,855	17,002,784
Deferred Inflows of Resources					
Deferred Inflows Related to Pensions	-	-	-	-	1,285,183
Deferred gain on refunding	457,095	1,359,556	1,816,651	-	-
Total Deferred Inflows of Resources	457,095	1,359,556	1,816,651	-	1,285,183
Total Liabilities and Deferred Inflows of Resources	1,161,442,961	409,250,748	1,570,693,709	1,704,855	18,287,967
Net Position					
Net investment in capital assets	3,318,300,453	1,420,350,770	4,738,651,223	2,602	959,994
Restricted for:					
Renewal and expansion	-	33,804,143	33,804,143	-	-
Debt service	20,766,456	461,443	21,227,899	-	-
Splost projects	175,879,567	-	175,879,567	-	-
Completion of projects	35,285,044	-	35,285,044	-	-
Special programs	29,712,745	-	29,712,745	36,572	-
Unrestricted	(305,236,161)	(7,665,683)	(312,901,844)	4,094,701	(5,960,700)
Total Net Position	$ 3,274,708,104	$ 1,446,950,673	$ 4,721,658,777	$ 4,133,875	$ (5,000,706)

See accompanying notes to financial statements.

Cobb County, Georgia
Statement of Activities
For the Fiscal Year Ended September 30, 2016

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 Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: ArtsBridge Foundation September 30, 2016	Component Unit: Cobb County Board of Health June 30, 2016
Primary Government									
Governmental Activities:									
General government	$ 152,978,160	$ 44,005,094	$ 8,497,804	$ 17,418	$ (100,457,844)	$ -	$ (100,457,844)	$ -	$ -
Public safety	260,257,459	18,747,884	1,349,071	323,625	(239,836,879)	-	(239,836,879)	-	-
Public works	129,004,776	7,705,165	391,556	53,615,079	(67,292,976)	-	(67,292,976)	-	-
Health and welfare	6,717,051	328,014	2,134,219	-	(4,254,818)	-	(4,254,818)	-	-
Culture and recreation	54,545,427	20,040,564	1,285,849	65,623,969	32,404,955	-	32,404,955	-	-
Housing and development	16,113,070	28,061,414	5,797,438	-	17,745,782	-	17,745,782	-	-
Interest on long-term debt	20,911,456	-	-	-	(20,911,456)	-	(20,911,456)	-	-
Total governmental activities	640,527,399	118,888,135	19,455,937	119,580,091	(382,603,236)	-	(382,603,236)	-	-
Business-type Activities:									
Water and Sewer	182,120,179	206,248,856	-	17,829,558	-	41,958,235	41,958,235	-	-
Solid Waste	710,965	491,337	-	-	-	(219,628)	(219,628)	-	-
Transit	22,531,352	4,839,740	3,443,307	16,229,433	-	1,981,128	1,981,128	-	-
Cobblestone Golf Course	1,623,370	1,702,848	-	-	-	79,478	79,478	-	-
Galleria Specialty Shops	883,963	522,800	-	-	-	(361,163)	(361,163)	-	-
Performing Arts Centre	9,727,913	8,930,062	-	-	-	(797,851)	(797,851)	-	-
Total business-type activities	217,597,742	222,735,643	3,443,307	34,058,991	-	42,640,199	42,640,199	-	-
Total primary government	$ 858,125,141	$ 341,623,778	$ 22,899,244	$ 153,639,082	$ (382,603,236)	$ 42,640,199	$ (339,963,037)	$ -	$ -
Component Units									
ArtsBridge Foundation	$ 642,162	$ 147,376	$ 568,292	$ -				$ 73,506	$ -
Cobb County Board of Health	22,578,781	4,678,645	20,402,110	-				-	2,501,974
Total component units	$ 23,220,943	$ 4,826,021	$ 20,970,402	$ -				$ 73,506	$ 2,501,974
General revenues:									
Property taxes					$ 296,940,107	$ -	$ 296,940,107	$ -	$ -
Sales taxes					138,778,010	-	138,778,010	-	-
Insurance premium tax					26,709,770	-	26,709,770	-	-
Alcoholic beverage tax					5,037,511	-	5,037,511	-	-
Hotel/Motel tax					13,918,458	-	13,918,458	-	-
Real estate transfer tax					2,372,019	-	2,372,019	-	-
Miscellaneous taxes					12,739,469	-	12,739,469	-	-
Miscellaneous					10,548,514	464,088	11,012,602	-	-
Gain from sale of capital assets					-	160,667	160,667	-	-
Unrestricted investment earnings					1,968,001	193,405	2,161,406	(995)	9,174
Transfers					2,826,815	(2,826,815)	-	-	-
Total general revenues and transfers					511,838,674	(2,008,655)	509,830,019	(995)	9,174
Change in net position					129,235,438	40,631,544	169,866,982	72,511	2,511,148
Net position beginning of year					3,145,472,666	1,406,319,129	4,551,791,795	4,061,364	(7,511,854)
Net position - end of year					$ 3,274,708,104	$ 1,446,950,673	$ 4,721,658,777	$ 4,133,875	$ (5,000,706)

See accompanying notes to financial statements.

Cobb County, Georgia
Governmental Funds
Balance Sheet
September 30, 2016

	General Fund	Fire District Fund	Stadium Construction Fund	CMCEHA Stadium Construction Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 16,555,523	$ -	$ -	$ -	$ -	$ 1,047,609	$ 17,603,132
Restricted cash and cash equivalents	-	286,028	3,049	3,062	81,612,244	46,905,044	128,809,427
Investments, at fair value	-	-	-	-	112,298,151	-	112,298,151
Receivables:							
Taxes and penalties	124,278,296	52,262,909	-	-	-	9,587,352	186,128,557
Accrued interest	-	-	-	-	248,143	-	248,143
Other	1,309,330	253,523	-	-	1,857,468	2,598,732	6,019,053
Due from other funds	487,097	50,254	-	-	-	8,030,864	8,568,215
Due from other governments and agencies	881,863	-	-	-	18,214,099	5,196,991	24,292,953
Due from others	-	-	-	41,212,831	-	-	41,212,831
Advances to component unit	-	-	-	-	-	1,614,931	1,614,931
Advances to other funds	3,122,843	-	-	-	-	-	3,122,843
Inventories	1,796,933	14,122	-	-	-	54,463	1,865,518
Prepaid items	37,656	5,678	-	-	-	314,393	357,727
Total assets	$ 148,469,541	$ 52,872,514	$ 3,049	$ 41,215,893	$ 214,230,105	$ 75,350,379	$ 532,141,481
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts payable	$ 4,874,689	$ 1,483,012	$ -	$ 41,212,831	$ 20,800,906	$ 4,575,554	$ 72,946,992
Accrued payroll	3,274,915	796,718	-	-	-	523,032	4,594,665
Due to other funds	31,586,376	13,378,232	-	-	-	936,701	45,901,309
Due to others	414,755	406	-	-	-	448,963	864,124
Due to other governments and agencies	190,626	-	-	-	7,452,968	271,864	7,915,458
Accrued interest payable	17,417	3,483	-	-	-	1,197,306	1,218,206
Matured bonds payable	-	-	-	-	-	2,995,000	2,995,000
Unearned revenue	61,705	-	-	-	-	1,569,017	1,630,722
Total liabilities	40,420,483	15,661,851	-	41,212,831	28,253,874	12,517,437	138,066,476
Deferred Inflows of Resources							
Unavailable revenues	5,330,402	1,928,668	-	-	-	467,541	7,726,611
Total Liabilities and Deferred Inflows of Resources	45,750,885	17,590,519	-	41,212,831	28,253,874	12,984,978	145,793,087
Fund Balances							
Nonspendable:							
Inventories and prepaid items	1,834,589	19,800	-	-	-	368,856	2,223,245
Advances	3,122,843	-	-	-	-	1,614,931	4,737,774
Restricted for:							
Debt Services	-	-	-	-	-	23,761,456	23,761,456
Construction and capital outlay	-	35,262,195	3,049	3,062	185,976,231	5,027,374	226,271,911
Special programs	2,232,590	-	-	-	-	25,576,859	27,809,449
Committed for:							
Construction and capital outlay	-	-	-	-	-	11,922,632	11,922,632
Special programs	40,196,292	-	-	-	-	907,289	41,103,581
Assigned for:							
Special programs	2,420,753	-	-	-	-	25,310	2,446,063
Unassigned	52,911,589	-	-	-	-	(6,839,306)	46,072,283
Total fund balance	102,718,656	35,281,995	3,049	3,062	185,976,231	62,365,401	386,348,394
Total liabilities, deferred inflows of resources, and fund balances	$ 148,469,541	$ 52,872,514	$ 3,049	$ 41,215,893	$ 214,230,105	$ 75,350,379	$ 532,141,481

See accompanying notes to financial statements.

Cobb County, Georgia
Governmental Funds
Reconciliation of the Governmental Balance Sheet to the Statement of Net Position
September 30, 2016

Total fund balances - governmental funds	$	386,348,394
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		3,796,195,777
Other long-term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are either reported as unavailable or not reported in the funds:		
Property tax		7,726,611
Intergovernmental receivable		1,847,174
Net other post employment benefit assets		9,024,844
Unamortized bond insurance costs		105,400
Deferred outflows of resources related to pensions		104,768,479
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 position.		21,543,767
Long-term liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds:		
Net pension liability		(496,017,373)
Accrued interest payable		(4,599,948)
Unmatured bonds		(485,105,000)
Unmatured revenue anticipation certificates		(6,070,000)
Unamortized deferred charges and deferred loss on refunding		841,278
Unamortized bond premiums		(3,463,648)
Unamortized revenue anticipation certificate premium		(72,637)
Certificates of participation		(8,850,000)
Capital leases payable		(25,027,811)
Compensated absences		(24,487,203)
Net position of governmental activities	$	3,274,708,104

See accompanying notes to financial statements.

Cobb County, Georgia
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended September 30, 2016

	General Fund	Fire District Fund	Stadium Construction Fund	CMCEHA Stadium Construction Fund	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	$ 249,188,218	$ 81,134,618	$ -	$ -	$ 138,778,010	$ 27,897,205	$ 496,998,051
Licenses and permits	28,443,083	2,700	-	-	-	-	28,445,783
Intergovernmental	3,583,815	-	2,500,000	-	22,900,630	20,457,081	49,441,526
Charges for services	40,628,867	2,109,961	-	-	-	35,351,039	78,089,867
Fines and forfeits	11,855,345	-	-	-	-	-	11,855,345
Contributions	-	-	-	62,574,357	-	-	62,574,357
Interest earned	464,386	82,856	3,049	175,161	1,232,778	118,343	2,076,573
Miscellaneous	6,966,314	32,878	-	-	1,379,171	2,170,151	10,548,514
Total revenues	341,130,028	83,363,013	2,503,049	62,749,518	164,290,589	85,993,819	740,030,016
Expenditures:							
Current:							
General government	132,531,369	-	-	-	-	7,915,432	140,446,801
Public safety	148,318,969	80,527,264	-	-	-	13,246,924	242,093,157
Public works	15,469,549	-	-	-	-	5,676,208	21,145,757
Health and welfare	4,078,287	-	-	-	-	3,114,505	7,192,792
Culture and recreation	33,007,853	-	-	-	-	16,194,355	49,202,208
Housing and development	8,751,472	-	-	-	-	5,984,543	14,736,015
Capital outlay	-	-	-	270,662,016	145,876,522	17,663,112	434,201,650
Debt service:							
Principal retirement	-	-	-	-	3,716,097	14,791,149	18,507,246
Interest and fiscal charges	17,544	7,181	-	12,250,510	410,708	5,896,130	18,582,073
Intergovernmental	-	-	-	-	36,614,195	-	36,614,195
Total expenditures	342,175,043	80,534,445	-	282,912,526	186,617,522	90,482,358	982,721,894
Excess (deficiency) of revenues over (under) other expenditures	(1,045,015)	2,828,568	2,503,049	(220,163,008)	(22,326,933)	(4,488,539)	(242,691,878)
Other financing sources (uses):							
Transfers in	27,117,424	-	-	17,250,446	-	24,621,501	68,989,371
Transfers out	(26,913,409)	(378,232)	(5,000,000)	-	-	(33,455,392)	(65,747,033)
Proceeds from sale of capital assets	28,126	8,822	-	-	-	12,213	49,161
Issuance of capital lease	-	-	-	-	8,800,000	-	8,800,000
Total other financing sources (uses)	232,141	(369,410)	(5,000,000)	17,250,446	8,800,000	(8,821,678)	12,091,499
Net changes in fund balances	(812,874)	2,459,158	(2,496,951)	(202,912,562)	(13,526,933)	(13,310,217)	(230,600,379)
Fund balances at beginning of year	103,531,530	32,822,837	2,500,000	202,915,624	199,503,164	75,675,618	616,948,773
Fund balances at end of year	$ 102,718,656	$ 35,281,995	$ 3,049	$ 3,062	$ 185,976,231	$ 62,365,401	$ 386,348,394

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, 2016

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ (230,600,379)
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.		
Depreciation expense	(99,891,661)	
Capital outlays	440,892,493	341,000,832
The loss on disposition of capital assets is not reported in the fund statements.		(2,268,375)
The net effect of various miscellaneous transactions involving capital assets (donations) is to increase net position.		28,544,834
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	(502,707)	
Intergovernmental revenues	1,411,448	908,741
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. 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 position:		
Bond principal payments	13,820,000	
Premium on bonds	712,025	
Capital lease proceeds	(8,800,000)	
Capital lease principal payments	4,021,442	
Revenue anticipation certificates payments	245,000	
Certificates of participation payments	420,000	10,418,467
The current years increase to the net other post employment benefits asset reduced the net expense of other post employment benefits functions on the statement of activities.		930,389
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:		
Net pension liability and changes in related deferred inflows/outflows of resources	(12,904,648)	
Accrued compensated absences	(3,169,667)	
Amortization for bond deferred amounts and premiums	(216,763)	
Amortization of bond insurance costs	(9,600)	
Accrued interest expense	(2,823,841)	(19,124,519)
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.		(574,552)
Changes in net position of governmental activities.		$ 129,235,438

See accompanying notes to financial statements.

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 251,940,142	$ 251,966,611	$ 249,188,218	$ (2,778,393)
Licenses and permits	22,937,921	22,966,030	28,443,083	5,477,053
Intergovernmental	2,873,000	4,771,405	3,583,815	(1,187,590)
Charges for services	38,019,938	38,798,439	40,628,867	1,830,428
Fines and forfeits	9,618,000	12,682,240	11,855,345	(826,895)
Interest earned	470,100	470,100	464,386	(5,714)
Miscellaneous	3,836,100	7,131,291	6,966,314	(164,977)
Total revenues	329,695,201	338,786,116	341,130,028	2,343,912
Expenditures:				
Current:				
General government	125,930,079	138,165,546	135,476,384	2,689,162
Public safety	140,655,620	149,818,174	149,712,860	105,314
Public works	15,519,504	17,371,731	17,167,347	204,384
Health and welfare	4,068,344	4,339,537	4,103,646	235,891
Culture and recreation	31,407,050	37,183,985	34,816,449	2,367,536
Housing and development	8,563,207	9,133,896	8,754,270	379,626
Debt service:				
Interest and fiscal charges	100,000	100,000	17,544	82,456
Total expenditures	326,243,804	356,112,869	350,048,500	6,064,369
Excess (deficiency) of revenues over (under) other expenditures	3,451,397	(17,326,753)	(8,918,472)	8,408,281
Other financing sources (uses):				
Transfers in	21,400,209	26,711,908	27,117,424	405,516
Transfers out	(15,846,931)	(29,360,194)	(26,913,409)	2,446,785
Proceeds from sale of capital assets	-	-	28,126	28,126
Total other financing sources (uses)	5,553,278	(2,648,286)	232,141	2,880,427
Net changes in fund balance	$ 9,004,675	$ (19,975,039)	(8,686,331)	$ 11,288,708
Fund balances at beginning of year			103,531,530	
Fund balances at end of year - budgetary basis			94,845,199	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			7,873,457	
Fund balance at end of year - GAAP basis			$ 102,718,656	

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 77,198,639	$ 77,198,639	$ 81,134,618	$ 3,935,979
Licenses and permits	10,000	10,000	2,700	(7,300)
Intergovernmental	20,000	20,000	-	(20,000)
Charges for services	1,621,005	1,621,005	2,109,961	488,956
Interest earned	167,000	167,000	82,856	(84,144)
Miscellaneous	4,000	39,118	32,878	(6,240)
Total revenues	79,020,644	79,055,762	83,363,013	4,307,251
Expenditures:				
Current:				
Personal services	63,046,101	64,873,512	64,873,512	-
Operating expenditures	11,078,493	12,143,817	11,720,224	423,593
Capital outlay	-	9,689,029	7,523,184	2,165,845
Debt service:				
Interest and fiscal charges	-	65,000	7,181	57,819
Total expenditures	74,124,594	86,771,358	84,124,101	2,647,257
Excess of revenues over other expenditures	4,896,050	(7,715,596)	(761,088)	6,954,508
Other financing sources (uses):				
Transfers out	(413,133)	(544,953)	(378,232)	166,721
Proceeds from sale of capital assets	-	-	8,822	8,822
Total other financing sources (uses)	(413,133)	(544,953)	(369,410)	175,543
Net changes in fund balance	$ 4,482,917	$ (8,260,549)	(1,130,498)	$ 7,130,051
Fund balance at beginning of year			32,822,837	
Fund balance at end of year - budgetary basis			31,692,339	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			3,589,656	
Fund balance at end of year - GAAP basis			$ 35,281,995	

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Statement of Net Position
September 30, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Performing Arts Centre Fund	Other Enterprise Funds	Total	
Assets and Deferred Outflows of Resources					
Current assets:					
Cash	$ 22,314,741	$ 304,048	$ 3,136,305	$ 25,755,094	$ 27,597,459
Restricted cash and cash equivalents	40,775,851	2,079,042	58,951	42,913,844	-
Investments, at fair value	200,000	-	-	200,000	-
Receivables:					
Accounts, net	22,425,635	67,263	21,817	22,514,715	-
Accrued interest	20,941	-	-	20,941	-
Other	2,139,142	-	159,644	2,298,786	470,617
Due from other funds	30,012,068	-	5,019	30,017,087	8,000,000
Due from component unit	-	21,353	-	21,353	-
Due from other governments and agencies	-	-	874,227	874,227	-
Inventories	1,528,102	32,600	-	1,560,702	-
Prepaid items	3,036	106,841	3,272	113,149	592,632
Total current assets	119,419,516	2,611,147	4,259,235	126,289,898	36,660,708
Noncurrent assets:					
Property, plant and equipment:					
Capital assets not being depreciated	464,843,244	198,750	22,165,794	487,207,788	-
Capital assets being depreciated, net	1,105,805,906	82,317,038	47,518,754	1,235,641,698	77,138
Net property, plant and equipment	1,570,649,150	82,515,788	69,684,548	1,722,849,486	77,138
Other assets:					
Net OPEB asset	893,821	-	-	893,821	-
Total other assets	893,821	-	-	893,821	-
Total noncurrent assets	1,571,542,971	82,515,788	69,684,548	1,723,743,307	77,138
Total assets	1,690,962,487	85,126,935	73,943,783	1,850,033,205	36,737,846
Deferred Outflows of Resources:					
Deferred outflows of resources related to pension	9,575,490	-	332,562	9,908,052	-
Total assets and deferred outflows of resources	$ 1,700,537,977	$ 85,126,935	$ 74,276,345	$ 1,859,941,257	$ 36,737,846

Continued on next page.

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Statement of Net Position
September 30, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Performing Arts Centre Fund	Other Enterprise Funds	Total	
Liabilities and Deferred Inflows of Resources					
Liabilities:					
Current liabilities (payable from current assets):					
Accounts payable	$ 15,732,234	$ 376,704	$ 3,920,985	$ 20,029,923	$ 671,545
Accrued payroll	374,859	93,391	22,338	490,588	7,710
Arbitrage liability	54,882	-	-	54,882	-
Due to other funds	543,157	34,392	39,444	616,993	67,000
Due to others	1,943	-	11,573	13,516	-
Customer deposits	6,577,228	1,517,951	58,951	8,154,130	-
Due to other governments and agencies	35,023	-	22,208	57,231	-
Accrued interest payable	1,726,058	99,648	-	1,825,706	-
Unearned revenues	-	1,138,710	67,589	1,206,299	-
Current portion of revenue bonds	12,330,000	515,000	-	12,845,000	-
Current portion of note payable	9,053,125	-	-	9,053,125	-
Current portion of compensated absences	1,161,979	27,457	23,640	1,213,076	18,220
Current portion of closure and post closure care	-	-	368,429	368,429	-
Estimated liability for claims and judgments	-	-	-	-	14,429,604
Total current liabilities	47,590,488	3,803,253	4,535,157	55,928,898	15,194,079
Long-term liabilities:					
Revenue bonds (net of current portion and bond premium)	139,439,486	6,405,000	-	145,844,486	-
Notes payable (net of current portion)	129,683,384	-	-	129,683,384	-
Compensated absences (net of current portion)	468,109	6,864	34,858	509,831	-
Closure and post closure care (net of current portion)	-	-	23,308,992	23,308,992	-
Unearned Revenue	-	6,323,770	-	6,323,770	-
Net pension liability	45,334,337	-	1,574,487	46,908,824	-
Advances from other funds	-	-	3,122,843	3,122,843	-
Total long-term liabilities	314,925,316	12,735,634	28,041,180	355,702,130	-
Total liabilities	362,515,804	16,538,887	32,576,337	411,631,028	15,194,079
Deferred Inflows of Resources:					
Deferred gain on refunding	1,359,556	-	-	1,359,556	-
Total liabilities and deferred inflows of resources	363,875,360	16,538,887	32,576,337	412,990,584	15,194,079
Net Position					
Net investment in capital assets	1,275,089,275	75,595,788	69,665,707	1,420,350,770	77,138
Restricted for:					
Capital projects	33,804,143	-	-	33,804,143	-
Debt service	-	461,443	-	461,443	-
Unrestricted	27,769,199	(7,469,183)	(27,965,699)	(7,665,683)	21,466,629
Total net position	$ 1,336,662,617	$ 68,588,048	$ 41,700,008	$ 1,446,950,673	$ 21,543,767

Continued from preceding page.

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended September 30, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Performing Arts Centre Fund	Other Enterprise Funds	Total	
Operating revenues:					
Charges for services	$ 206,248,856	$ 8,930,062	$ 7,606,982	$ 222,785,900	$ 63,086,006
Miscellaneous income	386,544	-	77,544	464,088	-
Total operating revenues	206,635,400	8,930,062	7,684,526	223,249,988	63,086,006
Operating expenses:					
Personnel services	30,388,430	3,262,141	1,412,872	35,063,443	552,772
Other operating expenses	104,471,589	3,546,089	20,333,798	128,351,476	4,549,162
Benefits and claims	-	-	-	-	58,198,314
Total operating expenses	134,860,019	6,808,230	21,746,670	163,414,919	63,300,248
Operating income (loss) before depreciation	71,775,381	2,121,832	(14,062,144)	59,835,069	(214,242)
Less depreciation	(42,221,543)	(2,716,886)	(4,053,237)	(48,991,666)	(11,376)
Operating income (loss)	29,553,838	(595,054)	(18,115,381)	10,843,403	(225,618)
Nonoperating revenues (expenses):					
Interest income	185,519	155	7,731	193,405	66,589
Interest and fiscal charges	(5,653,337)	(202,797)	-	(5,856,134)	-
Amortization	614,720	-	-	614,720	-
Gain (loss) on sale of capital assets	229,941	-	(69,274)	160,667	-
Total nonoperating revenues (expenses)	(4,623,157)	(202,642)	(61,543)	(4,887,342)	66,589
Net income (loss) before transfers and capital contributions	24,930,681	(797,696)	(18,176,924)	5,956,061	(159,029)
Capital contributions	17,829,558	-	19,672,740	37,502,298	-
Total capital contributions	17,829,558	-	19,672,740	37,502,298	-
Transfers:					
Transfers in	24,683	-	11,981,814	12,006,497	-
Transfers out	(12,857,526)	-	(1,975,786)	(14,833,312)	(415,523)
Total transfers	(12,832,843)	-	10,006,028	(2,826,815)	(415,523)
Changes in net position	29,927,396	(797,696)	11,501,844	40,631,544	(574,552)
Total net position - beginning	1,306,735,221	69,385,744	30,198,164	1,406,319,129	22,118,319
Total net position - ending	$ 1,336,662,617	$ 68,588,048	$ 41,700,008	$ 1,446,950,673	$ 21,543,767

See accompanying notes to financial statements.

Cobb County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended September 30, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Performing Arts Centre Fund	Other Enterprise Funds	Total	
Cash flows from (to) operating activities:					
Cash received from customers	$ 205,770,467	$ 7,582,783	$ 14,644,041	$ 227,997,291	$ 65,667,912
Cash payments for goods and services	(106,833,473)	(3,735,701)	(20,052,567)	(130,621,741)	(4,100,884)
Cash payments for employee services and fringe benefits	(29,117,159)	(3,287,163)	(1,351,622)	(33,755,944)	(550,153)
Cash payments for benefits and claims	-	-	-	-	(56,912,384)
Net cash from (to) operating activities	69,819,835	559,919	(6,760,148)	63,619,606	4,104,491
Cash flows from (to) noncapital financing activities:					
Transfers in	24,683	-	11,981,814	12,006,497	-
Transfers out	(12,857,526)	-	(1,975,786)	(14,833,312)	(415,523)
Net cash from (to) noncapital financing activities	(12,832,843)	-	10,006,028	(2,826,815)	(415,523)
Cash flows from (to) capital and related financing activities:					
Payments on capital leases	-	-	(52,921)	(52,921)	-
Proceeds from sale of capital assets	232,630	(87,500)	9,166	154,296	-
Payments for capital acquisitions	(29,261,432)	-	(20,172,402)	(49,433,834)	(70,629)
Bond principal payments	(12,396,499)	(495,000)	-	(12,891,499)	-
Capital contributions	11,367,899	-	19,672,740	31,040,639	-
Payments on notes	(8,797,230)	-	-	(8,797,230)	-
Payments on advances from other funds	-	-	(40,000)	(40,000)	-
Interest and fiscal charges	(9,362,966)	(209,925)	-	(9,572,891)	-
Net cash from (to) capital and related financing activities	(48,217,598)	(792,425)	(583,417)	(49,593,440)	(70,629)
Cash flows from investing activities:					
Interest received	185,519	155	7,731	193,405	66,589
Net cash from investing activities	185,519	155	7,731	193,405	66,589
Net increase (decrease) in cash and cash equivalents	8,954,913	(232,351)	2,670,194	11,392,756	3,684,928
Cash and cash equivalents at beginning of year	54,135,679	2,615,441	525,062	57,276,182	23,912,531
Cash and cash equivalents at end of year	$ 63,090,592	$ 2,383,090	$ 3,195,256	$ 68,668,938	$ 27,597,459
Reconciliation to Statement of Net Position					
Cash	$ 22,314,741	$ 304,048	$ 3,136,305	$ 25,755,094	$ 27,597,459
Cash (included in restricted assets)	40,775,851	2,079,042	58,951	42,913,844	-
	$ 63,090,592	$ 2,383,090	$ 3,195,256	$ 68,668,938	$ 27,597,459

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, 2016

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Water and Sewer Fund	Performing Arts Centre Fund	Other Enterprise Funds	Total	
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 29,553,838	$ (595,054)	$ (18,115,381)	$ 10,843,403	$ (225,618)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	42,221,543	2,716,886	4,053,237	48,991,666	11,376
Change in assets and liabilities:					
Decrease (increase) in accounts receivables	(1,753,934)	(52,945)	(21,817)	(1,828,696)	-
Decrease (increase) in accrued interest receivables	(12,158)	-	-	(12,158)	-
Decrease (increase) in other receivables	218,798	-	(9,698)	209,100	(468,094)
Decrease (increase) in due from other funds	(12,068)	-	5,637,291	5,625,223	3,050,000
Decrease (increase) in due from other governments	69,883	-	1,324,849	1,394,732	-
Decrease (increase) in due from component unit	-	8,892	-	8,892	-
Decrease (increase) in inventories	420,498	(6,662)	-	413,836	-
Decrease (increase) in net OPEB asset	(93,270)	-	-	(93,270)	-
Decrease (increase) in deferred outflows of resources	(3,986,558)	-	(138,455)	(4,125,013)	-
Decrease (increase) in prepaid items	(1,021)	(26,091)	-	(27,112)	(17,202)
Increase (decrease) in accounts payable	(3,251,718)	177,768	678,197	(2,395,753)	398,480
Increase (decrease) in long-term retainage payable	-	-	-	-	-
Increase (decrease) in accrued payroll	155,050	(10,522)	7,435	151,963	3,183
Increase (decrease) in accrued compensated absences	30,049	(14,500)	12,850	28,399	(564)
Increase (decrease) in net pension liability	5,956,654	-	206,879	6,163,533	-
Increase (decrease) in due to other funds	543,157	(309,160)	(27,188)	206,809	67,000
Increase (decrease) in due to others	-	(25,467)	(11,610)	(37,077)	-
Increase (decrease) in deposits payable	624,546	(424,459)	2,680	202,767	-
Increase (decrease) in due to other governments	(72,800)	-	10,261	(62,539)	-
Increase (decrease) in estimated liability for claims and judgments	-	-	-	-	1,285,930
Increase (decrease) in closure/postclosure care	-	-	(368,429)	(368,429)	-
Increase (decrease) in deferred inflows of resources	(790,654)	-	(27,459)	(818,113)	-
Increase (decrease) in unearned revenues	-	(878,767)	26,210	(852,557)	-
Total adjustments	40,265,997	1,154,973	11,355,233	52,776,203	4,330,109
Net cash provided (used) by operating activities	$ 69,819,835	$ 559,919	$ (6,760,148)	$ 63,619,606	$ 4,104,491
Schedule of noncash capital and related financing activities:					
Contribution of capital assets	$ 6,461,659	$ -	$ -	$ 6,461,659	$ -
Total noncash capital and related financing activities	$ 6,461,659	$ -	$ -	$ 6,461,659	$ -
Supplemental disclosure of cashflow information:					
Interest capitalized	$ (4,035,080)	-	-	(4,035,080)	-

Continued from preceding page.

See accompanying notes to financial statements.

Cobb County, Georgia
Fiduciary Funds
Statement of Fiduciary Net Position
September 30, 2016

	Pension Trust Fund Employee Retirement System	OPEB Trust Fund Other Post Employment Benefits	Agency Funds
Assets:			
Cash and cash equivalents	$ 125,637	$ -	$ 139,041,417
Investments, at fair value			
Common stock	155,328,500	-	-
Mutual funds	332,082,532	97,319,149	-
Bond Corp.	40,912,988	-	-
Government and agency bonds	8,018,102	-	-
Money market	15,983,317	460,036	
Receivables			
Taxes and penalties	-	-	490,837,154
Accrued interest	631,827	-	-
Total assets	553,082,903	97,779,185	$ 629,878,571
Liabilities:			
Unremitted tax collections due to other governments and agencies	-	-	$ 83,826,756
Taxes payable to others upon collection	-	-	490,837,154
Unremitted payroll tax and withholdings	-	-	11,169,526
Funds held in trust for others	-	-	44,045,135
Total liabilities	-	-	$ 629,878,571
Net position restricted for:			
Pension benefits	553,082,903	-	
Other post employment benefits	-	97,779,185	
Total net position	$ 553,082,903	$ 97,779,185	

See accompanying notes to financial statements.

Cobb County, Georgia
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2016

	Pension Trust Fund	OPEB Trust Fund
	Employee Retirement System	Other Post Employment Benefits
Additions		
Contributions:		
Employer	$ 42,300,849	$ 14,761,849
Employee	12,981,148	1,356,369
Total contributions	55,281,997	16,118,218
Investment earnings:		
Net appreciation (depreciation) in fair value of assets	38,865,339	9,312,371
Interest	9,403,355	-
Total investment earnings	48,268,694	9,312,371
Less investment expense	(932,150)	-
Net investment earnings	47,336,544	9,312,371
Miscellaneous revenue	231,006	-
Total additions	102,849,547	25,430,589
Deductions		
Administrative expenses	727,510	-
Benefits and claims	58,330,873	16,118,218
Total deductions	59,058,383	16,118,218
Change in net position	43,791,164	9,312,371
Net position		
Beginning of year	509,291,739	88,466,814
End of year	$ 553,082,903	$ 97,779,185

See accompanying notes to financial statements.

COBB COUNTY, GEORGIA
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September 30, 2016

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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. Blended component units are, in substance, part of the County's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. 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.

1. Blended component units

The Cobb-Marietta Coliseum and Exhibit Hall Authority is a corporate and political body created and existing under the laws of the State of Georgia. 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 center, and a specialty mall in Cobb County. The majority of the Authority's board members are appointed, either directly or indirectly, by the Cobb County Board of Commissioners. The Authority's debt is expected to be paid almost entirely with resources of the County. The Authority is prohibited from issuing bonded debt without the approval of the Board of Commissioners. The fiscal year of the Authority is September 30th. Complete financial statements of the Authority can be obtained directly from their administrative offices at Cobb-Marietta Coliseum and Exhibit Hall Authority, Two Galleria Parkway, Atlanta, Georgia 30339.

The South Cobb Redevelopment Authority's (SCRA) purpose is to revitalize and redevelop areas that have been underinvested or underutilized in the past. The overall intent is to promote and create favorable location for trade, commerce, industry, and employment opportunities. The SCRA has the authority to issue bonds to assist in financing infrastructure improvements that will foster economic growth and vitality in South Cobb. The SCRA Board consists of seven members, four of which are appointed by the Cobb County Board of Commissioners and each member serves a four year term. The Authority's debt is expected to be paid almost entirely with resources of the County. The fiscal year of the Authority is September 30th.

2. Discretely presented component units

The Cobb County Board of Health was created by a state legislative act. During the fiscal year ended June 30, 2016, 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 of Health 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. The information presented for the Cobb County Board of Health is as of and for the year ended June 30, 2016. Complete financial statements of the Board of Health can be obtained directly from their administrative offices at Cobb County Board of Health, 1650 County Services Parkway, Marietta, Georgia 30008.

Note 1. Summary of Significant Accounting Policies (Continued)

ArtsBridge Foundation, Inc. is a discretely presented component unit of the Cobb-Marietta Coliseum and Exhibit Hall Authority. Accordingly, it is also a component unit of Cobb County. The Foundation is a legally separate corporation organized pursuant to the provisions of the Georgia Nonprofit Corporation Code, and is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Foundation was organized for the purpose of receiving contributions and making grants and distributions to the Authority to support the construction and operation of the Performing Arts Centre. The Foundation's Board of Directors are appointed by and are subject to removal by the Authority. The fiscal year of the Foundation is September 30th. Complete financial statements of the Foundation can be obtained directly from their administrative offices at ArtsBridge Foundation, Inc., Two Galleria Parkway, Atlanta, Georgia 30339.

B. Government-Wide Statements and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. 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 Position, 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 position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

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.

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.

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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 and deferred outflows of resources, liabilities and deferred inflows of resources, revenues or expenditures/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.

Note 1. Summary of Significant Accounting Policies (Continued)

3. The **Stadium Construction Fund** is used to account for the stadium construction costs prior to the issuance of the bonds.
4. The **CMCEHA Stadium Construction Fund** is used to account for the construction of the stadium and the issuance of the Cobb-Marietta Coliseum and Exhibit Hall Authority Series 2015 Revenue Bonds.
5. The **SPLOST Fund** is used to account for the proceeds of a 1 percent local option sales tax 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. The **Performing Arts Centre Fund** accounts for the activities of the Performing Arts Centre.

2. Internal Service Fund:

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

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.

The focus for proprietary fund measurement is upon determination of operating income, changes in net position, 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.

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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 BOC Debt Service Fund, the CMCEHA Debt Service Fund, and all the Special Revenue Funds except project-length budgets are adopted for the Grant Fund and the Housing and Urban Development Special Revenue Fund. 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 do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. See Note 21 for additional information about encumbrances.

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."

Note 1. Summary of Significant Accounting Policies (Continued)

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.

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

Certain proceeds of the County's governmental and business-type revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because they are maintained in separate accounts and their use is limited by applicable bonds covenants.

The County's governmental funds report restricted assets in the CMCEHA Stadium Construction Fund which are bonds proceeds held in a separate account until monies are spent according to bond covenants. The nonmajor special revenue funds' restricted cash are restricted for the purposes of the fund and also for asset renewals and replacements. The SCRA Construction Fund's restricted assets are restricted for construction and redevelopment in the Six Flags Special Purpose District. The CMCEHA Debt Service Fund's and the BOC Debt Service Fund's restricted assets are accumulated for future debt service requirements. The restricted assets for the County's Stadium Construction, Fire District, and SPLOST funds includes cash restricted for construction.

The County's restricted assets in the Water and Sewer Enterprise Fund includes cash and customer deposits which are held in a separate account until monies are spent according to the bond covenants. Deposits from event ticket sales and monies for debt service are restricted cash in the Performing Arts Centre and are remitted to the promoter or performers upon settlement following the event. The Galleria Specialty Shops Fund's restricted assets are security deposits from shop tenants and are returned to the tenants upon termination of their lease.

See Note 4 for additional information regarding restricted assets.

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."

Note 1. Summary of Significant Accounting Policies (Continued)

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 Governmental funds 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 Governmental funds 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, 2016 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.

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 unit, are depreciated using the straight line method over the following useful lives:

Assets	Years
Buildings and structures	25 – 50
Improvements other than buildings	20
Machinery and equipment	4 – 10
Sewerage Plants	10 – 50
Infrastructure	10 – 50

Note 1. Summary of Significant Accounting Policies (Continued)

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 Position. Bond premiums and discounts 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 recognized as an outflow of resources in the reporting period in which they are incurred.

Debt refunding gains and losses are reported as deferred inflows or outflows of resources on the statements of net position. These gains and losses are deferred and amortized over the shorter of the life of the refunding debt (new debt) and the refunded debt (the old 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.

M. Categories and Classifications of Fund Balance

The County implemented GASB 54 during fiscal year 2010 [Note 9. 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.

Note 1. Summary of Significant Accounting Policies (Continued)

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 Position

The net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. The net position component, net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has not spent) for the acquisition, construction or improvement of those assets. The net position is reported as restricted when there are limitations imposed by creditors, grantors, contributors or laws or regulations of other governments. The balance of the net position is reported as unrestricted.

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then. The County has two items that qualify for reporting in this category. They are the deferred charge on refunding reported in the government-wide statement of net position and the deferred outflows of resources relating to pension reported in the government-wide and proprietary funds Statements of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category in the government-wide and proprietary funds statements of net position and one item in the governmental funds balance sheet. Deferred gains on refunding are reported as deferred inflows of resources in the statements of net position and the deferred inflows of resources relating to pension reported in the government-wide and proprietary funds statements of net position. The governmental funds report unavailable revenues from property taxes as deferred inflows of resources in the governmental fund balance sheet. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

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.

Note 2. Budgetary Information (Continued)

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:

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, Cumberland Special Service District, 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, Streetlight District, 800 MHz, Six Flags Special Purpose District, Cumberland Special Service District 1, Cumberland Special Service District 2, CMCEHA Special Revenue Funds, and the CMCEHA Debt Service Fund. The Grant Fund and Housing and Urban Development Special Revenue Funds have project length 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 CMCEHA Debt Service Fund, BOC Debt Service Fund, Community Service Fund, Hotel Motel Fund, 800MHz Fund, Six Flags Special Service District, Cumberland Special Service District 1, Cumberland Special Service District 2, and CMCEHA Fund, 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.

Note 2. Budgetary Information (Continued)

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 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.

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	$ (8,686,331)	$ (1,130,498)	$ (3,993,481)
Encumbrances 9/30/16	7,873,457	3,589,656	74,243
Grant-length Plans	-	-	(624,543)
GAAP Basis	$ (812,874)	$ 2,459,158	$ (4,543,781)

	Fund Balances at End of Year		
	General Fund	Fire Fund	Nonmajor Special Revenue Funds
Budgetary Basis	$ 94,845,199	$ 31,692,339	$ 32,791,698
Encumbrances 9/30/16	7,873,457	3,589,656	74,243
Grant-length Plans	-	-	1,593,463
GAAP Basis	$ 102,718,656	$ 35,281,995	$ 34,459,404

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.

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

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, 2016, $457,046 of the County's public deposits were exposed to custodial credit risk and were uncollateralized. Subsequent to year end, these funds were 110% collateralized so that none of the public deposits were exposed to custodial credit risk.

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, 2016, the County's reporting entity had the following investments:

Type of Investment	Rating	Fair Value	Investment Maturities (in Years)			
			Less than 1	1-5	6-10	More than 10
PRIMARY GOVERNMENT						
Georgia Fund I	AAA	$ 158,232,065	$ 158,232,065	$ -	$ -	$ -
U.S. Agencies	AAA	103,697,963	41,647,902	62,050,061	-	-
Money Market Mutual Funds		8,800,188	8,800,188	-	-	-
Total Primary Government (non-fiduciary)		$ 270,730,216	$ 208,680,155	$ 62,050,061	$ -	$ -
FIDUCIARY FUNDS						
Pension Trust Fund:						
Common Stocks		$ 155,328,500	n/a	n/a	n/a	n/a
Mutual Funds		332,082,532	332,082,532	-	-	-
Bond Corp.	AAA	1,129,735	-	-	1,129,735	-
	AA	9,779,921	2,204,270	4,423,835	2,314,034	837,782
	A	22,400,176	3,858,017	9,900,739	3,522,023	5,119,397
	BBB	7,603,156	677,404	2,984,993	1,310,215	2,630,544
Government and Agency Bonds	Not Rated	8,018,102	1,500,765	1,354,599	850,193	4,312,545
Georgia Fund I	AAA	125,637	125,637	-	-	-
Money Market		15,983,317	15,983,317	-	-	-
Total Pension Trust Fund		$ 552,451,076	$ 356,431,942	$ 18,664,166	$ 9,126,200	$ 12,900,268
OPEB Trust Fund:						
Mutual Funds		$ 97,319,149	$ 97,319,149	$ -	$ -	$ -
Money Market		460,036	460,036	-	-	-
Total OPEB Trust Fund		$ 97,779,185	$ 97,779,185	$ -	$ -	$ -

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

Investments of the primary government and fiduciary funds include $158,232,065 and $125,637 grouped in cash and cash equivalents and exclude $2,200,000 of nonnegotiable certificates of deposits.

Credit Risk – Investments

As of September 30, 2016 the County's investment in U.S. Agencies that are implicitly guaranteed were as follows: Federal National Mortgage Association $17,576,583, Federal Home Loan Bank $36,300,051, Federal Home Loan Mortgage Corporation $28,495,756, Federal Farm Credit Banks $10,795,468 and United States Treasury $7,033,629. All of the U.S. Agencies that the County has investments with are rated AAA.

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 State Treasurer is the oversight agency for Georgia Fund I.

Discretely Presented Component units

A. Cobb County Board of Health

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be returned to it. The Board limits its exposure to custodial credit risk by requiring deposits to be collateralized at 110% in accordance with state law. As of June 30, 2016, the Board was not exposed to custodial credit risk.

The following is a summary of the Board's investments at June 30, 2016:

Description	Rating	Fair Value	Weighted Average Maturity
Georgia Fund I	AAAf	$ 6,321	42 days
Money Market	-	$3,001,454	n/a

B. ArtsBridge Foundation

The ArtsBridge Foundation, Inc. maintains deposits which are not public funds, but are subject to F.D.I.C coverage. As of September 30, 2016, the Foundation's deposits in the amount of $35,915 were in excess of federal deposit insurance and subject to custodial credit risk.

In fiscal year 2016, the County adopted GASB Statement No. 72 (GASB 72), *Fair Value Measurement and Application*. GASB 72 was issued to address accounting and financial reporting issues related to fair value measurements.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

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

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the County has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the County's own assumptions, as there is little, if any, related market activity.

The County's recurring fair value measurements as of September 30, 2016 are as follows:

		Fair Value Measurement Using		
		Level 1	Level 2	Level 3
PRIMARY GOVERNMENT				
Georgia Fund 1	$ 158,232,065	$ 158,232,065	$ -	$ -
US Agencies	103,697,963	-	103,697,963	-
Money Market Mutual Funds	8,800,188	8,800,188	-	-
Total Primary Government (non-fiduciary)	$ 270,730,216	$ 167,032,253	$ 103,697,963	$ -
FIDUCIARY FUNDS				
Pension Trust Fund:				
Common Stocks	$ 155,328,500	$ 155,328,500	$ -	$ -
Mutual Funds	332,082,532	332,082,532		
Bond Corp.	40,912,988	-	40,912,988	-
Government and Agency Bonds	8,018,102	-	8,018,102	-
Georgia Fund I	125,637	125,637	-	-
Money Market	15,983,317	15,983,317	-	-
Total Pension Trust Fund	$ 552,451,076	$ 503,519,986	$ 48,931,090	$ -
OPEB Trust Fund:				
Mutual Funds	$ 97,319,149	$ 97,319,149	$ -	$ -
Money Market	460,036	460,036	-	-
Total Pension Trust Fund	$ 97,779,185	$ 97,779,185	$ -	$ -

Note 4. Restricted Assets

Restricted assets at September 30, 2016 are as follows:

Governmental Funds		
Stadium Construction Fund:		
Restricted for construction	$	3,049
SPLOST Fund:		
Restricted for construction		81,612,244
Fire District Fund:		
Restricted for construction		286,028
CMCEHA Stadium Construction Fund:		
Restricted for construction		3,062
SCRA Construction Fund:		
Restricted for construction		5,041,303
Debt Service Funds:		
Restricted for debt service		17,126,292
Nonmajor Special Revenue Funds:		
Restricted for renewal and expansion		15,960,683
Restricted for debt service		1,701,477
Restricted for special programs		7,075,289
Total governmental activities	$	128,809,427
Enterprise Funds		
Water and Sewer Fund:		
Customer deposits	$	6,577,228
Unspent bond proceeds		394,480
Restricted for renewal and expansion		33,804,143
Galleria Mall:		
Security deposits		58,951
Performing Arts Centre:		
Ticket sales deposits		1,463,244
Restricted for debt service		615,798
Total enterprise funds	$	42,913,844

Note 5. Capital Assets

Capital asset activity for the year ended September 30, 2016 was as follows:

Primary Government:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,060,140,731	$ 15,260,544	$ (916,245)	$ 1,074,485,030
Construction in progress	317,128,266	394,456,978	(73,230,321)	638,354,923
Total capital assets, not being depreciated	$ 1,377,268,997	$ 409,717,522	$ (74,146,566)	$ 1,712,839,953
Capital assets, being depreciated:				
Buildings	$ 586,941,790	$ 9,342,399	(2,089,175)	$ 594,195,014
Improvements other than buildings	38,201,161	3,342,453	(7,988)	41,535,626
Machinery and equipment	294,247,892	39,158,353	(4,991,578)	328,414,667
Infrastructure	2,671,304,980	81,177,550	-	2,752,482,530
Total capital assets, being depreciated	$ 3,590,695,823	$ 133,020,755	$ (7,088,741)	$ 3,716,627,837
Less accumulated depreciation for:				
Buildings	$ (163,388,393)	$ (12,980,896)	801,408	$ (175,567,881)
Improvements other than buildings	(21,097,983)	(1,895,759)	7,988	(22,985,754)
Machinery and equipment	(235,149,894)	(17,396,624)	4,927,215	(247,619,303)
Infrastructure	(1,119,392,179)	(67,629,758)	-	(1,187,021,937)
Total accumulated depreciation	$ (1,539,028,449)	$ (99,903,037)	$ 5,736,611	$ (1,633,194,875)
Total capital assets, being depreciated, net	2,051,667,374	33,117,718	(1,352,130)	2,083,432,962
Governmental activities capital assets, net	$ 3,428,936,371	$ 442,835,240	$ (75,498,696)	$ 3,796,272,915

Note 5. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land and improvements	$ 82,551,500	$ 326,303	-	$ 82,877,803
Artwork	198,750	-	-	198,750
Construction in progress	384,821,053	29,352,532	(10,042,350)	404,131,235
Total capital assets, not being depreciated	$ 467,571,303	$ 29,678,835	$ (10,042,350)	$ 487,207,788
Capital assets, being depreciated:				
Buildings and structures	$ 158,289,239	$ 29,400	-	$ 158,318,639
Sewerage plants	835,402,010	5,191,988	-	840,593,998
Machinery and equipment	93,157,587	23,845,490	(1,519,252)	115,483,825
Infrastructure:				
Sewer lines	552,516,448	5,611,473	-	558,127,921
Water lines and meters	457,008,166	5,700,549	-	462,708,715
Total capital assets, being depreciated	$ 2,096,373,450	$ 40,378,900	$ (1,519,252)	$ 2,135,233,098
Less accumulated depreciation for:				
Buildings and structures	$ (38,262,743)	$ (3,780,759)	-	$ (42,043,502)
Sewerage plants	(334,486,566)	(19,048,411)	-	(353,534,977)
Machinery and equipment	(78,219,071)	(4,847,710)	1,372,380	(81,694,401)
Infrastructure:				
Sewer lines	(215,741,274)	(10,644,901)	-	(226,386,175)
Water lines and meters	(185,262,460)	(10,669,885)	-	(195,932,345)
Total accumulated depreciation	$ (851,972,114)	$ (48,991,666)	$ 1,372,380	$ (899,591,400)
Total capital assets, being depreciated, net	1,244,401,336	(8,612,766)	-	1,235,641,698
Business-type activities capital assets, net	$ 1,711,972,639	$ 21,066,069	$ (10,189,222)	$ 1,722,849,486

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

Governmental activities:	
General government	$ 7,668,324
Public safety	15,464,472
Public works	69,434,258
Health and welfare	70,221
Culture and recreation	6,229,687
Housing and development	1,024,699
Capital assets held by the government's internal service fund are charged to the various function based on their usage of the assets	11,376
Total depreciation expense - governmental activities	$ 99,903,037
Business-type activities:	
Water and Sewer	$ 42,221,543
Performing Arts Centre	2,716,886
Galleria Specialty Shops	188,870
Solid Waste	398,954
Golf Course	79,542
Transit System	3,385,871
Total depreciation expense - business-type activities	$ 48,991,666

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 $650,000 per occurrence for workers' compensation. Amounts exceeding this are covered by an excess workers' compensation policy. Over the past several years, the County has increased various coverage limits. The County's current coverage limits are as follows: $750,000,000 in property insurance, $10,000,000 in aviation liability, $5,000,000 in crime coverage, $3,000,000 in privacy / cyber liability, $20,000,000 in fiduciary coverage. The County is self-funded for automobile and general liability claims up to $2,000,000. The County has $10,000,000 in excess liability coverage for liability claims above the self-funded amount.

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 $13,143,674 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.

September 30	Beginning Balance	Claims Incurred	Claims Paid	Ending Balance
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
2011	11,895,012	47,962,483	45,824,572	14,032,923
2012	14,032,923	46,067,749	46,601,163	13,499,509
2013	13,499,509	46,199,945	48,190,147	11,509,307
2014	11,509,307	53,910,949	53,309,281	12,110,975
2015	12,110,975	54,121,966	53,089,267	13,143,674
2016	13,143,674	58,198,314	56,912,384	14,429,604

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.

Note 7. Leases (Continued)

The assets acquired through capital leases are as follows:

	Total Governmental Activities	Total Business-type Activities
Land	$ 3,584,101	$ -
Building	2,928,867	-
Machinery and equipment	13,967,163	-
Less: Accumulated depreciation	(6,941,301)	-
Total	$ 13,538,830	$ -

Amortization expense of assets recorded under capital leases is included with depreciation expense.

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, 2016:

	Total Governmental Activities
2017	$ 6,029,726
2018	5,980,709
2019	5,965,727
2020	5,965,727
2021	1,893,439
Total minimum lease payments	$ 25,835,328
Less amounts representing interest	807,517
Present value of future minimum lease payments	$ 25,027,811

In April, 2012, a lease agreement was entered into with Dell Financial Services to finance the replacement of up to 84 personal computers in the third quarter of FY12. 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 July, 2012, a lease agreement was entered into with Dell Financial Services to finance the replacement of up to 639 personal computers in the third quarter of FY12. 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 October, 2012, a lease agreement was entered into with Dell Financial Services to finance the replacement of up to 210 personal computers in the first quarter of FY13. 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 December, 2012, a lease agreement was entered into with Dell Financial Services to finance the replacement of up to 155 personal computers in the second quarter of FY13. 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 July, 2012, a lease agreement was entered into with John Deere Financial to finance the purchase of nine lawn mowers and associated lawn equipment. The lease agreement is for 48 months. The lease agreement qualifies as a capital lease and has been recorded in the Golf Course Fund.

In April, 2014, a lease agreement was entered into with Dell Financial Services to finance the replacement of up to 106 personal computers in the second quarter of FY14. 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 July, 2015 a lease agreement was entered into with Whitney Bank to finance the purchase of radios, inclement weather equipment and police vehicles. The lease agreement is for 66 months. The lease agreement qualifies as a capital lease and has been recorded in the SPLOST Fund.

In February, 2016, a lease agreement was entered into with Bank of America to finance the purchase of public safety vehicles. The lease agreement is for 60 months. The lease agreement qualifies as a capital lease and has been recorded in the SPLOST Fund.

Note 8. Long-Term Debt

A. Primary Government

Bonds payable at September 30, 2016 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 ($4,160,000 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 ($4,130,000 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.

   $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 ($2,200,000 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.

2. Revenue Bonds

   A. Governmental Activities

      $47,965,000 1993 serial bonds due in annual installments of $150,000 to $3,445,000 through October 1, 2026; interest at 5.50 to 5.625 percent ($29,280,000 outstanding). The

Note 8. Long-Term Debt (Continued)

Bonds were issued to refund a portion of the series 1991 bonds, which were issued to finance the construction of the convention center.

$2,120,000 2005 serial bonds due in annual installments of $20,000 to $990,000 through October 1, 2016; interest at 5.25 to 5.50 percent ($990,000 outstanding). The Bonds were issued to refund a portion of the series 1999 bonds.

$13,255,000 2005 serial bonds, all of which was outstanding at September 30, 2016, that are subject to mandatory redemption requirements beginning October 1, 2017. The term bonds come due with the applicable fixed rates from 5.25 to 5.50 percent. The Bonds were issued to refund a portion of the series 1999 bonds.

$14,335,000 2009 serial bonds due in annual installments of $730,000 to $1,130,000 through July 1, 2026; interest at 3.0 to 4.0 percent ($9,530,000 outstanding). The Bonds were issued to refund the series 1996 bonds, which were originally issued to finance the purchase of approximately eleven acres of land for future expansion capabilities.

$376,600,000 2015 serial bonds, all of which was outstanding at September 30, 2016. The bonds are due in annual installments of $3,690,000 to $21,270,000 through January 1, 2047; interest at 1.0 to 3.25 percent. The Bonds were issued to finance, in part the cost of acquisition, construction and equipping of the stadium project and the costs of issuance of the bonds.

$10,000,000 2015 serial bonds due in annual installments of $370,000 to $705,000 through July 1, 2035; interest at 3.0 to 4.0 percent ($9,630,000 outstanding). The Bonds were issued to finance, in part the cost of various redevelopment and infrastructure improvement projects within the Six Flags Special Purpose District.

$41,635,000 2013 refunding serial bonds due in annual installments of $1,730,000 to $4,155,000 through January 1, 2029; interest at 3.0 to 5.00 percent ($38,325,000 outstanding). The Bonds were issued to refinance the series 2004 bond issue that was originally issued to finance the construction of a new Performing Arts Centre and parking garage.

B. Business-type Activities

$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 ($94,665,000 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.

$71,545,000 2013 refunding serial bonds due in annual installments of $6,970,000 to $7,800,000 through July 1, 2023; interest at 2.15 percent ($51,300,000 outstanding). The Bonds were issued for the purpose of advance refunding, defeasing and optionally redeeming the County's outstanding 2003 serial bonds and paying the cost of issuance of the Series 2013 Bonds.

$10,000,000 2007 refunding serial bonds due in annual installments of $495,000 to $760,000 through January 1, 2027, originally with interest at a fixed rate of 3.99%, which

Note 8. Long-Term Debt (Continued)

was reduced to 2.88% effective June 1, 2012 ($6,920,000 outstanding). The Bonds were issued to provide additional financing for the construction, renovation, equipping, and other such activities for the Performing Arts Centre.

The County has pledged future water customer revenues, net of specified operating expenses, to repay $198.1 million in water revenue bonds issued from 2009 to 2013. 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. During the current year, principal and interest paid and total net pledged revenues were $17,603,337 and $72,805,561 respectively. The total principal and interest remaining to be paid on the bonds as of September 30, 2016 was $145,965,000 and $36,526,609 respectively.

The annual requirements to amortize all General Obligation and Revenue bonds outstanding at September 30, 2016 including interest payments of $376,135,790 are as follows:

	Governmental Activities	
	General Obligation Bonds	
Year Ending September	Principal	Interest
2017	$ 8,305,000	$ 257,118
2018	2,185,000	35,506
	$ 10,490,000	$ 292,624

	Governmental Activities		Business-Type Activities	
	Revenue Bonds		Revenue Bonds	
Year Ending September	Principal	Interest	Principal	Interest
2017	$ 9,720,000	$ 19,757,948	$ 12,845,000	$ 5,560,080
2018	13,795,000	19,418,609	13,260,000	5,151,085
2019	14,270,000	18,997,327	13,705,000	4,727,264
2020	14,820,000	18,507,756	14,165,000	4,287,620
2021	15,425,000	17,968,617	14,670,000	3,800,247
2022-2026	87,635,000	80,192,112	56,555,000	11,853,656
2027-2031	70,320,000	63,501,327	27,685,000	2,320,257
2032-2036	65,110,000	50,224,110	-	-
2037-2041	78,035,000	34,387,425	-	-
2042-2046	97,485,000	14,940,338	-	-
2047	10,995,000	247,388	-	-
	$ 477,610,000	$ 338,142,957	$ 152,885,000	$ 37,700,209

The annual requirements to amortize all Water and Sewer Revenue Bonds outstanding at September 30, 2016 are as follows:

Note 8. Long-Term Debt (Continued)

	Outstanding Water and Sewer Parity Bonds		
	Principal	Interest	Total
2017	$ 12,330,000	$ 5,368,200	$ 17,698,200
2018	12,725,000	4,974,325	17,699,325
2019	13,150,000	4,566,200	17,716,200
2020	13,590,000	4,142,828	17,732,828
2021	14,070,000	3,672,375	17,742,375
2022-2026	53,175,000	11,493,368	64,668,368
2027-2031	26,925,000	2,309,313	29,234,313
	$ 145,965,000	$ 36,526,609	$ 182,491,609

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).

1. 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.

$12,049,931 is available in the Debt Service Fund to service the general obligation bonds.

2. Prior Years' Advance Refundings

On September 30, 2016 there were no bonds outstanding that are considered defeased.

Revenue Bonds:

During the fiscal year ending September 30, 2013, the County issued Series 2013 Water and Sewer Refunding Revenue Bonds of $71,545,000 with interest rates of 2.15 percent to advance refund $78,535,000 of the 2003 Water and Sewer Revenue Bonds with interest rates of 3.0 to 5.0 percent.

The 2013 Water and Sewer Refunding Revenue Bonds were issued at par. After paying the issuance costs of $407,899 the net proceeds were $71,137,101. 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 2003 bond issue maturing in 2023. The advance refunding met the requirements of an in-substance defeasance, thus the refunded portions of the 2003 bonds are no longer included in the Water and Sewer Fund Statement of Net Position bond payable balance.

Note 8. Long-Term Debt (Continued)

3. 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 ($8,850,000 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
2017	$ 435,000	$ 305,125	$ 740,125
2018	450,000	292,937	742,937
2019	475,000	279,063	754,063
2020	490,000	264,588	754,588
2021	510,000	249,588	759,588
2022-2026	2,895,000	985,687	3,880,687
2027-2031	3,595,000	385,388	3,980,388
Total	$ 8,850,000	$ 2,762,376	$ 11,612,376

4. Revenue Anticipation Certificates

$6,315,000 2014 Revenue Anticipation Certificates is due in annual installments of $245,000 to $410,000 through July 1, 2035; interest at 2.00 to 3.25 percent ($6,070,000 outstanding). The Certificates were issued to finance in whole or in part the costs of the design, construction and equipping of a two story building, which will be subleased to the Community Service Board through an intergovernmental agreement.

	Revenue Anticipation Certificates		
	Principal	Interest	Total
2017	$ 250,000	$ 172,700	$ 422,700
2018	255,000	167,700	422,700
2019	260,000	162,600	422,600
2020	265,000	157,400	422,400
2021	275,000	147,450	422,450
2022-2026	1,495,000	621,325	2,116,325
2027-2031	1,705,000	404,900	2,109,900
2032-2035	1,565,000	127,594	1,692,594
Total	$ 6,070,000	$ 1,961,669	$ 8,031,669

Note 8. Long-Term Debt (Continued)

5. Notes Payable

$35,000,000 2008 Notes Payable is due in monthly installments of $195,402 through December 1, 2028; interest at 3.00 percent (with $24,013,090 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 through October 1, 2022 (with one final payment of $76,256.98 payable on November 1, 2022); interest at 3.00 percent (with $13,001,313 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.

$6,000,000 2010 Notes Payable is due in monthly installments of $33,378 [payments were $50,044] through February 1, 2030 (with one final payment of $7,778.89 payable on February 1, 2030); interest at 3.00 percent (with $4,421,806 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 during fiscal year 2010.

$25,000,000 2010 Notes Payable is due in monthly installments of $138,649 through August 1, 2030; interest at 3.00 percent (with $18,909,850 outstanding). The loan is financing the construction of various water tunnels and pump stations.

$25,000,000 2011 Notes Payable is due in monthly installments of $134,490 through August 1, 2031; interest at 3.00 percent (with $19,389,073 outstanding). The loan is financing the construction of various water tunnels and pump stations. $750,000 of the loan was forgiven during fiscal year 2011.

$35,000,000 2011 Notes Payable is due in monthly installments of $194,106 through January 1, 2032; interest at 3.00 percent (with $28,600,344 outstanding). The loan is financing the construction of various water tunnels and pump stations.

$35,000,000 2012 Notes Payable is due in monthly installments of $177,222 through July 1, 2033; interest at 3.00 percent (with $30,401,033 outstanding). The loan is financing the construction of various water tunnels and pump stations.

	Note Payable		
	Principal	Interest	Total
2017	$ 9,053,125	$ 3,778,720	$ 12,831,845
2018	9,314,257	3,518,017	12,832,274
2019	9,583,749	3,248,525	12,832,274
2020	9,860,311	2,971,962	12,832,273
2021	10,147,331	2,684,942	12,832,273
2022-2026	45,735,493	9,379,003	55,114,496
2027-2031	40,407,102	3,095,043	43,502,145
2032-2033	4,635,141	81,980	4,717,121
Total	$ 138,736,509	$ 28,758,192	$ 167,494,701

Note 8. Long-Term Debt (Continued)

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
GO Bonds:					
2008 Parks	$ 6,085,000	$ -	$ (1,925,000)	$ 4,160,000	$ 1,975,000
2007 Parks	8,055,000	-	(3,925,000)	4,130,000	4,130,000
2005 Refunding	4,300,000	-	(2,100,000)	2,200,000	2,200,000
Revenue Bonds:					
1993 Refunding	31,180,000	-	(1,900,000)	29,280,000	2,005,000
2005 Refunding	1,945,000	-	(955,000)	990,000	990,000
2005 Refunding	13,255,000	-	-	13,255,000	-
2009 Refunding	10,305,000	-	(775,000)	9,530,000	800,000
2013 Refunding	40,055,000	-	(1,730,000)	38,325,000	1,875,000
2015 Stadium	376,600,000	-	-	376,600,000	3,690,000
2015 South Cobb Redevelopment Authority	10,000,000	-	(370,000)	9,630,000	360,000
Total bonds before discounts and premiums	$ 501,780,000	$ -	$ (13,680,000)	$ 488,100,000	$ 18,025,000
Add:					
Unamortized bond premiums and discounts	$ 4,175,673	$ -	$ (712,025)	$ 3,463,648	$ -
Total bonds payable	$ 505,955,673	$ -	$ (14,392,025)	$ 491,563,648	$ 18,025,000
Capital leases before discounts	$ 20,249,253	$ 8,800,000	$ (4,021,442)	$ 25,027,811	$ 4,968,832
Certificate of Participation	9,270,000	-	(420,000)	8,850,000	435,000
Revenue Anticipation Certificates	6,315,000	-	(245,000)	6,070,000	250,000
Add:					
Revenue Anticipation Certificates Premium	76,269	-	(3,632)	72,637	-
Total Revenue Anticipation Certificates	6,391,269	-	(248,632)	6,142,637	250,000
Net pension liability	430,843,725	65,173,648	-	496,017,373	-
Compensated absences	21,336,320	13,401,845	(10,232,742)	24,505,423	10,666,936
Total other liabilities	$ 488,090,567	$ 87,375,493	$ (14,922,816)	$ 560,543,244	$ 16,320,768
Governmental Activities Long-term Liabilities	$ 994,046,240	$ 87,375,493	$ (29,314,841)	$ 1,052,106,892	$ 34,345,768

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, $18,220 of the Internal Service Fund's compensated absences is included in the above amounts. Also, for the governmental activities, claims and judgments, net pension liability 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 unit are typically liquidated in the general fund.

Note 8. Long-Term Debt (Continued)

Business-type Activities:	Beginning Balance (As Revised)	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds:					
2009 Water & Sewer Serial	$ 99,910,000	$ -	$ (5,245,000)	$ 94,665,000	$ 5,480,000
2013 Water & Sewer Serial Bond	58,005,000	-	(6,705,000)	51,300,000	6,850,000
2007 Performing Arts Centre	7,415,000	-	(495,000)	6,920,000	515,000
Total Bonds before discounts and premiums	$ 165,330,000	$ -	$ (12,445,000)	$ 152,885,000	$ 12,845,000
Add: Bond premiums	$ 6,250,985	$ -	$ (446,499)	$ 5,804,486	$ -
Total bonds payable	$ 171,580,985	$ -	$ (12,891,499)	$ 158,689,486	$ 12,845,000
Capital leases	$ 121,352	$ -	$ (121,352)	$ -	$ -
Notes payable	147,533,739	-	(8,797,230)	138,736,509	9,053,125
Net pension liability	40,745,291	6,163,533	-	46,908,824	-
Closure and postclosure	24,045,850	-	(368,429)	23,677,421	368,429
Compensated absences	1,694,508	1,257,512	(1,229,113)	1,722,907	1,213,076
Total other liabilities	$ 214,140,740	$ 7,421,045	$ (10,516,124)	$ 211,045,661	$ 10,634,630
Business-type Activities Long-term Liabilities	$ 385,721,725	$ 7,421,045	$ (23,407,623)	$ 369,735,147	$ 23,479,630

The beginning balance has been revised to exclude retainage that is considered current in fiscal year 2016.

Cobb County Board of Health

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Net Pension Liability	$ 13,569,023	$ 1,213,718	$ -	$ 14,782,741	$ -
Compensated Absences	691,727	655,425	(647,973)	699,179	695,655
Total Long-term Liabilities	$ 14,260,750	$ 1,869,143	$ (647,973)	$ 15,481,920	$ 695,655

Note 9. 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 the 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.

Note 9. Fund Balance Determinations and Classifications (Continued)

The following classifications are used by the County:

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

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

    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 externally imposed by creditors [debt agreements, grantors, 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. Board of Commissioners' resolution is required in order to establish, modify or rescind a fund balance commitment. This is the highest level of authoritative action at the local level.

    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. The Commissioner's have by resolution authorized the County Manager to assign fund balance.

    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 Commission 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 9. 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
Courts	$ 1,496,087	$ -	$ 1,496,087
E-911	-	3,345,826	3,345,826
800 MHz	-	13,573	13,573
Streetlight District	-	1,979,852	1,979,852
Grants	-	1,444,772	1,444,772
Housing	-	142,671	142,671
Library	-	81,105	81,105
Parks	175,050	-	175,050
Cumberland Special Service District	-	4,128,398	4,128,398
Sheriff	561,453	-	561,453
CMCEHA	-	14,440,662	14,440,662
Total	$ 2,232,590	$ 25,576,859	$ 27,809,449

Note 9. Fund Balance Determinations and Classifications (Continued)

Special Program Classification: Committed Fund Balance

Special Programs:	General Fund	Nonmajor Governmental Funds	Total
Board of Commissioners	$ 81,979	$ -	$ 81,979
Community Development	1,177,017	-	1,177,017
Communications	1,618,129	-	1,618,129
County Attorney	3,500	-	3,500
County Manager	2,400	-	2,400
Courts	867,336	-	867,336
General Government	19,659,682	-	19,659,682
Grant	273,270	-	273,270
Elections	92,753	-	92,753
Extension	1,000	-	1,000
Fleet	2,018,855	-	2,018,855
Human Resources	139,719	-	139,719
Information Services	1,515,924	-	1,515,924
Library	345,927	-	345,927
Medical Examiner	84,669	-	84,669
Parks	3,309,373	-	3,309,373
Parking Deck	-	18,082	18,082
Property Management	226,282	-	226,282
Public Services	3,090,821	-	3,090,821
Purchasing	300	-	300
Senior Services	272,102	-	272,102
Sheriff	2,020,153	-	2,020,153
Tax Assessor	18,950	-	18,950
Tax Commissioner	18,525	-	18,525
Transportation	3,357,626	-	3,357,626
CMCEHA	-	889,207	889,207
Total	$ 40,196,292	$ 907,289	$ 41,103,581

Note 9. Fund Balance Determinations and Classifications (Continued)

Special Program Classification: Assigned Fund Balance

Special Programs:	General Fund	Nonmajor Governmental Funds	Total
Board of Commissioners	$ 26	$ -	$ 26
Community Development	2,798	-	2,798
Communications	32,420	-	32,420
County Clerk	3,157	-	3,157
County Manager	378	-	378
Courts	92,454	-	92,454
General Government	36,617	-	36,617
Grant	92,704	-	92,704
Elections	16,977	-	16,977
Extension	538	-	538
Finance	2,318	-	2,318
Fleet	122,719	-	122,719
Human Resources	29,765	-	29,765
Information Services	321,842	-	321,842
Library	47,421	-	47,421
Medical Examiner	13,508	-	13,508
Parks	371,368	-	371,368
Parking Deck	-	25,310	25,310
Property Management	261,707	-	261,707
Public Safety	318,634	-	318,634
Purchasing	463	-	463
Senior Services	25,357	-	25,357
Sheriff	448,675	-	448,675
Support Services	167	-	167
Tax Assessor	133	-	133
Tax Commissioner	48,398	-	48,398
Transportation	130,209	-	130,209
Total	$ 2,420,753	$ 25,310	$ 2,446,063

Note 10. 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. FY16 property taxes were levied on July 26, 2016 with taxes being due on October 17th 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.

Note 11. Interfund Balances and Transfers

A. Primary Government

Individual fund interfund receivable and payable balances for the fiscal year ended September 30, 2016 are as follows:

Due to / from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Funds	$ 487,097
Fire District Fund	General Fund	50,254
Water and Sewer Fund	General Fund	25,012,068
	Fire District Fund	5,000,000
		30,012,068
Nonmajor Governmental Funds	General Fund	6,519,035
	Fire District Fund	378,232
	Performing Arts Centre Fund	34,392
	Internal Service Fund	67,000
	Water and Sewer Fund	543,157
	Nonmajor Business-Type Funds	39,444
	Nonmajor Governmental Funds	449,604
		8,030,864
Nonmajor Business-Type Funds	General Fund	5,019
Internal Service Fund	Fire District Fund	8,000,000
		$ 46,585,302

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, 2016.

Advance from/to other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Business-Type Funds	$ 3,122,843

Note 11. Interfund Balances and Transfers (Continued)

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

	Transfer In					
Transfer out:	General Fund	CMCEHA Stadium Construction Fund	Water and Sewer Fund	Nonmajor Governmental Funds	Nonmajor Business-Type Funds	Total
General Fund	$ -	$ 12,250,446	$ -	$ 4,910,346	$ 9,752,617	$ 26,913,409
Fire District Fund	-	-	-	378,232	-	378,232
Stadium Construction Fund	-	5,000,000	-	-	-	5,000,000
Water and Sewer Fund	12,314,369	-	-	543,157	-	12,857,526
Internal Service Fund	348,523	-	-	67,000	-	415,523
Nonmajor Governmental Funds	14,454,532	-	24,683	18,715,195	260,982	33,455,392
Nonmajor Business-Type Funds	-	-	-	7,571	1,968,215	1,975,786
Total transfers out	$ 27,117,424	$ 17,250,446	$ 24,683	$ 24,621,501	$ 11,981,814	$ 80,995,868

Interfund transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that 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 payments 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 12. 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 13. 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 14. Due From Other Governments and Agencies

General Fund:			
Cobb County Board of Education	$ 7,302		
Cobb County Board of Health	1,363		
City of Acworth, Georgia	6,116		
City of Austell, Georgia	725,089		
City of Kennesaw, Georgia	6,983		
City of Marietta, Georgia	27,818		
City of Powder Springs, Georgia	2,128		
City of Smyrna, Georgia	8,458		
Chattahoochee Tech	5,493		
State of Georgia, Department of Revenue	82,791		
United States, Department of Treasury	8,322		
Total General Fund			$ 881,863
Special Revenue Funds:			
Community Services Fund:			
State of Georgia, Department of Human Resources		$ 230,197	
Grant Fund:			
State of Georgia, Council of Juvenile Court Judges	$ 39,200		
State of Georgia, Criminal Justice Coordinating Council	274,637		
State of Georgia, Department of Human Resources	115,160		
State of Georgia, Department of Revenue	26,809		
State of Georgia, Department of Transportation	22,214		
State of Georgia, Emergency Management Agency	51,600		
State of Georgia, Public Safety	32,610		
Atlanta Regional Commission	541,108		
United States, Department of Justice	83,974	$ 1,187,312	
Housing and Urban Development Fund:			
United States, Department of Housing and Urban Development		$ 699,212	
Emergency 911 Fund			
State of Georgia, Department of Revenue		$ 1,203,338	
CMCEHA Fund			
City of Marietta, Georgia	$ 48,451		
City of Smyrna, Georgia	78,006	$ 126,457	
Total Special Revenue Funds			$ 3,446,516

Note 14. Due From Other Governments and Agencies (Continued)

Capital Projects Funds:			
SPLOST Fund:			
State of Georgia, Department of Revenue	$ 11,642,803		
State of Georgia, Department of Transportation	6,571,296	$ 18,214,099	
Public Facilities Fund:			
FEMA		$ 266,242	
Cobb County Kennestone Hospital Authority		1,047	
State of Georgia, Department of Transportation		758,874	
Federal Transit Administration		657,377	
Cumberland Community Improvement District		25,000	
Towncenter Community Improvement District		41,935	
Total Capital Projects Funds		$ 1,750,475	$ 19,964,574
Total Due From Other Governments			$ 24,292,953
Proprietary Funds:			
Public Transit System Fund:			
Federal Transit Administration	$ 275,138		
Georgia Regional Transportation Authority	236,785		
Metro Atlanta Rapid Transportation Authority	362,304	$ 874,227	
Total Proprietary Funds			$ 874,227

Note 15. 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, 2016 membership in the plan is comprised of the following:

Group	January 1, 2016
Active participants	4,249
Retirees and beneficiaries	1,486
Total	5,735

The January 1, 2016 valuation is used to determine the recommended contribution for fiscal year 2016.

Note 15. Other Post Employment Benefits (Continued)

Valuation date:	01/01/16
Actuarial cost method:	Projected unit credit cost method
Amortization method:	Level percentage of pay, closed
Remaining amortization period:	27 years
Asset valuation method:	Market value of assets

The amortization period for this plan is open.

Actuarial Assumptions Utilized:	
Investment rate of return:	7.6%
Pre-Medicare Medical cost trend rate:	7.0%
Medicare Eligible Medical cost trend rate:	5.0%
Ultimate trend rate	5.0%
Year of ultimate trend rate:	2021
Includes inflation at:	2.5%

B. Eligibility

Effective January 1, 2007:

All full-time employees with seven or more years of services as of January 1, 2007 will be eligible to continue medical coverage with ten years of service at termination of employment.

All full-time employees with less than seven year of service as of January 1, 2007 will be eligible to continue medical coverage with fifteen years of service at termination of employment.

Effective January 1, 2009

All full-time new hires will be eligible to continue medical coverage with thirty years of service at termination of employment.

C. Funding Policy

The contribution requirements of plan members and the County are established and may be amended by the Pension Fund Board of Trustees. Plan members receiving benefits under the PPO plan contribute $129.46 per month for retiree, $348.77 per month for employee and spouse coverage, $331.33 per month for employee and child(ren) coverage, and $489.21 per month for family coverage. Plan members receiving benefits under the EPO/HMO plan contribute $56.37 per month for retiree, $191.34 per month for employee and spouse coverage, $181.78 per month for employee and child(ren) coverage, and $269.25 per month for family coverage Plan members receiving benefits under the CDHP plan contribute $37.20 per month for retiree, $158.19 per month for employee and spouse coverage, $150.29 per month for employee and child(ren) coverage, and $222.95 per month for family coverage. Plan members receiving benefits under the Kaiser Signature plan contribute $29.79 per month for retiree, $140.38 per month for employee and spouse coverage, $133.36 per month for employee and child(ren) coverage, and $196.5 per month for family coverage The County is required to contribute at a rate that is based on an actuarial valuation that is prepared in accordance within certain parameters. The current rate is 6.48% of annual covered payroll.

Note 15. Other Post Employment Benefits (Continued)

D. Contributions

In 2016 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

Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	Net OPEB Asset (Liability)
9/30/2014	$ 12,682,173	121%	$ 7,868,606
9/30/2015	12,297,726	108%	8,895,006
9/30/2016	13,738,190	107%	9,918,665

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	$ 13,851,605
Interest on net OPEB obligation	(684,915)
Adjustment to annual required contribution	571,500
Annual OPEB cost (expense)	13,738,190
Contributions made	14,761,849
Increase in net OPEB asset	1,023,659
Net OPEB asset - beginning of year	8,895,006
Net OPEB asset - ending balance	$ 9,918,665

In accordance with the recommendation of its actuary, pursuant to their plan evaluation as of January 1, 2016, the County contributed $14,761,849 to the Plan. This contribution consisted of $5,293,334 (2.42% of covered payroll) for normal costs, $9,468,515 (4.06% 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 into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The accompanying schedules of employer contributions present information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Note 15. Other Post Employment Benefits (Continued)

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
1/1/2014	$ 84,726,947	$ 200,118,641	42.34%	$ 115,391,694	$ 212,799,730	54.2%
1/1/2015	91,440,896	224,352,661	40.80%	132,911,765	218,979,561	60.7%
1/1/2016	91,619,032	245,265,481	37.36%	153,646,449	227,955,687	67.4%

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.

E. Summary of significant accounting policies

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

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

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

Note 16. Employee Retirement System

A. Primary Government

Plan Description

The Cobb County Government Employees' Pension Plan is a single-employer defined benefit plan and the contributing entity is Cobb County. The employees covered are County employees and public safety employees. The Plan provides retirement benefits to participants according to provisions of the plan document normally in the form of a life annuity.

Note 16. Employee Retirement System (Continued)

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. A stand alone financial report is not prepared for the Plan. The benefit provisions and all other requirements are established by the Cobb County Board of Commissioners. The Cobb County Board of Commissioners shall have the right at any time by instrument of writing, to modify, alter or amend the Pension Plan in whole or in part, provided, however, that any benefits which have actually accrued and become payable shall not be affected.

The distribution of number of employees by type of member is as follows:

Number of Participants as of January 1, 2016	
Retired participants and beneficiaries currently receiving benefits	2,185
Terminated participants entitled to benefits, but not yet receiving benefits	927
Active participants	4,132
Total	7,244

Eligibility

For employees hired before January 1, 2009, the first day of the calendar month coinciding with or next following the participant's 65th birthday, or if later, the day the participant completes 7 years of service. However, for any participant who has met all of the requirements to be eligible to retire under the Normal Retirement or Rule of 80 provisions as of December 31, 2008, the Normal Retirement Date shall remain the later of age 65 and the completion of 5 years of service. For employees hired on or after January 1, 2009, the later of age 65 or 10 years of service. For employees hired on or after January 1, 2010, the later of Social Security Normal Retirement Age or 10 years of service.

Benefits

Member's normal retirement pension shall equal 2.5% of the member's total years of benefit accrual service. For participants hired before January 1, 2009, the average of the 5 highest consecutive years of compensation out of the last 10 years, provided that the final average compensation used shall not be less than the 3 year final average compensation calculated as of December 31, 2008. However, any participant who has met all of the requirements to be eligible to retire under the Normal Retirement or Rule of 80 provisions as of December 31, 2008 shall always be calculated using the 3 highest consecutive years of compensation. For employees hired on or after January 1, 2009, the final average compensation will consist of the average of the 5 highest consecutive years of compensation out of the last 10 years. For employees hired on or after January 1, 2010 and any employee hired prior to this date who elected to enter the Hybrid Plan, no overtime will be used in the final average compensation calculation. Member's Hybrid Plan pension shall equal 1.0% of the member's total years of benefit accrual service.

The Pension Plan provides pre-retirement spouse death benefits. To be eligible the member must have Seven years of service (or 10 depending on date of hire) and has been married one full year prior to death. If the Participant was killed in the line of duty, there is no minimum service requirement. The benefit amount is 45% of the Participant's Accrued Benefit determined as if death had occurred at their Normal Retirement Date, assuming Credited Service continued until Normal

Note 16. Employee Retirement System (Continued)

Retirement Date and Compensation remained the same. The benefit commences immediately and is reduced if the spouse is more than 10 years younger than the Participant.

Contributions

The Cobb County Board of Commissioners establishes rates based on an actuarially determined rated recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The County is required to contribute the difference between the actuarially determined rate and the contributions rate of plan members. For the year ended September 30, 2016, the traditional active member's contribution rate was 7.0% and the County's contribution rate was 19.15% of covered payroll. During the plan year, total pension contributions were $42,300,849 from the County.

Investments

The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board of Trustees by a majority vote. It is the policy of the Board of Trustees to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of asset classes. The pension plan's investment policy does not permit the following securities and transactions without prior Trustee approval: 1) Letter stock and other unregistered; commodities or other commodity contracts; short sales or margin transactions; uncovered and covered options. 2) Investments for the purpose of exercising control of management. 3) Investments in companies that have filed petition for bankruptcy.

The target asset allocation and best estimate of arithmetic real rates of return for each major asset class as of September 30, 2016 are summarized below:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Fixed Income	30%	0.20%
US Equity	33%	5.10%
US Equity Mid Cap	6%	5.90%
US Equity Small Cap	6%	6.10%
Global Equity	10%	5.70%
International Equity	15%	6.30%
Total	100%	

For the year ended September 30, 2016, the annual money-weighted rate of return on the Pension Plan's investments, net of pension plan investment expense, was 9.68 percent. The money-weighted rate of return expressed investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Note 16. Employee Retirement System (Continued)

Net Pension Liability of the County

The net pension liability reported by the County at September 30, 2016 is based on the measurement date of September 30, 2015. The total pension liability as of the measurement date, September 30, 2016, was determined by an actuarial valuation as of January 1, 2016. Updated procedures were used to roll forward the total pension liability to the plan's fiscal year end, September 30, 2016 for disclosure purposes. The components of the net pension liability of the County as of the plan's fiscal year end, September 30, 2016, were as follows:

Total Pension Liability	$	1,103,634,874
Plan Fiduciary Net Position		553,082,903
County's Net Pension Liability	$	550,551,971
Plan Fiduciary Net Position as a % of the Total Pension Liability		50.11%

Changes in Net Pension Liability as of the following measurement date:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2014	$ 989,500,404	$ 517,911,388	$ 471,589,016
Changes for the year:			
Service cost	18,980,543	-	18,980,543
Interest	72,176,032	-	72,176,032
Benefit changes	463,821	-	463,821
Difference between expected actual experience	25,359,233	-	25,359,233
Changes in assumptions	-	-	-
Contributions - employer	-	39,097,981	(39,097,981)
Contributions - employee	-	12,083,766	(12,083,766)
Net investment income	-	(5,922,327)	5,922,327
Benefit payments, including refunds of employee contributions	(54,262,097)	(54,262,097)	-
Administrative expense	-	(241,372)	241,372
Other changes	-	624,400	(624,400)
Net changes	$ 62,717,532	$ (8,619,649)	$ 71,337,181
Balance at September 30, 2015	$ 1,052,217,936	$ 509,291,739	$ 542,926,197

Note 16. Employee Retirement System (Continued)

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2015	$ 1,052,217,936	$ 509,291,739	$ 542,926,197
Changes for the year:			
Service cost	18,841,425	-	18,841,425
Interest	76,728,937	-	76,728,937
Benefit changes	(319,947)	-	(319,947)
Difference between expected actual experience	14,497,396	-	14,497,396
Changes in assumptions	-	-	-
Contributions - employer	-	42,300,849	(42,300,849)
Contributions - employee	-	12,981,148	(12,981,148)
Net investment income	-	46,845,674	(46,845,674)
Benefit payments, including refunds of employee contributions	(58,330,873)	(58,330,873)	-
Administrative expense	-	(250,846)	250,846
Other changes	-	245,212	(245,212)
Net changes	$ 51,416,938	$ 43,791,164	$ 7,625,774
Balance at September 30, 2016	$ 1,103,634,874	$ 553,082,903	$ 550,551,971

Actuarial Methods and Assumptions

The following actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2015, and rolled forward to the measurement date of September 30, 2016:

Inflation	2.50%
Salary increases	2.5 to 4.0 percent, including inflation
Investment rate of return	7.5 percent, net of pension plan investment e and including inflation
Post-retirement benefit increases	Not applicable

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The projection of cash flows used to determine the discount rate assumed that plan member and County contributions will be made at the greater of actuarially determined contribution rates and rates adopted by the County. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and

Note 16. Employee Retirement System (Continued)

inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following represents the net pension liability as of the measurement date, September 30, 2016, and the plan's fiscal year end, September 30, 2016, calculated using the discount rate of 7.5 percent, as well as what the net pension liability would be calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate:

As of September 30, 2015	1% Decrease (6.5%)	Current Discount (7.5%)	1% Increase (8.5%)
County's Net pension liability	$ 669,204,155	$ 542,926,197	$ 436,722,895

As of September 30, 2016	1% Decrease (6.5%)	Current Discount (7.5%)	1% Increase (8.5%)
County's Net pension liability	$ 681,119,989	$ 550,551,971	$ 440,634,266

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2016, the County recognized pension expense of $47,817,347. At September 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources based on a measurement date of September 30, 2015:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 21,235,780	$ -
Changes in assumptions	22,513,088	-
Net difference between projected and actual earnings on plan investments	28,626,814	-
Employer contributions subsequent to the Measurement Date	42,300,849	-
Total	$ 114,676,531	$ -

$42,300,849 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Note 16. Employee Retirement System (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
2017	$ 16,010,593	$ -
2018	16,010,593	-
2019	16,010,592	-
2020	18,377,820	-
2021	5,347,569	-
2021	618,515	-

Defined contribution plan – Cobb Marietta Coliseum and Exhibit Hall Authority

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, 2016, there were 142 plan members. Plan provisions and contribution requirements are established and amended by the Authority. The plan consists solely of employer contributions. All employees, full and part time, who have performed one (1) hour of service, are eligible to participate in the plan. On Call employees are not eligible to participate. 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 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 $502,802. For the year ended September 30, 2016, forfeitures allocated to participant accounts totaled $38,629.The plan does not have a separate audited GAAP-basis postemployment benefit plan report. The plan held no securities of the Authority or other related parties during the year.

The Authority also contributes to the Cobb-Marietta Coliseum and Exhibit Hall Authority Executive Pension Plan (a 401 Government Money Purchase Plan). The Plan is administered by the ICMA Retirement Corporation. At September 30, 2016, there was one plan member. Plan provisions and contribution requirements are established and amended by the Authority. The plan consists solely of employee contributions. Participants are immediately vested in the plan. The Authority made no contributions to the plan during the year. The plan does not have a separate audited GAAP-basis plan report. The plan held no securities of the Authority or other related parties during the year.

The Authority also maintains a Roth IRA Plan; the Plan is administered by the ICMA-Retirement Corporation. At September 30, 2016, there were 3 plan members. Plan provisions and contribution requirements are established and amended by the Authority. The plan consists solely of employee contributions. Participants are immediately vested in the plan. The Authority made no contributions to the plan during the year. The plan does not have a separate audited GAAP-basis plan report. The plan held no securities of the Authority or other related parties during the year.

Note 16. Employee Retirement System (Continued)

401/457 Defined Contribution Plan - County

Effective January 1, 2010 the County adopted the ICMA Retirement Corporation Deferred Compensation Plan and Trust, a 401/457 Defined Contribution Plan administered by ICMA Retirement Corporation. This plan is available to all County employees that employment date is after January 1, 2010. Under this plan the County shall make matching contributions of 50% of an employee's earnings, up to 4% of earning contributed to the ICMA Retirement Corporation Deferred Compensation Plan and Trust. Participants become 100% vested in the plan after five years of service. Any forfeitures are available toward future contributions. Plan provisions and contribution requirements are established and amended by the Board of Trustees of Cobb County Government Employees' Pension Plan. The County made actual contributions during the year of $749,344 to the plan. Total forfeitures during the year were $61,474.

Note 17. 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 18. 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 Position.

Capital Contributions recognized as revenue in the Proprietary Funds for the fiscal year ending September 30, 2016 are presented below:

Source:	
Developers	$ 6,461,659
Grants	19,672,740
Donations	11,367,899
	$ 37,502,298

Note 19. 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, 2016, Cobb County has incurred a liability totaling $23,677,421.

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 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, 2016, 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 20. Hotel/Motel Lodging Tax

Cobb County has levied an 8% lodging tax. A summary of the transactions for the year ending September 30, 2016 follows:

Lodging tax receipts	$ 13,918,458
Debt service payment on refunding revenue bonds, series 2013 (Performing Arts Center Project)	(3,424,500)
Balance of lodging tax was expended for the promotion of tourism as required by OCGA 48-13-51	$ 10,493,958

Note 21. Other Commitments

Commitments for water and sewerage system improvements at September 30, 2016 total approximately $34,942,560.

Encumbrances outstanding at year end are as follows:

	General Fund	Fire District Fund	SPLOST Fund	Nonmajor Governmental Funds	Total
Encumbrances	$ 7,873,457	$ 3,589,656	$ 101,725,308	$ 16,258,092	$ 129,446,513

Note 22. 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 RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The County paid dues in the amount of $731,975 to the ARC for the year ended September 30, 2015. The RC 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 RC. Separate financial statements may be obtained from: Atlanta Regional Commission, 40 Courtland Street N.E., Atlanta, Georgia 30303.

Note 23. 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.

REQUIRED SUPPLEMENTAL INFORMATION

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2016

Schedule of Changes in Net Pension Liability and Related Ratios

	2016	2015 (Revised)	2014
Total Pension Liability			
Service cost	$ 18,841,425	$ 18,980,543	$ 16,461,299
Interest	76,728,937	72,176,032	67,327,012
Benefit changes	(319,947)	463,821	-
Difference between expected actual experience	14,497,396	25,359,233	-
Changes in assumptions	-	-	33,157,574
Benefit payments, including refunds of employee contributions	(58,330,873)	(54,262,097)	(50,322,458)
Net change in Total Pension Liability	$ 51,416,938	$ 62,717,532	$ 66,623,427
Total Pension Liability - Beginning	$ 1,052,217,936	$ 989,500,404	$ 922,876,977
Total Pension Liability - Ending	$ 1,103,634,874	$ 1,052,217,936	$ 989,500,404
Plan Fiduciary Net Position			
Contributions - employer	$ 42,300,849	$ 39,097,981	$ 34,397,013
Contributions - employee	12,981,148	12,083,766	11,801,194
Net investment income	46,845,674	(5,922,327)	47,291,379
Benefit payments, including refunds of employee contributions	(58,330,873)	(54,262,097)	(50,322,458)
Administrative expense	(250,846)	(241,372)	(239,523)
Other changes	245,212	624,400	86,110
Net Change in Plan Fiduciary Net Position	$ 43,791,164	$ (8,619,649)	$ 43,013,715
Plan Fiduciary Net Position - Beginning	$ 509,291,739	$ 517,911,388	$ 474,897,673
Plan Fiduciary Net Position - Ending	$ 553,082,903	$ 509,291,739	$ 517,911,388
Net Pension Liability - Ending	$ 550,551,971	$ 542,926,197	$ 471,589,016
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	50.11%	48.40%	52.34%
Covered - Employee Payroll	220,949,172	214,354,687	208,332,028
Net Pension Liability as a percentage of Covered Payroll	249.18%	253.28%	226.36%

Note to Schedule:

2014 is the first year that data has been measured in accordance with GASB Statement 68.

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2016

Schedule of Pension Contributions

	2016	2015	2014
Actuarially determined contribution	$ 41,391,890	$ 38,791,424	$ 33,960,537
Contributions in relation to the actuarially determined contribution	42,300,849	39,097,981	34,397,013
Contributions (excess)	$ (908,959)	$ (306,557)	$ (436,476)
Covered - Employee Payroll	220,949,172	214,354,687	208,332,028
Contributions as a percentage of covered -employee payroll	19.15%	18.24%	16.51%

Note to Schedule:

2014 is the first year that data has been measured in accordance with GASB Statement 68.

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2016

Schedule of Pension Investment Returns

	Annual money – weighted rate of return, net of investment expense
09/30/14	10.54%
09/30/15	(1.04%)
09/30/16	9.68%

Note to Schedule:

2014 is the first year that data has been measured in accordance with GASB Statement 68.

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:	01/01/16
Actuarial cost method:	Projected unit credit cost method
Amortization method:	Level percentage of pay
Remaining amortization period:	27 years
Asset valuation method:	Five-year smoothed market value

The amortization period for this plan is closed.

Actuarial Assumptions Utilized:	
Investment rate of return:	7.5%
Projected salary increases:	2.5 % to 4.00%
Includes inflation at	2.5%
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.

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%. Effective February 2011 the employee contribution rate increased from 5.50% to 5.75%. Effective February 2012 the employee contribution rate increased from 5.75% to 6.00%. Effective February 2013 the employee contribution rate increased from 6.00% to 6.25%. Effective February 2014 the employee contribution rate increased from 6.25% to 6.50%. Effective February 2015 the employee contribution rate increased from 6.50% to 6.75%.

COBB COUNTY, GEORGIA
EMPLOYEE RETIREMENT SYSTEM
Required Supplementary Information
September 30, 2016

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
1/1/2011	$ 40,746,271	$ 246,021,834	16.56%	$ 205,275,563	$ 214,119,567	95.87%
1/1/2012	46,486,981	247,611,907	18.77%	201,124,926	208,621,922	96.41%
1/1/2013	58,975,301	186,733,213	31.58%	127,757,912	211,553,134	60.39%
1/1/2014	84,726,947	200,118,641	42.34%	115,391,694	212,799,730	54.23%
1/1/2015	91,440,896	224,352,661	40.76%	132,911,765	218,979,561	60.70%
1/1/2016	91,619,032	245,265,481	37.36%	153,646,449	227,955,687	67.40%

OPEB TRUST FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

Annual Required Contribution (ARC)

Fiscal Year	ARC	% of ARC Contributed
9/30/2011	$ 19,372,240	123%
9/30/2012	18,411,193	101%
9/30/2013	18,531,372	110%
9/30/2014	12,762,508	120%
9/30/2015	12,407,906	107%
9/30/2016	13,851,605	107%

NON-MAJOR 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.

The **Streetlight District Fund** accounts for the operation, maintenance and collection of monies for the streetlight districts within Cobb County.

The **Cumberland Special Service District 1 Fund** accounts for monies received from service fees within a special service district.

The **Cumberland Special Service District 2 Fund** accounts for monies received from a specific property tax levy for a special taxing district.

The **CMECEHA Fund** is the Cobb Marietta Exhibit Hall Authority's primary operating fund. It accounts for all of the Authority's resources of general government, except those required to be accounted for in another fund.

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

The **SCRA Construction Fund** accounts issuance of the 2015 South Cobb Redevelopment Authority Bonds and the various redevelopment and infrastructure improvement projects within the Six Flags Special Service District.

Debt Service Fund

The **BOC 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.

The **CMCEHA Debt Service Fund** accounts for resources accumulated and payments made for principal and interest on the governmental activity revenue 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.

The **Galleria Specialty Shops Fund** accounts for the activities of the Authority's retail specialty shops mall operations.

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, 2016

	Total Nonmajor Special Revenue Funds	Public Facilities Fund	SCRA Construction Fund	CMCEHA Debt Service Fund	BOC Debt Service Fund	Total Nonmajor Governmental Funds
Assets						
Cash and cash equivalents	$ 889,207	$ 158,402	$ -	$ -	$ -	$ 1,047,609
Restricted cash and cash equivalents	24,737,449	-	5,041,303	9,857,181	7,269,111	46,905,044
Receivables:						
Taxes	4,630,366	-	-	-	4,956,986	9,587,352
Other	2,564,812	4,874	-	-	29,046	2,598,732
Due from other funds	2,912,143	5,118,721	-	-	-	8,030,864
Due from other governments and agencies	3,446,516	1,750,475	-	-	-	5,196,991
Advances to component unit	1,614,931	-	-	-	-	1,614,931
Inventories	54,463	-	-	-	-	54,463
Prepaid expenditures	233,902	80,491	-	-	-	314,393
Total assets	$ 41,083,789	$ 7,112,963	$ 5,041,303	$ 9,857,181	$ 12,255,143	$ 75,350,379
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable	$ 2,815,939	$ 1,744,173	$ 13,929	$ -	$ 1,513	$ 4,575,554
Accrued payroll	523,032	-	-	-	-	523,032
Due to other funds	936,701	-	-	-	-	936,701
Due to others	448,963	-	-	-	-	448,963
Due to other governments and agencies	77,936	193,928	-	-	-	271,864
Matured bonds payable	-	-	-	2,995,000	-	2,995,000
Accrued interest payable	-	-	-	1,197,306	-	1,197,306
Unearned revenue	1,557,972	11,045	-	-	-	1,569,017
Total liabilities	6,360,543	1,949,146	13,929	4,192,306	1,513	12,517,437
Deferred inflows of resources						
Unavailable revenues	263,842	-	-	-	203,699	467,541
Total liabilities and deferred inflows of resources	6,624,385	1,949,146	13,929	4,192,306	205,212	12,984,978
Fund balances:						
Nonspendable						
Inventories and prepaid items	288,365	80,491	-	-	-	368,856
Advances	1,614,931	-	-	-	-	1,614,931
Restricted for:						
Debt Service	6,046,650	-	-	5,664,875	12,049,931	23,761,456
Construction and capital outlay	-	-	5,027,374	-	-	5,027,374
Special programs	25,576,859	-	-	-	-	25,576,859
Committed for:						
Construction and capital outlay	-	11,922,632	-	-	-	11,922,632
Special programs	907,289	-	-	-	-	907,289
Assigned for:						
Special programs	25,310	-	-	-	-	25,310
Unassigned	-	(6,839,306)	-	-	-	(6,839,306)
Total fund balances	34,459,404	5,163,817	5,027,374	5,664,875	12,049,931	62,365,401
Total liabilities, deferred inflows of resources, and fund balances	$ 41,083,789	$ 7,112,963	$ 5,041,303	$ 9,857,181	$ 12,255,143	$ 75,350,379

Cobb County, Georgia
All Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2016

	Total Nonmajor Special Revenue Funds	Public Facilities Fund	SCRA Construction Fund	CMCEHA Debt Service Fund	BOC Debt Service Fund	Total Nonmajor Governmental Funds
Revenues:						
Taxes	$ 19,939,059	$ -	$ -	$ -	$ 7,958,146	$ 27,897,205
Intergovernmental	17,571,972	2,885,109	-	-	-	20,457,081
Charges for services	35,144,646	-	-	-	206,393	35,351,039
Interest earned	56,767	-	4,159	27,222	30,195	118,343
Miscellaneous	1,331,342	838,809	-	-	-	2,170,151
Total revenues	74,043,786	3,723,918	4,159	27,222	8,194,734	85,993,819
Expenditures:						
Current:						
General government	7,716,433	-	-	-	198,999	7,915,432
Public safety	13,246,924	-	-	-	-	13,246,924
Public works	5,676,208	-	-	-	-	5,676,208
Health and welfare	3,114,505	-	-	-	-	3,114,505
Culture and recreation	16,194,355	-	-	-	-	16,194,355
Housing and development	5,984,543	-	-	-	-	5,984,543
Capital outlay	-	12,833,459	4,829,653	-	-	17,663,112
Debt Service:						
Principal retirement	2,150,000	551,149	370,000	3,770,000	7,950,000	14,791,149
Interest and fiscal charges	2,010,313	188,062	279,541	2,810,802	607,412	5,896,130
Total expenditures	56,093,281	13,572,670	5,479,194	6,580,802	8,756,411	90,482,358
Excess (deficiency) of revenues over (under) expenditures	17,950,505	(9,848,752)	(5,475,035)	(6,553,580)	(561,677)	(4,488,539)
Other financing sources (uses):						
Transfers in	10,580,558	6,823,338	649,541	6,568,064	-	24,621,501
Transfers out	(33,074,844)	(380,548)	-	-	-	(33,455,392)
Proceeds from sale of capital assets	-	12,213	-	-	-	12,213
Total other financing sources (uses)	(22,494,286)	6,455,003	649,541	6,568,064	-	(8,821,678)
Net change in fund balances	(4,543,781)	(3,393,749)	(4,825,494)	14,484	(561,677)	(13,310,217)
Fund balances at beginning of year	39,003,185	8,557,566	9,852,868	5,650,391	12,611,608	75,675,618
Fund balances at end of year	$ 34,459,404	$ 5,163,817	$ 5,027,374	$ 5,664,875	$ 12,049,931	$ 62,365,401

Cobb County, Georgia
Nonmajor Governmental Funds - Special Revenue Funds
Combining Balance Sheet
September 30, 2016

	Law Library Fund	Community Services Fund	Grant Fund	Housing & Urban Development Grant Fund	Hotel/Motel Tax Fund	Emergency 911 Fund
Assets						
Cash and cash equivalents	$ -	$ -	$ -	$ -	$ -	$ -
Restricted cash and cash equivalents	57,821	-	1,221	169,982	-	768,795
Receivables:						
Taxes and penalties	-	-	-	-	-	-
Other	31,443	-	189,168	-	-	1,672,422
Due from other funds	15,600	-	1,150,919	-	443,339	1,062
Due from other governments and agencies	-	230,197	1,187,312	699,212	-	1,203,338
Advances to component unit	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Prepaid expenditures	-	-	6,020	-	-	74,683
Total assets	$ 104,864	$ 230,197	$ 2,534,640	$ 869,194	$ 443,339	$ 3,720,300
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities:						
Accounts payable	$ 21,170	$ 218,631	$ 703,741	$ 725,422	$ -	$ 189,649
Accrued payroll	2,208	-	19,421	-	-	110,142
Due to other funds	-	11,566	6,238	-	443,339	-
Due to others	381	-	2,530	-	-	-
Due to other governments and agencies	-	-	-	-	-	-
Unearned revenue	-	-	351,918	1,101	-	-
Total liabilities	23,759	230,197	1,083,848	726,523	443,339	299,791
Deferred Inflows of Resources						
Unavailable revenues	-	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	23,759	230,197	1,083,848	726,523	443,339	299,791
Fund balances:						
Nonspendable						
Inventories and prepaid items	-	-	6,020	-	-	74,683
Advances	-	-	-	-	-	-
Restricted for:						
Debt Service	-	-	-	-	-	-
Special Programs	81,105	-	1,444,772	142,671	-	3,345,826
Committed for:						
Special programs	-	-	-	-	-	-
Assigned for:						
Special Programs	-	-	-	-	-	-
Total fund balances	81,105	-	1,450,792	142,671	-	3,420,509
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 104,864	$ 230,197	$ 2,534,640	$ 869,194	$ 443,339	$ 3,720,300

Parking Deck Facility Fund	800 MHz Fund	Streetlight District Fund	Six Flags Special Service District Fund	Cumberland Special Service District 1 Fund	Cumberland Special Service District 2 Fund	CMCEHA Fund	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ 889,207	$ 889,207
21,351	13,600	1,935,472	216,019	4,128,398	1,464,107	15,960,683	24,737,449
-	-	-	550,900	-	4,079,466	-	4,630,366
29,333	-	270,931	-	-	-	371,515	2,564,812
-	-	-	-	-	-	1,301,223	2,912,143
-	-	-	-	-	-	126,457	3,446,516
-	-	-	-	-	-	1,614,931	1,614,931
-	-	-	-	-	-	54,463	54,463
-	-	-	-	-	-	153,199	233,902
$ 50,684	$ 13,600	$ 2,206,403	$ 766,919	$ 4,128,398	$ 5,543,573	$ 20,471,678	$ 41,083,789
$ 7,199	$ -	$ 222,978	$ -	$ -	$ -	$ 727,149	$ 2,815,939
93	-	2,553	-	-	-	388,615	523,032
-	27	-	-	-	-	475,531	936,701
-	-	1,020	-	-	-	445,032	448,963
-	-	-	-	-	-	77,936	77,936
-	-	-	-	-	-	1,204,953	1,557,972
7,292	27	226,551	-	-	-	3,319,216	6,360,543
-	-	-	46,859	-	216,983	-	263,842
7,292	27	226,551	46,859	-	216,983	3,319,216	6,624,385
-	-	-	-	-	-	207,662	288,365
-	-	-	-	-	-	1,614,931	1,614,931
-	-	-	720,060	-	5,326,590	-	6,046,650
-	13,573	1,979,852	-	4,128,398	-	14,440,662	25,576,859
18,082	-	-	-	-	-	889,207	907,289
25,310	-	-	-	-	-	-	25,310
43,392	13,573	1,979,852	720,060	4,128,398	5,326,590	17,152,462	34,459,404
$ 50,684	$ 13,600	$ 2,206,403	$ 766,919	$ 4,128,398	$ 5,543,573	$ 20,471,678	$ 41,083,789

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, 2016

	Law Library Fund	Community Services Fund	Grant Fund	Housing & Urban Development Grant Fund	Hotel/Motel Tax Fund	Emergency 911 Fund
Revenues:						
Taxes	$ -	$ -	$ -	$ -	$ 13,918,458	$ -
Intergovernmental	-	636,628	9,574,713	5,660,781	-	-
Charges for services	551,746	-	28,798	-	-	11,889,156
Interest earned	127	-	2,373	382	-	4,367
Miscellaneous	5,147	-	903,542	414,089	-	5,126
Total revenues	557,020	636,628	10,509,426	6,075,252	13,918,458	11,898,649
Expenditures:						
Current:						
General government	613,717	-	7,102,716	-	-	-
Public safety	-	-	1,631,403	-	-	11,615,521
Public works	-	-	635,979	-	-	-
Health and welfare	-	615,955	2,498,550	-	-	-
Culture and recreation	-	-	599,250	-	-	-
Housing and development	-	-	36,934	5,947,609	-	-
Debt service:						
Principal retirement	-	-	-	-	1,730,000	-
Interest and fiscal charges	-	-	-	-	1,694,500	-
Total expenditures	613,717	615,955	12,504,832	5,947,609	3,424,500	11,615,521
Excess (deficiency) of revenues over (under) expenditures	(56,697)	20,673	(1,995,406)	127,643	10,493,958	283,128
Other financing sources (uses):						
Transfers in	-	-	1,276,453	46,648	-	-
Transfers out	-	(20,673)	(79,881)	-	(10,493,958)	-
Total other financing sources (uses)	-	(20,673)	1,196,572	46,648	(10,493,958)	-
Net change in fund balances	(56,697)	-	(798,834)	174,291	-	283,128
Fund balances at beginning of year	137,802	-	2,249,626	(31,620)	-	3,137,381
Fund balances at end of year	$ 81,105	$ -	$ 1,450,792	$ 142,671	$ -	$ 3,420,509

Parking Deck Facility Fund	800 MHz Fund	Streetlight District Fund	Six Flags Special Service District Fund	Cumberland Special Service District 1 Fund	Cumberland Special Service District 2 Fund	CMCEHA Fund	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ 698,232	$ -	$ 5,322,369	$ -	$ 19,939,059
-	-	-	-	-	-	1,699,850	17,571,972
720,154	-	6,161,808	-	3,578,141	-	12,214,843	35,144,646
85	179	1,516	396	4,276	5,278	37,788	56,767
3,438	-	-	-	-	-	-	1,331,342
723,677	179	6,163,324	698,628	3,582,417	5,327,647	13,952,481	74,043,786
-	-	-	-	-	-	-	7,716,433
-	-	-	-	-	-	-	13,246,924
224,908	-	4,815,321	-	-	-	-	5,676,208
-	-	-	-	-	-	-	3,114,505
-	-	-	-	-	-	15,595,105	16,194,355
-	-	-	-	-	-	-	5,984,543
420,000	-	-	-	-	-	-	2,150,000
315,813	-	-	-	-	-	-	2,010,313
960,721	-	4,815,321	-	-	-	15,595,105	56,093,281
(237,044)	179	1,348,003	698,628	3,582,417	5,327,647	(1,642,624)	17,950,505
304,095	-	-	-	-	-	8,953,362	10,580,558
-	(2,726,616)	(24,683)	(649,541)	(1,946,811)	(10,303,635)	(6,829,046)	(33,074,844)
304,095	(2,726,616)	(24,683)	(649,541)	(1,946,811)	(10,303,635)	2,124,316	(22,494,286)
67,051	(2,726,437)	1,323,320	49,087	1,635,606	(4,975,988)	481,692	(4,543,781)
(23,659)	2,740,010	656,532	670,973	2,492,792	10,302,578	16,670,770	39,003,185
$ 43,392	$ 13,573	$ 1,979,852	$ 720,060	$ 4,128,398	$ 5,326,590	$ 17,152,462	$ 34,459,404

Cobb County, Georgia
CMCEHA Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Interest earned	$ 11,300	$ 11,300	$ 27,222	$ 15,922
Total revenues	$ 11,300	$ 11,300	$ 27,222	$ 15,922
Expenditures:				
Debt service:				
Principal retirement	$ 3,770,000	$ 3,770,000	$ 3,770,000	$ -
Interest and fiscal charges	2,812,325	2,812,325	2,810,802	1,523
Total expenditures	$ 6,582,325	$ 6,582,325	$ 6,580,802	$ 1,523
Excess (deficiency) of revenues over expenditures	$ (6,571,025)	$ (6,571,025)	$ (6,553,580)	$ 17,445
Other financing sources (uses):				
Transfers in	$ 6,582,325	$ 6,582,325	$ 6,568,064	$ (14,261)
Total other financing sources (uses)	$ 6,582,325	$ 6,582,325	$ 6,568,064	$ (14,261)
Net change in fund balance	$ 11,300	$ 11,300	$ 14,484	$ 3,184
Fund balance at beginning of year			5,650,391	
Fund balance at end of year - GAAP basis			$ 5,664,875	

Cobb County, Georgia
BOC Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 10,155,747	$ 10,155,747	$ 7,958,146	$ (2,197,601)
Charges for services	145,000	145,000	206,393	61,393
Interest earned	23,000	23,000	30,195	7,195
Total revenues	$ 10,323,747	$ 10,323,747	$ 8,194,734	$ (2,129,013)
Expenditures:				
Current:				
General government	$ 194,710	$ 199,000	$ 198,999	$ 1
Debt service:				
Principal retirement	7,950,000	7,950,000	7,950,000	-
Interest and fiscal charges	607,412	607,412	607,412	-
Total expenditures	$ 8,752,122	$ 8,756,412	$ 8,756,411	$ 1
Excess (deficiency) of revenues over expenditures	$ 1,571,625	$ 1,567,335	$ (561,677)	$ (2,129,012)
Net change in fund balance	$ 1,571,625	$ 1,567,335	$ (561,677)	$ (2,129,012)
Fund balance at beginning of year			12,611,608	
Fund balance at end of year - GAAP basis			$ 12,049,931	

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 575,000	$ 575,000	$ 551,746	$ (23,254)
Interest earned	40	40	127	87
Miscellaneous	4,500	4,500	5,147	647
Total revenues	$ 579,540	$ 579,540	$ 557,020	$ (22,520)
Expenditures:				
Current:				
Personal services	$ 168,017	$ 190,305	$ 190,305	$ -
Operating expenditures	409,280	425,431	425,431	-
Capital outlay	-	-	-	-
Total expenditures	$ 577,297	$ 615,736	$ 615,736	$ -
Net change in fund balance	$ 2,243	$ (36,196)	$ (58,716)	$ (22,520)
Fund balance at beginning of year			137,802	
Fund balance at end of year - budgetary basis			$ 79,086	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			2,019	
Fund balance at end of year-GAAP basis			$ 81,105	

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 555,421	$ 668,452	$ 636,628	$ (31,824)
Total revenues	$ 555,421	$ 668,452	$ 636,628	$ (31,824)
Expenditures:				
Current:				
Operating expenditures	$ 555,421	$ 668,452	$ 615,955	$ 52,497
Total expenditures	$ 555,421	$ 668,452	$ 615,955	$ 52,497
Excess of revenues over expenditures	$ -	$ -	$ 20,673	$ 20,673
Other financing sources (uses):				
Transfers out	$ -	$ -	$ (20,673)	$ (20,673)
Net change in fund balance	$ -	$ -	$ -	$ -
Fund balance at beginning of year			-	
Fund balance at end of year - GAAP basis			$ -	

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 13,500,000	$ 13,918,458	$ 13,918,458	$ -
Total revenues	$ 13,500,000	$ 13,918,458	$ 13,918,458	$ -
Expenditures:				
Current:				
Debt service:				
Principal retirement	$ 1,730,000	$ 1,730,000	$ 1,730,000	$ -
Interest and fiscal charges	1,694,500	1,694,500	1,694,500	-
Total expenditures	$ 3,424,500	$ 3,424,500	$ 3,424,500	$ -
Excess of revenues over expenditures	$ 10,075,500	$ 10,493,958	$ 10,493,958	$ -
Other financing sources (uses):				
Transfers out	$ (10,075,500)	$ (10,493,958)	$ (10,493,958)	$ -
Total other financing sources (uses)	$ (10,075,500)	$ (10,493,958)	$ (10,493,958)	$ -
Net change in fund balance	$ -	$ -	$ -	$ -
Fund balance at beginning 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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 11,490,110	$ 11,490,110	$ 11,889,156	$ 399,046
Interest earned	3,000	3,000	4,367	1,367
Miscellaneous	4,000	4,000	5,126	1,126
Total revenues	$ 11,497,110	$ 11,497,110	$ 11,898,649	$ 401,539
Expenditures:				
Current:				
Personnel services	$ 8,132,528	$ 8,681,188	$ 8,681,188	$ -
Operating expenditures	2,701,165	2,993,963	2,993,963	-
Total expenditures	$ 10,833,693	$ 11,675,151	$ 11,675,151	$ -
Excess (deficiency) of revenues over (under) expenditures	$ 663,417	$ (178,041)	$ 223,498	$ 401,539
Net change in fund balance	$ 663,417	$ (178,041)	$ 223,498	$ 401,539
Fund balance at beginning of year			3,137,381	
Fund balance at end of year - budgetary basis			$ 3,360,879	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			59,630	
Fund balance at end of year - GAAP basis			$ 3,420,509	

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services	$ 659,000	$ 659,000	$ 720,154	$ 61,154
Interest earned	50	50	85	35
Miscellaneous	1,500	1,500	3,438	1,938
Total revenues	$ 660,550	$ 660,550	$ 723,677	$ 63,127
Expenditures:				
Current:				
Personnel services	$ 83,108	$ 76,074	$ 69,548	$ 6,526
Operating expenditures	145,724	165,103	165,103	-
Debt service:				
Principal retirement	420,000	420,000	420,000	-
Interest and fiscal charges	315,813	315,813	315,813	-
Total expenditures	$ 964,645	$ 976,990	$ 970,464	$ 6,526
Excess (deficiency) of revenues over (under) expenditures	$ (304,095)	$ (316,440)	$ (246,787)	$ 69,653
Other financing sources (uses):				
Transfers in	$ 304,095	$ 304,095	$ 304,095	$ -
Total other financing sources (uses)	$ 304,095	$ 304,095	$ 304,095	$ -
Net change in fund balance	$ -	$ (12,345)	$ 57,308	$ 69,653
Fund balance at beginning of year			(23,659)	
Fund balance at end of year - budgetary basis			$ 33,649	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			9,743	
Fund balance at end of year - GAAP basis			$ 43,392	

Cobb County, Georgia
800 MHz Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues:				
Intergovernmental	$ 60,652	$ 2,807,006	$ -	$ (2,807,006)
Interest earned	8,000	8,000	179	(7,821)
Total revenues	$ 68,652	$ 2,815,006	$ 179	$ (2,814,827)
Excess (deficiency) of revenues over (under) expenditures	$ 68,652	$ 2,815,006	$ 179	$ (2,814,827)
Other financing sources (uses):				
Transfers in	$ 413,992	$ 413,992	$ -	$ (413,992)
Transfer out	-	(2,726,616)	(2,726,616)	-
Total other financing sources (uses)	$ 413,992	$ (2,312,624)	$ (2,726,616)	$ (413,992)
Net change in fund balance	$ 482,644	$ 502,382	$ (2,726,437)	$ (3,228,819)
Fund balance at beginning of year			2,740,010	
Fund balance at end of year - GAAP basis			$ 13,573	

Cobb County, Georgia
Street Light District Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 5,759,668	$ 5,759,668	$ 6,161,808	$ 402,140
Interest earned	-	-	1,516	1,516
Total revenues	$ 5,759,668	$ 5,759,668	$ 6,163,324	$ 403,656
Expenditures:				
Current:				
Personal services	$ 178,633	$ 183,126	$ 183,126	$ -
Operating expenditures	5,252,811	5,254,636	4,635,046	619,590
Capital outlay	304,613	-	-	-
Total expenditures	$ 5,736,057	$ 5,437,762	$ 4,818,172	$ 619,590
Excess of revenues over expenditures	$ 23,611	$ 321,906	$ 1,345,152	$ 1,023,246
Other financing sources (uses):				
Transfers out	$ (23,000)	$ (24,683)	$ (24,683)	$ -
Total other financing sources (uses)	$ (23,000)	$ (24,683)	$ (24,683)	$ -
Net change in fund balance	$ 611	$ 297,223	$ 1,320,469	$ 1,023,246
Fund balance at beginning of year			656,532	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			2,851	
Fund balance at end of year-GAAP basis			$ 1,979,852	

Cobb County, Georgia
Six Flags Special Service District Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 720,000	$ 720,000	$ 698,232	$ (21,768)
Interest earned	-	-	396	396
Total revenues	$ 720,000	$ 720,000	$ 698,628	$ (21,372)
Excess (deficiency) of revenues over expenditures	$ 720,000	$ 720,000	$ 698,628	$ (21,372)
Other financing sources (uses):				
Transfers out	-	$ -	(649,541)	(649,541)
Total other financing sources (uses)	$ -	$ -	$ (649,541)	$ (649,541)
Net change in fund balance	$ 720,000	$ 720,000	$ 49,087	$ (670,913)
Fund balance at beginning of year			670,973	
Fund balance at end of year - GAAP basis			$ 720,060	

Cobb County, Georgia
Cumberland Special Service District 1 Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Charges for services	$ 3,600,000	$ 3,600,000	$ 3,578,141	$ (21,859)
Interest earned	-	-	4,276	4,276
Total revenues	$ 3,600,000	$ 3,600,000	$ 3,582,417	$ (17,583)
Excess (deficiency) of revenues over expenditures	$ 3,600,000	$ 3,600,000	$ 3,582,417	$ (17,583)
Other financing sources (uses):				
Transfers out	-	(2,106,232)	(1,946,811)	159,421
Total other financing sources (uses)	$ -	$ (2,106,232)	$ (1,946,811)	$ 159,421
Net change in fund balance	$ 3,600,000	$ 1,493,768	$ 1,635,606	$ 141,838
Fund balance at beginning of year			2,492,792	
Fund balance at end of year - GAAP basis			$ 4,128,398	

Cobb County, Georgia
Cumberland Special Service District 2 Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 5,150,000	$ 5,150,000	$ 5,322,369	$ 172,369
Interest earned	-	-	5,278	5,278
Total revenues	$ 5,150,000	$ 5,150,000	$ 5,327,647	$ 177,647
Excess (deficiency) of revenues over expenditures	$ 5,150,000	$ 5,150,000	$ 5,327,647	$ 177,647
Other financing sources (uses):				
Transfers out	-	(10,303,635)	(10,303,635)	-
Total other financing sources (uses)	$ -	$ (10,303,635)	$ (10,303,635)	$ -
Net change in fund balance	$ 5,150,000	$ (5,153,635)	$ (4,975,988)	$ 177,647
Fund balance at beginning of year			10,302,578	
Fund balance at end of year - GAAP basis			$ 5,326,590	

Cobb County, Georgia
CMCEHA Special Revenue Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended September 30, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Intergovernmental	$ 1,491,409	$ 1,491,409	$ 1,699,850	$ 208,441
Charges for services	11,096,780	11,096,780	12,214,843	1,118,063
Interest earned	16,524	16,524	37,788	21,264
Total revenues	$ 12,604,713	$ 12,604,713	$ 13,952,481	$ 1,347,768
Expenditures:				
Current:				
Personnel services	$ 5,724,244	$ 5,724,244	$ 5,835,779	$ (111,535)
Operating expenditures	7,534,388	7,534,388	8,032,765	(498,377)
Contractual expenditures	1,630,673	1,630,673	1,726,561	(95,888)
Total expenditures	$ 14,889,305	$ 14,889,305	$ 15,595,105	$ (705,800)
Excess (deficiency) of revenues over expenditures	$ (2,284,592)	$ (2,284,592)	$ (1,642,624)	$ 641,968
Other financing sources (uses):				
Transfers in	$ 13,848,307	$ 13,848,307	$ 8,953,362	$ (4,894,945)
Transfers out	(7,438,637)	(7,438,637)	(6,829,046)	609,591
Total other financing sources (uses)	$ 6,409,670	$ 6,409,670	$ 2,124,316	$ (4,285,354)
Net change in fund balance	$ 4,125,078	$ 4,125,078	$ 481,692	$ (3,643,386)
Fund balance at beginning of year			16,670,770	
Fund balance at end of year - GAAP basis			$ 17,152,462	

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Net Position
September 30, 2016

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Galleria Specialty Shops Fund	Totals
Assets and Deferred Outflows of Resources					
Current assets:					
Cash	$ 459,415	$ 2,493,406	$ 49,147	$ 134,337	$ 3,136,305
Restricted cash and cash equivalents	-	-	-	58,951	58,951
Receivables:					
Accounts, net	-	-	-	21,817	21,817
Other	6,256	87,623	65,765	-	159,644
Due from other funds	-	5,019	-	-	5,019
Due from other governments and agencies	-	874,227	-	-	874,227
Prepaid items	3,272	-	-	-	3,272
Total current assets	468,943	3,460,275	114,912	215,105	4,259,235
Noncurrent assets:					
Property, plant and equipment:					
Capital assets not being depreciated	5,453,615	11,128,308	3,778,386	1,805,485	22,165,794
Capital assets being depreciated, net	689,108	42,193,983	3,078,828	1,556,835	47,518,754
Net property, plant and equipment	6,142,723	53,322,291	6,857,214	3,362,320	69,684,548
Total noncurrent assets	6,142,723	53,322,291	6,857,214	3,362,320	69,684,548
Total assets	6,611,666	56,782,566	6,972,126	3,577,425	73,943,783
Deferred Outflows of Resources:					
Deferred outflows of resources related to pension	-	263,756	68,806	-	332,562
Total assets and deferred outflows of resources	$ 6,611,666	$ 57,046,322	$ 7,040,932	$ 3,577,425	$ 74,276,345

Continued on next page.

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Net Position
September 30, 2016

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Galleria Specialty Shops Fund	Totals
Liabilities and Deferred Inflows of Resources					
Liabilities:					
Current liabilities (payable from current assets):					
Accounts payable	$ 107,669	$ 3,766,588	$ 37,476	$ 9,252	$ 3,920,985
Accrued payroll	-	10,545	11,793	-	22,338
Due to other funds	1,764	5,807	-	31,873	39,444
Due to others	9,173	-	-	2,400	11,573
Customer deposits	-	-	-	58,951	58,951
Due to other governments and agencies	21,208	1,000	-	-	22,208
Unearned revenues	67,589	-	-	-	67,589
Current portion of compensated absences	-	14,012	9,628	-	23,640
Current portion of closure and post closure care	-	-	368,429	-	368,429
Total current liabilities	207,403	3,797,952	427,326	102,476	4,535,157
Long-term liabilities:					
Compensated absences (net of current portion)	-	-	34,858	-	34,858
Closure and postclosure care (net of current portion)	-	-	23,308,992	-	23,308,992
Net pension liability	-	1,248,731	325,756	-	1,574,487
Advances from other funds	3,122,843	-	-	-	3,122,843
Total long-term liabilities	3,122,843	1,248,731	23,669,606	-	28,041,180
Total liabilities	3,330,246	5,046,683	24,096,932	102,476	32,576,337
Deferred inflows of resources					
Deferred inflow related to pension	-	-	-	-	-
Total liabilities and deferred inflows of resources	3,330,246	5,046,683	24,096,932	102,476	32,576,337
Net Position:					
Net investment in capital assets	6,142,723	53,303,450	6,857,214	3,362,320	69,665,707
Unrestricted	(2,861,303)	(1,303,811)	(23,913,214)	112,629	(27,965,699)
Total net position	$ 3,281,420	$ 51,999,639	$ (17,056,000)	$ 3,474,949	$ 41,700,008

Continued from preceding page.

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Fiscal Year Ended September 30, 2016

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Galleria Specialty Shops Fund	Totals
Operating revenues:					
Charges for services	$ 1,702,848	$ 4,839,740	$ 491,337	$ 573,057	$ 7,606,982
Miscellaneous income	250	77,294	-	-	77,544
Total operating revenues	1,703,098	4,917,034	491,337	573,057	7,684,526
Operating expenses:					
Personnel services	-	869,497	289,127	254,248	1,412,872
Other operating expenses	1,543,828	18,275,984	22,884	491,102	20,333,798
Total operating expenses	1,543,828	19,145,481	312,011	745,350	21,746,670
Operating income (loss) before depreciation	159,270	(14,228,447)	179,326	(172,293)	(14,062,144)
Less depreciation	(79,542)	(3,385,871)	(398,954)	(188,870)	(4,053,237)
Operating income (loss)	79,728	(17,614,318)	(219,628)	(361,163)	(18,115,381)
Nonoperating revenues (expenses):					
Interest income	226	7,388	117	-	7,731
Gain (loss) on sale of capital assets	(78,440)	9,166	-	-	(69,274)
Total nonoperating revenues (expenses)	(78,214)	16,554	117	-	(61,543)
Net income (loss) before transfers and capital contributions	1,514	(17,597,764)	(219,511)	(361,163)	(18,176,924)
Capital contributions	-	19,672,740	-	-	19,672,740
Transfers:					
Transfers in	-	11,518,215	202,617	260,982	11,981,814
Transfers out	(1,764)	(1,974,022)	-	-	(1,975,786)
Total transfers	(1,764)	9,544,193	202,617	260,982	10,006,028
Change in net position	(250)	11,619,169	(16,894)	(100,181)	11,501,844
Total net position - beginning	3,281,670	40,380,470	(17,039,106)	3,575,130	30,198,164
Total net position - ending	$ 3,281,420	$ 51,999,639	$ (17,056,000)	$ 3,474,949	$ 41,700,008

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2016

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Galleria Specialty Shops Fund	Totals
Cash flows from operating activities:					
Cash received from customers	$ 1,729,307	$ 11,852,155	$ 492,789	$ 569,790	$ 14,644,041
Cash payments for goods and services	(1,478,246)	(17,672,651)	(384,517)	(517,153)	(20,052,567)
Cash payments for employee services and fringe benefits	-	(823,039)	(274,335)	(254,248)	(1,351,622)
Net cash from (to) operating activities	251,061	(6,643,535)	(166,063)	(201,611)	(6,760,148)
Cash flows from noncapital financing activities:					
Transfers in	-	11,518,215	202,617	260,982	11,981,814
Transfers out	(1,764)	(1,974,022)	-	-	(1,975,786)
Net cash from (to) noncapital financing activities	(1,764)	9,544,193	202,617	260,982	10,006,028
Cash flows from capital and related financing activities:					
Payments on capital leases	(52,921)	-	-	-	(52,921)
Capital contributions	-	19,672,740	-	-	19,672,740
Payments on advances from other funds	(40,000)	-	-	-	(40,000)
Proceeds from sale of capital assets	-	9,166	-	-	9,166
Payments for capital acquisitions	(5,697)	(20,138,671)	-	(28,034)	(20,172,402)
Net cash from (to) capital and related financing activities	(98,618)	(456,765)	-	(28,034)	(583,417)
Cash flows from investing activities:					
Interest received	226	7,388	117	-	7,731
Net cash from investing activities	226	7,388	117	-	7,731
Net increase (decrease) in cash and cash equivalents	150,905	2,451,281	36,671	31,337	2,670,194
Cash and cash equivalents at beginning of year	308,510	42,125	12,476	161,951	525,062
Cash and cash equivalents at end of year	$ 459,415	$ 2,493,406	$ 49,147	$ 193,288	$ 3,195,256

Continued on next page.

Cobb County, Georgia
Nonmajor Business-Type Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2016

	Cobblestone Golf Course Fund	Public Transit System Fund	Solid Waste Disposal Fund	Galleria Specialty Shops Fund	Totals
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 79,728	$ (17,614,318)	$ (219,628)	$ (361,163)	$ (18,115,381)
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	79,542	3,385,871	398,954	188,870	4,053,237
Change in assets and liabilities:					
Decrease (increase) in accounts receivables	-	-	-	(21,817)	(21,817)
Decrease (increase) in other receivables	(1)	(27,019)	1,452	15,870	(9,698)
Decrease (increase) in due from other funds	-	5,637,291	-	-	5,637,291
Decrease in due from restricted assets	-	-	-	-	-
Decrease (increase) in due from others	-	-	-	-	-
Decrease (increase) in due from other governments	-	1,324,849	-	-	1,324,849
Decrease (increase) in other assets	-	-	-	-	-
Increase (decrease) in bank overdraft	-	-	-	-	-
Decrease (increase) in deferred outflows of resources	-	(109,809)	(28,646)	-	(138,455)
Increase (decrease) in accounts payable	55,127	644,822	6,796	(28,548)	678,197
Increase (decrease) in contracts payable	-	-	-	-	-
Increase (decrease) in prepaid items	-	-	-	-	-
Increase (decrease) in accrued liabilities	-	-	-	-	-
Increase (decrease) in accrued payroll	-	5,659	1,776	-	7,435
Increase (decrease) in accrued compensated absences	-	8,310	4,540	-	12,850
Increase (decrease) in due to other funds	1,764	(41,489)	-	12,537	(27,188)
Increase (decrease) in net pension liability	-	164,076	42,803	-	206,879
Increase (decrease) in due to others	(1,570)	-	-	(10,040)	(11,610)
Increase (decrease) in deposits payable	-	-	-	2,680	2,680
Increase (decrease) in due to other governments	10,261	-	-	-	10,261
Increase (decrease) in closure/post closure care	-	-	(368,429)	-	(368,429)
Increase (decrease) in deferred inflows of resources	-	(21,778)	(5,681)	-	(27,459)
Increase (decrease) in unearned revenues	26,210	-	-	-	26,210
Total adjustments	171,333	10,970,783	53,565	159,552	11,355,233
Net cash provided (used) by operating activities	$ 251,061	$ (6,643,535)	$ (166,063)	$ (201,611)	$ (6,760,148)

Continued from preceding page.

Cobb County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended September 30, 2016

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
Clerk of State Court				
Assets				
Cash and cash equivalents	$ 5,192,950	$ 26,238,707	$ 25,407,598	$ 6,024,059
Liabilities				
Funds held in trust for others	$ 5,192,950	$ 26,238,707	$ 25,407,598	$ 6,024,059
Clerk of Juvenile Court				
Assets				
Cash	$ 2,312	$ 10,284	$ 10,915	$ 1,681
Liabilities				
Funds held in trust for others	$ 2,312	$ 10,284	$ 10,915	$ 1,681
Sheriff				
Assets				
Cash and cash equivalents	$ 8,758,240	$ 13,201,202	$ 12,234,587	$ 9,724,855
Liabilities				
Funds held in trust for others	$ 8,758,240	$ 13,201,202	$ 12,234,587	$ 9,724,855
Clerk of Superior Court				
Assets				
Cash and cash equivalents	$ 30,716,440	$ 77,048,283	$ 79,508,986	$ 28,255,737
Liabilities				
Funds held in trust for others	$ 30,716,440	$ 77,048,283	$ 79,508,986	$ 28,255,737
Clerk of Probate Court				
Assets				
Cash	$ -	$ 2,139,504	$ 2,139,504	$ -
Liabilities				
Due to other funds	$ -	$ 2,139,504	$ 2,139,504	$ -
Tax Commissioner				
Assets				
Cash	$ 36,493,894	$ 1,011,508,161	$ 964,175,299	$ 83,826,756
Taxes and penalties receivable	473,509,799	677,071,181	659,743,826	490,837,154
	$ 510,003,693	$ 1,688,579,342	$ 1,623,919,125	$ 574,663,910
Liabilities				
Unremitted tax collections	$ 36,493,894	$ 1,011,508,161	$ 964,175,299	$ 83,826,756
Taxes payable to others upon collection	473,509,799	677,071,181	659,743,826	490,837,154
	$ 510,003,693	$ 1,688,579,342	$ 1,623,919,125	$ 574,663,910

Continued on next page.

Cobb County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended September 30, 2016

	Balance October 1, 2015	Additions	Deductions	Balance September 30, 2016
Accounts Payable Fund				
Assets				
Accounts receivable	$ -	$ 56,095,362	$ 56,095,362	$ -
Liabilities				
Bank overdraft	$ -	$ 56,095,362	$ 56,095,362	$ -
Payroll Fund				
Assets				
Cash and cash equivalents	$ 9,930,091	$ 294,862,325	$ 293,622,890	$ 11,169,526
Liabilities				
Unremitted payroll tax and withholdings	$ 9,930,091	$ 294,862,325	$ 293,622,890	$ 11,169,526
	$ 9,930,091	$ 294,862,325	$ 293,622,890	$ 11,169,526
Child Support, Witness and Jurors' Fees				
Assets				
Cash	$ 36,897	$ 2,585,330	$ 2,583,424	$ 38,803
Liabilities				
Funds held in trust for others	$ 36,897	$ 2,585,330	$ 2,583,424	$ 38,803
Total assets	$ 564,640,623	$ 2,160,760,339	$ 2,095,522,391	$ 629,878,571
Total liabilities	$ 564,640,623	$ 2,160,760,339	$ 2,095,522,391	$ 629,878,571

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes	$ 251,940,142	$ 251,966,611	$ 249,188,218	$ (2,778,393)
Licenses and permits	22,937,921	22,966,030	28,443,083	5,477,053
Intergovernmental	2,873,000	4,771,405	3,583,815	(1,187,590)
Charges for services	38,019,938	38,798,439	40,628,867	1,830,428
Fines and forfeits	9,618,000	12,682,240	11,855,345	(826,895)
Interest earned	470,100	470,100	464,386	(5,714)
Miscellaneous	3,836,100	7,131,291	6,966,314	(164,977)
Total revenues	$ 329,695,201	$ 338,786,116	$ 341,130,028	$ 2,343,912
Expenditures:				
Current				
General government:				
Legislative:				
Board of Commissioners				
Personnel services	$ 809,559	$ 878,896	$ 878,896	$ -
Operating expenditures	51,350	58,190	58,189	1
	860,909	937,086	937,085	1
Other Governmental				
Operating expenditures	1,474,466	1,708,548	1,791,139	(82,591)
Non-Profit				
Operating expenditures	963,695	1,307,204	1,251,415	55,789
	963,695	1,307,204	1,251,415	55,789
Total legislative	3,299,070	3,952,838	3,979,639	(26,801)
Judicial:				
Clerk of State Court				
Personnel services	4,430,551	4,431,284	4,431,284	-
Operating expenditures	86,511	491,171	226,856	264,315
	4,517,062	4,922,455	4,658,140	264,315
Clerk of Superior Court				
Personnel services	5,798,530	5,887,624	5,887,624	-
Operating expenditures	234,116	630,430	642,212	(11,782)
Capital outlay	-	136,814	136,814	-
	6,032,646	6,654,868	6,666,650	(11,782)
District Attorney				
Personnel services	6,566,149	7,207,402	7,207,402	-
Operating expenditures	406,410	1,033,232	1,043,228	(9,996)
	6,972,559	8,240,634	8,250,630	(9,996)
Chief Magistrate				
Personnel services	3,200,362	3,405,680	3,405,680	-
Operating expenditures	87,739	87,902	98,183	(10,281)
	3,288,101	3,493,582	3,503,863	(10,281)

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Juvenile Court				
Personnel services	5,001,021	4,894,649	4,822,652	71,997
Operating expenditures	160,447	205,693	181,302	24,391
	5,161,468	5,100,342	5,003,954	96,388
Probate Court				
Personnel services	1,363,157	1,354,408	1,341,537	12,871
Operating expenditures	176,452	185,358	185,358	-
	1,539,609	1,539,766	1,526,895	12,871
Solicitor				
Personnel services	5,227,829	7,110,816	7,110,816	-
Operating expenditures	41,630	87,789	89,778	(1,989)
	5,269,459	7,198,605	7,200,594	(1,989)
State Court				
Personnel services	6,708,390	6,749,512	6,749,512	-
Operating expenditures	503,425	786,531	751,659	34,872
Capital outlay	-	10,000	7,367	2,633
	7,211,815	7,546,043	7,508,538	37,505
Superior Court				
Personnel services	5,470,707	5,892,542	5,807,617	84,925
Operating expenditures	1,014,408	1,236,378	1,249,886	(13,508)
	6,485,115	7,128,920	7,057,503	71,417
Circuit Defender				
Personnel services	812,379	794,451	794,451	-
Operating expenditures	4,580,625	4,793,619	4,795,084	(1,465)
	5,393,004	5,588,070	5,589,535	(1,465)
Total judicial	51,870,838	57,413,285	56,966,302	446,983
Executive and administrative:				
County Manager				
Personnel services	819,714	922,214	922,214	-
Operating expenditures	92,880	96,483	96,767	(284)
	912,594	1,018,697	1,018,981	(284)

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
General Administrative				
Personnel services	23,000	23,000	-	23,000
Operating expenditures	8,961,177	9,392,256	9,139,708	252,548
	8,984,177	9,415,256	9,139,708	275,548
Information Services				
Personnel services	10,930,482	10,864,219	10,864,219	-
Operating expenditures	6,902,545	7,441,587	7,139,830	301,757
Capital outlay	-	1,173,286	1,905,545	(732,259)
	17,833,027	19,479,092	19,909,594	(430,502)
Drug Treatment				
Personnel services	312,610	312,610	291,570	21,040
Operating expenditures	228,300	233,291	117,795	115,496
	540,910	545,901	409,365	136,536
Finance				
Personnel services	3,221,561	3,221,561	2,807,902	413,659
Operating expenditures	252,550	313,736	214,066	99,670
	3,474,111	3,535,297	3,021,968	513,329
Purchasing				
Personnel services	2,421,429	2,421,429	2,383,317	38,112
Operating expenditures	1,764,795	2,015,626	1,769,857	245,769
Capital outlay	-	687,231	686,611	620
	4,186,224	5,124,286	4,839,785	284,501
Fleet				
Personnel services	796,283	865,526	865,526	-
Operating expenditures	28,935	30,452	30,110	342
	825,218	895,978	895,636	342
Tax Assessor				
Personnel services	3,653,383	3,679,852	3,619,284	60,568
Operating expenditures	2,131,478	2,212,784	2,131,967	80,817
	5,784,861	5,892,636	5,751,251	141,385
Internal Audit				
Personnel services	310,171	333,762	333,762	-
Operating expenditures	5,986	19,986	19,381	605
	316,157	353,748	353,143	605
Human Resources				
Personnel services	2,007,147	2,097,234	2,097,234	-
Operating expenditures	480,954	795,320	818,784	(23,464)
	2,488,101	2,892,554	2,916,018	(23,464)
Ethics Board				
Operating expenditures	2,130	2,130	-	2,130
	2,130	2,130	-	2,130
Property Management				
Personnel services	4,948,240	4,948,240	4,824,513	123,727
Operating expenditures	5,359,909	5,544,655	5,186,563	358,092
Capital outlay	-	548,266	517,120	31,146
	10,308,149	11,041,161	10,528,196	512,965

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Tax Commissioner				
Personnel services	6,588,712	6,588,712	6,271,867	316,845
Operating expenditures	604,101	695,834	631,394	64,440
Capital outlay	-	12,063	7,099	4,964
	7,192,813	7,296,609	6,910,360	386,249
Public Services				
Personnel services	279,765	286,583	286,583	-
Operating expenditures	19,780	20,780	12,536	8,244
	299,545	307,363	299,119	8,244
Communications				
Personnel services	958,626	1,104,158	1,104,158	-
Operating expenditures	125,584	141,044	125,662	15,382
Capital outlay	-	308,068	306,925	1,143
	1,084,210	1,553,270	1,536,745	16,525
Support Services				
Personnel services	677,292	677,292	539,402	137,890
Operating Services	12,243	16,759	11,316	5,443
	689,535	694,051	550,718	143,333
Elections & Registration				
Personnel services	2,240,060	2,612,145	2,612,145	-
Operating expenditures	619,179	999,968	1,016,947	(16,979)
Capital outlay	-	151,350	151,350	-
	2,859,239	3,763,463	3,780,442	(16,979)
County Clerk				
Personnel services	421,281	421,281	353,495	67,786
Operating expenditures	40,520	39,234	35,993	3,241
	461,801	462,015	392,488	69,527
Law Department				
Personnel services	2,007,667	2,007,667	1,902,454	105,213
Operating expenditures	509,702	509,800	366,023	143,777
	2,517,369	2,517,467	2,268,477	248,990
Central Warehouse				
Operating expenditures	-	8,449	8,449	-
	-	8,449	8,449	-
Total executive and administrative	70,760,171	76,799,423	74,530,443	2,268,980
Total general government	125,930,079	138,165,546	135,476,384	2,689,162
Public Safety:				
P S Training Center				
Personnel services	1,366,181	377,275	366,837	10,438
Operating expenditures	470,278	396,284	435,135	(38,851)
Capital outlay	-	63,750	63,008	742
	1,836,459	837,309	864,980	(27,671)
Police Department				
Personnel services	54,824,886	60,349,128	60,349,128	-
Operating expenditures	3,931,954	5,586,702	5,586,702	-
Capital outlay	-	1,008,521	1,010,988	(2,467)
	58,756,840	66,944,351	66,946,818	(2,467)

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Countywide-800MHZ				
Personnel services	282,543	282,543	276,217	6,326
Operating expenditures	1,435,549	1,373,912	1,369,009	4,903
Capital outlay	-	2,940	2,940	-
	1,718,092	1,659,395	1,648,166	11,229
Animal Control				
Personnel services	2,779,498	2,779,498	2,595,100	184,398
Operating expenditures	536,880	584,076	452,785	131,291
Capital outlay	-	46,000	37,283	8,717
	3,316,378	3,409,574	3,085,168	324,406
Public Safety				
Personnel services	1,533,689	292,749	276,568	16,181
Operating expenditures	92,570	119,637	113,807	5,830
	1,626,259	412,386	390,375	22,011
Safety Village				
Personnel services	116,469	120,010	120,010	-
Operating expenditures	152,592	151,831	147,295	4,536
Capital outlay	-	9,400	-	9,400
	269,061	281,241	267,305	13,936
Sheriff				
Personnel services	20,983,928	20,891,949	20,891,949	-
Operating expenditures	1,599,582	1,920,212	1,920,212	-
Capital outlay	-	129,463	236,164	(106,701)
	22,583,510	22,941,624	23,048,325	(106,701)
Corrections				
Personnel services	34,051,701	35,485,358	35,485,358	-
Operating expenditures	15,244,047	16,368,494	16,368,494	-
Capital outlay	-	86,961	219,936	(132,975)
	49,295,748	51,940,813	52,073,788	(132,975)
Medical Examiner				
Personnel services	1,171,696	1,253,048	1,253,048	-
Operating expenditures	81,577	138,305	134,824	3,481
Capital outlay	-	128	63	65
	1,253,273	1,391,481	1,387,935	3,546
Total public safety	140,655,620	149,818,174	149,712,860	105,314
Public Works:				
Department of Transportation				
Personnel services	11,539,311	11,689,591	11,367,008	322,583
Operating expenditures	3,980,193	5,304,941	5,487,727	(182,786)
Capital outlay	-	377,199	312,612	64,587
	15,519,504	17,371,731	17,167,347	204,384
Total public works	15,519,504	17,371,731	17,167,347	204,384
Culture and Recreation				
Extension Service				
Personnel services	529,619	476,020	463,667	12,353
Operating expenditures	27,749	82,264	82,411	(147)
	557,368	558,284	546,078	12,206

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Library				
Personnel services	8,295,205	10,027,969	8,502,641	1,525,328
Operating expenditures	2,824,546	3,102,350	3,148,265	(45,915)
Capital outlay	-	18,400	15,030	3,370
	11,119,751	13,148,719	11,665,936	1,482,783
Parks and Recreation				
Personnel services	13,712,564	13,748,466	13,748,466	-
Operating expenditures	6,017,367	7,423,733	6,373,422	1,050,311
Capital outlay	-	2,304,783	2,482,547	(177,764)
	19,729,931	23,476,982	22,604,435	872,547
Total culture and recreation	31,407,050	37,183,985	34,816,449	2,367,536
Health and welfare:				
Senior Services				
Personnel services	2,611,757	2,570,409	2,309,456	260,953
Operating expenditures	478,027	781,434	806,496	(25,062)
Capital outlay	-	9,134	9,134	-
	3,089,784	3,360,977	3,125,086	235,891
Cobb County Board of Health				
Operating expenditures	978,560	978,560	978,560	-
Total health and welfare	4,068,344	4,339,537	4,103,646	235,891
Community Development				
Personnel services	8,137,448	8,162,440	8,043,346	119,094
Operating expenditures	425,759	843,956	710,924	133,032
	8,563,207	9,133,896	8,754,270	379,626
Total housing and development	8,563,207	9,133,896	8,754,270	379,626
Total current	$ 326,143,804	$ 356,012,869	$ 350,030,956	$ 5,981,913
Debt service:				
Interest and fiscal charges	100,000	100,000	17,544	82,456
Total debt service	$ 100,000	$ 100,000	$ 17,544	$ 82,456
Total expenditures	$ 326,243,804	$ 356,112,869	$ 350,048,500	$ 6,064,369
Excess (deficiency) of revenues over expenditures	$ 3,451,397	$ (17,326,753)	$ (8,918,472)	$ 8,408,281

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, 2016

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Other financing sources (uses):				
Transfers in	$ 21,400,209	$ 26,711,908	$ 27,117,421	$ 405,513
Proceeds from sale of capital assets	-	-	28,126	28,126
Transfers out	(15,846,931)	(29,360,194)	(26,913,406)	2,446,788
Total other financing sources (uses)	$ 5,553,278	$ (2,648,286)	$ 232,141	$ 2,880,427
Net change in fund balance	$ 9,004,675	$ (19,975,039)	$ (8,686,331)	$ 11,288,708
Fund balance at beginning of year			103,531,530	
Fund balance at end of year - budgetary basis			$ 94,845,199	
Reconciliation to GAAP basis:				
Elimination of encumbrances outstanding at end of year			7,873,457	
Fund balance at end of year - GAAP basis			$ 102,718,656	

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 date 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 basic financial statements.

COBB COUNTY, GEORGIA
STATISTICAL SECTION
September 30, 2016

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 122-127

Revenue Capacity

These schedules contain information to help the user assess the County's major revenue sources. Pages 128-137

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 138-143

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 144-147

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 148-152

Cobb County, Georgia
Net Position by Component
Unaudited

	2016	2015	2014 (1)	2013	2012
Governmental activities					
Net investment in capital asset	$ 3,318,300,453	$ 3,165,004,359	$ 3,082,678,386	$ 3,028,553,894	$ 2,993,197,551
Restricted	261,643,812	296,312,716	220,536,169	216,347,412	190,983,262
Unrestricted	(305,236,161)	(315,844,409)	96,461,368	74,356,405	52,489,843
Total governmental activities net position	$ 3,274,708,104	$ 3,145,472,666	$ 3,399,675,923	$ 3,319,257,711	$ 3,236,670,656
Business-type activities					
Net investment in capital asset	$ 1,420,350,770	$ 1,382,534,953	$ 1,270,930,346	$ 1,247,891,037	$ 1,234,745,764
Restricted	34,265,586	26,807,385	65,285,176	71,253,900	68,412,045
Unrestricted	(7,665,683)	(3,023,209)	10,420,926	6,776,248	5,742,409
Total business-type activities net position	$ 1,446,950,673	$ 1,406,319,129	$ 1,346,636,448	$ 1,325,921,185	$ 1,308,900,218
Primary government					
Net investment in capital asset	$ 4,738,651,223	$ 4,547,539,312	$ 4,353,608,732	$ 4,276,444,931	$ 4,227,943,315
Restricted	295,909,398	323,120,101	285,821,345	287,601,312	259,395,307
Unrestricted	(312,901,844)	(318,867,618)	106,882,294	81,132,653	58,232,252
Total primary government net position	$ 4,721,658,777	$ 4,551,791,795	$ 4,746,312,371	$ 4,645,178,896	$ 4,545,570,874

	2011	2010	2009	2008	2007
Governmental activities					
Net investment in capital asset	$ 2,964,844,393	$ 2,937,351,872	$ 2,845,141,332	$ 2,697,785,423	$ 2,519,108,757
Restricted	148,602,863	85,902,876	107,900,772	173,324,280	183,127,588
Unrestricted	30,201,143	30,533,812	56,626,064	61,584,531	76,623,771
Total governmental activities net position	$ 3,143,648,399	$ 3,053,788,560	$ 3,009,668,168	$ 2,932,694,234	$ 2,778,860,116
Business-type activities					
Net investment in capital asset	$ 1,216,295,546	$ 1,213,125,239	$ 1,214,901,904	$ 1,221,223,766	$ 1,184,655,823
Restricted	57,377,091	41,766,430	-	-	-
Unrestricted	1,243,157	(8,524,185)	18,017,954	7,356,104	26,521,995
Total business-type activities net position	$ 1,274,915,794	$ 1,246,367,484	$ 1,232,919,858	$ 1,228,579,870	$ 1,211,177,818
Primary government					
Net investment in capital asset	$ 4,181,139,939	$ 4,150,477,111	$ 4,060,043,236	$ 3,919,009,189	$ 3,703,765,580
Restricted	205,979,954	127,669,306	107,900,772	173,324,280	183,127,588
Unrestricted	31,444,300	22,009,627	74,644,018	68,940,635	103,145,766
Total primary government net position	$ 4,418,564,193	$ 4,300,156,044	$ 4,242,588,026	$ 4,161,274,104	$ 3,990,038,934

Source: Basic Financial Statements
(1) Fiscal year 2014's ending net position was restated in 2015. The effect of the restatement to 2014 and prior categories of net position have not been determined.

Cobb County, Georgia
Changes in Net Position
Unaudited

	2016	2015	2014 (1)	2013	2012	2011	2010	2009	2008	2007
Expenses										
Governmental activities:										
General government	$ 152,978,160	$ 138,660,902	$ 132,717,871	$ 130,306,036	$ 128,569,788	$ 124,434,470	$ 135,559,677	$ 130,964,498	$ 129,487,420	$ 120,717,451
Public safety	260,257,459	235,115,102	226,274,548	216,746,332	214,304,007	208,553,530	226,008,723	218,818,569	216,428,501	193,571,694
Public works	129,004,776	131,167,118	122,421,838	116,643,350	114,304,649	110,401,097	112,031,838	110,796,058	104,411,823	104,327,448
Health and welfare	6,717,051	6,519,036	6,472,100	5,860,760	4,959,244	6,152,176	8,288,145	6,389,272	7,216,169	13,616,494
Culture and recreation	54,545,427	48,839,786	43,385,617	41,135,156	38,769,474	38,136,019	43,049,762	42,245,820	45,361,751	35,607,314
Housing and development	16,113,070	18,376,639	18,093,093	17,753,689	16,821,511	20,739,086	20,588,418	14,458,129	15,357,027	14,722,882
Interest on long-term debt	20,911,456	15,275,354	3,636,376	4,083,434	4,661,298	4,875,524	5,228,323	5,781,065	6,547,418	6,685,179
Total governmental activities expenses	$ 640,527,399	$ 593,953,937	$ 553,001,443	$ 532,528,757	$ 522,389,971	$ 513,291,902	$ 550,754,886	$ 529,453,411	$ 524,810,109	$ 489,248,462
Business-type activities:										
Water and Sewer	$ 182,120,179	$ 173,041,157	$ 170,145,946	$ 162,598,501	$ 161,143,254	$ 160,087,751	$ 163,448,806	$ 156,686,447	$ 144,220,614	$ 145,833,553
Solid Waste	710,965	737,827	877,279	899,358	1,268,190	1,042,053	2,079,765	10,793,537	12,005,039	11,953,423
Transit	22,531,352	22,965,800	22,845,555	22,708,672	22,105,963	23,823,838	24,765,622	22,227,266	22,799,515	19,686,139
Cobblestone Golf Course	1,623,370	1,449,393	1,560,622	1,595,990	1,702,007	1,628,098	1,537,850	1,673,843	1,778,843	1,741,765
Galleria Speciality Shops	883,963	963,200	-	-	-	-	-	-	-	-
Performing Arts Centre	9,727,913	9,516,067	-	-	-	-	-	-	-	-
Mable House Barnes Amphitheatre	-	-	-	-	-	-	-	-	-	-
Total business-type activities expenses	$ 217,597,742	$ 208,673,444	$ 195,429,402	$ 187,802,521	$ 186,219,414	$ 186,581,740	$ 191,832,043	$ 191,381,093	$ 180,804,011	$ 179,214,880
Total primary government expenses	$ 858,125,141	$ 802,627,381	$ 748,430,845	$ 720,331,278	$ 708,609,385	$ 699,873,642	$ 742,586,929	$ 720,834,504	$ 705,614,120	$ 668,463,342
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 44,005,094	$ 42,541,928	$ 40,623,239	$ 44,282,012	$ 44,083,506	$ 41,456,332	$ 48,147,632	$ 50,767,215	$ 51,978,918	$ 53,256,545
Public safety	18,747,884	18,169,500	18,253,052	17,729,347	15,782,214	15,369,970	15,237,639	15,131,886	14,780,887	14,341,033
Public works	7,705,165	6,943,989	5,890,118	5,592,147	5,686,233	5,226,015	5,168,770	5,282,949	4,949,018	5,582,231
Health and welfare	328,014	304,448	173,728	159,797	125,741	108,067	80,686	82,003	80,917	74,041
Culture and recreation	20,040,564	17,193,210	3,493,384	3,803,850	3,730,765	3,443,827	3,792,402	4,163,871	4,218,145	4,022,119
Housing and development	28,061,414	27,059,593	22,866,032	21,680,727	20,462,563	20,184,412	16,456,025	16,755,918	19,987,871	21,749,780
Operating grants and contributions	19,455,937	22,416,730	20,517,861	24,035,310	30,918,003	36,156,256	33,068,410	17,745,892	17,665,432	17,442,439
Capital grants and contributions	119,580,091	41,017,800	21,479,625	25,934,892	33,672,286	24,297,732	41,288,426	61,489,833	99,891,365	43,962,989
Total governmental activities program revenues	$ 257,924,163	$ 175,647,198	$ 133,297,039	$ 143,218,082	$ 154,461,311	$ 146,242,611	$ 163,239,990	$ 171,419,567	$ 213,552,553	$ 160,431,177
Business-type activities:										
Charges for services:										
Water and Sewer	$ 206,248,856	$ 199,209,759	$ 193,284,442	$ 187,171,300	$ 199,908,029	$ 196,795,218	$ 183,146,980	$ 170,690,750	$ 150,084,927	$ 174,833,409
Solid Waste	491,337	466,443	340,960	281,315	319,350	297,272	181,662	5,578,983	6,711,561	6,215,070
Transit	4,839,740	5,677,360	5,817,403	6,050,804	6,334,856	6,061,173	4,997,340	5,347,538	5,095,171	3,704,693
Cobblestone Golf Course	1,702,848	1,638,146	1,627,680	1,825,184	1,940,550	1,790,455	1,027,897	1,710,920	2,076,810	2,146,252
Galleria Speciality Shops	522,800	517,767	-	-	-	-	-	-	-	-
Performing Arts Centre	8,930,062	7,950,970	-	-	-	-	-	-	-	-
Mable House Barnes Amphitheater	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	3,443,307	-	-	-	-	-	-	-	500,989	571,081
Capital grants and contributions	34,058,991	17,684,800	16,786,496	19,821,770	18,250,239	15,225,107	21,178,823	10,517,614	31,341,068	37,980,311
Total business-type activities program revenues	$ 260,237,941	$ 233,145,245	$ 217,856,981	$ 215,150,373	$ 226,753,024	$ 220,169,225	$ 210,532,702	$ 194,483,901	$ 195,810,526	$ 225,450,816
Total primary government program revenues	$ 518,162,104	$ 408,792,443	$ 351,154,020	$ 358,368,455	$ 381,214,335	$ 366,411,836	$ 373,772,692	$ 365,903,468	$ 409,363,079	$ 385,881,993
Net (Expense)/Revenue										
Governmental activities	$ (382,603,236)	$ (418,306,739)	$ (419,704,404)	$ (389,310,675)	$ (367,928,660)	$ (367,049,291)	$ (387,514,896)	$ (358,033,844)	$ (311,257,556)	$ (328,817,285)
Business-type activities	42,640,199	24,471,801	22,427,579	27,347,852	40,533,610	33,587,485	18,700,659	3,102,808	15,006,515	46,235,936
Total primary government net (expense)/revenue	$ (339,963,037)	$ (393,834,938)	$ (397,276,825)	$ (361,962,823)	$ (327,395,050)	$ (333,461,806)	$ (368,814,237)	$ (354,931,036)	$ (296,251,041)	$ (282,581,349)

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Cobb County, Georgia
Changes in Net Position
Unaudited

	2016	2015	2014 (1)	2013	2012	2011	2010	2009	2008	2007
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	$ 296,940,107	$ 301,401,010	$ 292,056,548	$ 271,694,680	$ 266,092,328	$ 266,292,261	$ 242,217,484	$ 258,642,957	$ 251,204,278	$ 238,915,529
Sales taxes	138,778,010	137,535,405	133,078,439	128,892,927	130,658,337	126,853,951	121,143,588	113,364,227	132,348,036	134,143,700
Insurance and premium tax	26,709,770	24,942,877	23,663,963	22,768,278	21,312,299	21,696,998	22,308,881	22,633,407	22,094,857	21,012,449
Alcoholic beverage tax	5,037,511	4,921,908	4,822,275	4,735,183	4,611,903	4,724,926	4,766,808	4,743,585	4,896,525	4,786,541
Hotel/Motel tax	13,918,458	13,245,458	12,330,071	11,244,163	10,366,262	9,887,246	9,450,045	9,327,241	11,084,810	10,625,801
Real estate transfer tax	2,372,019	2,102,271	1,864,910	1,372,033	964,058	818,501	735,743	805,210	1,285,897	2,381,465
Miscellaneous taxes	12,739,469	13,060,651	12,971,101	13,110,068	11,736,588	11,257,991	11,846,938	10,946,137	10,982,764	10,213,949
Miscellaneous	10,548,514	13,818,104	12,232,740	10,517,034	7,274,977	8,430,128	9,375,895	10,034,725	6,435,465	7,369,832
Grant and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	11,458,132	11,291,129
Gain on sale of capital assets	-	-	441,383	154,803	11,123	-	967,324	43,858	248,756	160,675
Unrestricted investment earnings	1,968,001	2,281,808	823,219	1,072,135	1,045,701	1,296,604	2,219,575	5,550,704	12,485,150	13,999,773
Special item-Adjustment to intergovernmental agreement	-	-	3,555,000	-	-	-	-	-	-	-
Transfers	2,826,815	2,706,577	2,282,967	6,539,853	6,877,341	5,650,524	6,603,007	(1,084,273)	567,004	4,439,403
Total governmental activities	$ 511,838,674	$ 516,016,069	$ 500,122,616	$ 472,101,157	$ 460,950,917	$ 456,909,130	$ 431,635,288	$ 435,007,778	$ 465,091,674	$ 459,340,246
Business-type activities:										
Miscellaneous	$ 464,088	$ 234,810	$ 435,300	$ 228,151	$ 193,332	$ 399,651	$ 615,141	$ 721,233	$ 942,405	$ 913,102
Gain on sale of capital assets	160,667	30,329	59,484	64,731	34,395	90,422	375,196	(1,060,661)	31,240	47,478
Unrestricted investment earnings	193,405	91,442	75,867	110,224	100,428	121,276	359,637	492,335	1,988,896	3,569,886
Transfers	(2,826,815)	(2,706,577)	(2,282,967)	(6,539,853)	(6,877,341)	(5,650,524)	(6,603,007)	1,084,273	(567,004)	(4,439,403)
Total business-type activities	$ (2,008,655)	$ (2,349,996)	$ (1,712,316)	$ (6,136,747)	$ (6,549,186)	$ (5,039,175)	$ (5,253,033)	$ 1,237,180	$ 2,395,537	$ 91,063
Total primary government	$ 509,830,019	$ 513,666,073	$ 498,410,300	$ 465,964,410	$ 454,401,731	$ 451,869,955	$ 426,382,255	$ 436,244,958	$ 467,487,211	$ 459,431,309
Change in Net Position										
Governmental activities	$ 129,235,438	$ 97,709,330	$ 80,418,212	$ 82,790,482	$ 93,022,257	$ 89,859,839	$ 44,120,392	$ 76,973,934	$ 153,834,118	$ 130,522,961
Business-type activities	40,631,544	22,121,805	20,715,263	21,211,105	33,984,424	28,548,310	13,447,626	4,339,988	17,402,052	46,326,999
Total primary government	$ 169,866,982	$ 119,831,135	$ 101,133,475	$ 104,001,587	$ 127,006,681	$ 118,408,149	$ 57,568,018	$ 81,313,922	$ 171,236,170	$ 176,849,960
Restatement										
Governmental activities	$ -	$ (351,912,587)	$ -	$ (203,427)	$ -	$ -	$ -	$ -	$ -	$ -
Business-type activities	-	37,560,876	-	(4,190,138)	-	-	-	-	-	-
Total primary government	$ -	$ (314,351,711)	$ -	$ (4,393,565)	$ -	$ -	$ -	$ -	$ -	$ -
Change in Net Position and Restatement										
Governmental activities	$ 129,235,438	$ (254,203,257)	$ 80,418,212	$ 82,587,055	$ 93,022,257	$ 89,859,839	$ 44,120,392	$ 76,973,934	$ 153,834,118	$ 130,522,961
Business-type activities	40,631,544	59,682,681	20,715,263	17,020,967	33,984,424	28,548,310	13,447,626	4,339,988	17,402,052	46,326,999
Total primary government	$ 169,866,982	$ (194,520,576)	$ 101,133,475	$ 99,608,022	$ 127,006,681	$ 118,408,149	$ 57,568,018	$ 81,313,922	$ 171,236,170	$ 176,849,960

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(1) Fiscal year 2014's ending net position was restated in 2015. The effects of the restatement to previously reported changes in net position has not been determined.

Cobb County, Georgia
Fund Balances, Governmental Funds
Unaudited

	2016	2015	2014 (1)	2013	2012	2011	2010
General Fund							
Nonspendable	$ 4,957,432	$ 4,803,886	$ 5,175,239	$ 5,057,876	$ 5,388,509	$ 3,866,278	$ 3,377,881
Restricted	2,232,590	2,161,863	1,630,134	1,652,111	2,003,534	2,142,090	1,909,472
Committed	40,196,292	19,819,502	26,228,765	24,679,900	26,838,346	22,853,051	4,395,900
Assigned	2,420,753	2,508,464	36,617	36,617	38,137	38,137	895,727
Unassigned	52,911,589	74,237,815	61,577,669	54,675,608	44,213,159	35,375,643	29,130,898
Total General Fund	$ 102,718,656	$ 103,531,530	$ 94,648,424	$ 86,102,112	$ 78,481,685	$ 64,275,199	$ 39,709,878
All Other Governmental Funds							
Nonspendable	$ 2,003,587	$ 2,007,201	$ 129,453	$ 127,347	$ 323,167	$ 150,710	$ 1,983
Restricted	275,610,226	502,145,546	218,906,035	213,561,868	188,186,359	145,233,251	93,562,980
Committed	12,829,921	8,482,877	25,890,974	6,692,707	892,897	1,862,719	7,338,797
Assigned	25,310	-	-	-	-	1,566,956	20,576,836
Unassigned			(4,777,418)	(1,762,062)	-	-	(8,747,169)
Special Revenue Funds	-	781,619	-	-	-	-	-
Capital Projects Funds	(6,839,306)	-	-	-	-	-	-
Total all other governmental funds	$ 283,629,738	$ 513,417,243	$ 240,149,044	$ 218,619,860	$ 189,402,423	$ 148,813,636	$ 112,733,427

	2009	2008	2007
General Fund			
Reserved	$ 5,744,747	$ 6,035,817	$ 7,085,586
Unreserved	42,189,697	40,743,565	51,628,912
Total General Fund	47,934,444	46,779,382	58,714,498
All Other Governmental Funds			
Reserved	$ 133,774,416	$ 136,002,073	$ 90,325,264
Unreserved			
Special Revenue Funds	426,956	17,907,147	26,838,435
Capital Projects Funds	17,165,427	72,154,167	142,747,333
Total all other governmental funds	$ 151,366,799	$ 226,063,387	$ 162,402,990

Source: Basic Financial Statements

Note: The County implemented GASB 54 in FY 2010, thus the fund balance classifications were changed in reporting for 2010 and subsequent years.
(1) Fiscal year 2014's ending fund balance was restated in 2015. The effect of the restatement to 2014's and prior categories of fund balance have not been determined.

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

	2016	2015	2014 (1)	2013	2012
Revenues					
Taxes	$ 496,998,051	$ 497,303,435	$ 482,026,428	$ 455,554,341	$ 446,198,262
Licenses and permits	28,445,783	27,380,512	23,216,980	22,458,136	21,107,725
Intergovernmental	49,441,526	49,462,614	36,254,145	41,040,211	47,026,534
Charges for services	78,089,867	73,384,263	55,346,568	58,421,713	57,801,007
Fines and forfeits	11,855,345	11,447,893	12,736,005	12,368,031	10,963,315
Interest earned	2,076,573	2,244,247	1,483,303	1,348,103	1,337,327
Contributions	62,574,357		-	-	-
Miscellaneous	10,548,514	13,818,104	12,232,740	10,517,034	7,508,969
Total revenues	$ 740,030,016	$ 675,041,068	$ 623,296,169	$ 601,707,569	$ 591,943,139
Expenditures					
General government	$ 140,446,801	$ 137,293,964	$ 128,252,106	$ 127,567,454	$ 122,402,883
Public safety	242,093,157	227,385,486	217,489,182	216,546,285	207,712,179
Public works	21,145,757	23,559,916	22,150,532	20,675,829	20,134,131
Health and welfare	7,192,792	6,609,940	6,443,854	6,070,001	5,075,377
Culture and recreation	49,202,208	42,274,216	40,020,320	38,387,445	36,379,623
Housing and development	14,736,015	16,895,956	17,146,174	17,447,786	18,364,641
Debt service					
Principal retirement	18,507,246	14,042,574	10,519,015	13,252,657	13,691,395
Interest and fiscal charges	18,582,073	14,810,059	3,917,464	4,293,197	4,834,172
Capital outlay	434,201,650	302,655,447	121,817,341	94,945,037	83,866,243
Intergovernmental	36,614,195	36,746,628	35,103,822	33,970,260	32,479,600
Total expenditures	$ 982,721,894	$ 822,274,186	$ 602,859,810	$ 573,155,951	$ 544,940,244
Excess of revenues over (under) expenditures	$ (242,691,878)	$ (147,233,118)	$ 20,436,359	$ 28,551,618	$ 47,002,895
Other financing sources (uses)					
Transfers in	$ 68,989,371	$ 143,992,902	$ 43,470,427	$ 33,104,084	$ 31,780,837
Transfers out	(65,747,033)	(140,620,103)	(40,806,305)	(25,876,763)	(24,535,492)
Capital lease proceeds	8,800,000	19,866,806	110,242	904,122	527,412
Proceeds from sale of capital assets	49,161	126,687	469,872	154,803	19,621
Bonds issued	-	386,600,000	-	-	-
Premium on bonds issued	-	100,514	79,901	-	-
Discount on bonds issued	-	(249,821)	-	-	-
Premium on issuance of certificates	-	-	6,315,000	-	-
Total other financing sources (uses)	$ 12,091,499	$ 409,816,985	$ 9,639,137	$ 8,286,246	$ 7,792,378
Net change in fund balances before restatement	$ (230,600,379)	$ 262,583,867	$ 30,075,496	$ 36,837,864	$ 54,795,273
Restatement	$ -	$ 19,567,438	$ -	$ -	$ -
Net change in fund balances after restatement	$ (230,600,379)	$ 282,151,305	$ 30,075,496	$ 36,837,864	$ 54,795,273
Debt service as a percentage of noncapital expenditures	6.85%	5.62%	3.03%	3.71%	4.06%

Source: Basic Financial Statements
Note: Capital outlay in capital project funds in years prior to 2008 was classified by function
(1) Fiscal year 2014's ending fund balance was restated in 2015. The effects of the restatement to previously reported changes in fund balances has not been determined.

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

2011	2010	2009	2008	2007
$ 443,553,657	$ 415,633,188	$ 420,576,822	$ 430,494,106	$ 421,478,808
20,697,338	16,659,309	16,895,893	20,002,557	21,757,476
44,740,225	50,635,105	41,864,297	47,620,520	43,927,165
52,247,547	58,462,632	59,486,597	58,031,429	59,521,098
12,842,713	13,761,213	15,801,352	17,961,770	17,747,175
1,565,632	2,174,725	5,339,066	11,702,780	13,130,180
-	-	-	-	-
8,426,162	10,053,251	10,034,725	6,435,465	7,369,832
$ 584,073,274	$ 567,379,423	$ 569,998,752	$ 592,248,627	$ 584,931,734
$ 117,985,464	$ 125,328,297	$ 123,341,205	$ 125,709,498	$ 133,657,911
201,220,539	216,262,152	207,638,521	205,020,261	199,303,102
21,071,499	19,089,629	37,719,789	30,598,324	89,477,872
6,073,248	8,199,261	7,738,451	7,769,638	7,413,307
35,222,986	39,403,023	39,065,599	42,377,184	52,030,237
24,233,973	20,834,947	14,074,012	15,183,400	15,150,457
15,472,073	10,666,662	12,913,462	13,961,512	16,548,903
5,221,351	5,640,833	6,157,146	6,742,631	6,977,162
85,476,054	177,623,740	218,458,686	207,489,112	-
20,541,070	-	-	-	-
$ 532,518,257	$ 623,048,544	$ 667,106,871	$ 654,851,560	$ 520,558,951
$ 51,555,017	$ (55,669,121)	$ (97,108,119)	$ (62,602,933)	$ 64,372,783
$ 39,754,285	$ 48,899,093	$ 39,580,576	$ 60,545,358	$ 80,462,127
(32,786,823)	(41,516,848)	(40,312,340)	(59,309,482)	(82,436,523)
1,778,899	280,310	12,567,168	291,405	6,975,011
344,152	1,871,876	174,369	292,891	310,697
-	10,730,000	-	15,000,000	25,000,000
-	-	-	-	926,933
-	-	-	-	-
-	103,572	-	-	-
$ 9,090,513	$ 20,368,003	$ 12,009,773	$ 16,820,172	$ 31,238,245
$ 60,645,530	$ (35,301,118)	$ (85,098,346)	$ (45,782,761)	$ 95,611,028
$ -	$ 30,328	$ -	$ -	$ -
$ 60,645,530	$ (35,270,790)	$ (85,098,346)	$ (45,782,761)	$ 95,611,028
4.64%	3.43%	4.12%	4.50%	5.30%

Cobb County, Georgia
Assessed Value and Actual Value
Unaudited

Fiscal Year	Real Property: Residential Property Assessed Value	Real Property: Residential Property Estimated Actual Value	Real Property: Commercial Property Assessed Value	Real Property: Commercial Property Estimated Actual Value	Real Property: Other Assessed Value	Real Property: Other Estimated Actual Value	Personal Property Assessed Value	Personal Property Estimated Actual Value	Total Assessed Value	Total Direct Tax Rate (1)	Estimated Actual Value	Assessed Value as of a Percentage of Actual Value
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%
2011	17,078,999,812	42,697,499,530	7,109,351,351	17,773,378,378	2,531,565,795	6,328,914,488	2,990,728,676	7,476,821,690	29,710,645,634	11.11	74,276,614,085	40%
2012	15,982,982,729	39,957,456,823	7,447,369,118	18,618,422,795	2,667,891,919	6,669,729,798	2,901,783,664	7,254,459,160	29,000,027,430	11.11	72,500,068,575	40%
2013	15,811,957,069	39,529,892,673	7,082,047,086	17,705,117,715	2,914,805,850	7,287,014,625	3,005,768,196	7,514,420,490	28,814,578,201	10.91	72,036,445,503	40%
2014	16,907,664,617	42,269,161,543	7,260,294,717	18,150,736,793	2,683,400,022	6,708,500,055	3,072,303,669	7,680,759,173	29,923,663,025	10.71	74,809,157,563	40%
2015	18,169,547,660	45,423,869,150	7,672,250,921	19,180,627,303	2,151,270,171	5,378,175,428	3,285,988,674	8,214,971,685	31,279,057,426	10.51	78,197,643,565	40%
2016	20,204,883,350	50,512,208,375	7,867,423,289	19,668,558,223	1,832,860,034	4,582,150,085	3,505,481,019	8,763,702,548	33,410,647,692	10.51	83,526,619,230	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									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Cobb County Direct Rates										
General	6.66	7.12	7.32	7.52	7.72	7.72	6.82	6.82	6.82	6.82
Fire District	2.96	3.06	3.06	3.06	3.06	3.06	2.56	2.56	2.56	2.56
Debt Service	0.23	0.33	0.33	0.33	0.33	0.33	0.22	0.22	0.22	0.22
Total direct rates	9.85	10.51	10.71	10.91	11.11	11.11	9.60	9.60	9.60	9.60
Cumberland Special Service District	2.45	2.60	2.70	-	-	-	-	-	-	-
Six Flags Special Service District	3.50	3.50	-	-	-	-	-	-	-	-
City Rates										
Acworth	36.35	37.06	37.31	37.56	37.81	36.47	36.35	36.35	36.35	36.35
Austell	31.81	29.46	29.71	30.90	31.15	30.32	29.31	29.31	29.31	29.31
Kennesaw	38.25	38.96	39.21	39.46	39.71	39.76	38.25	38.25	38.25	38.25
Marietta	30.48	31.51	31.77	30.73	31.45	31.50	30.49	29.94	29.94	29.94
Powder Springs	37.25	37.96	38.21	38.46	38.71	38.76	37.25	37.25	37.25	37.25
Smyrna	34.78	35.39	35.64	35.89	36.14	36.19	35.18	35.18	35.18	35.18
School District										
Cobb County Board of Education	18.90	18.90	18.90	18.90	18.90	18.90	18.90	18.90	18.90	18.90
State of Georgia	-	0.05	0.10	0.15	0.20	0.25	0.25	0.25	0.25	0.25

Source: Cobb County Tax Commissioner's Office

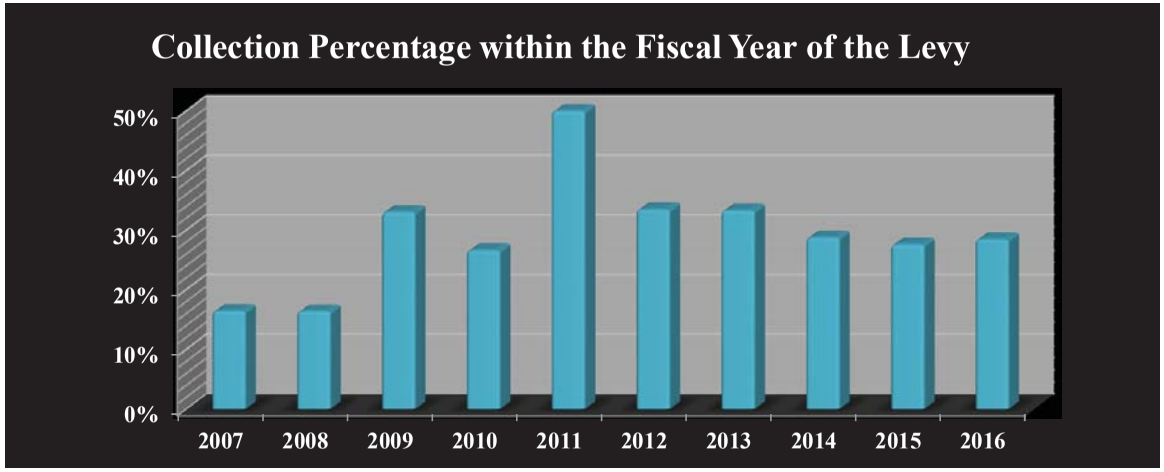
Cobb County, Georgia
Principal Property Tax Payers
Unaudited

Taxpayer	Fiscal Year 2016 Taxes Levied	Fiscal Year 2016 Percentage of Total County Taxes Levied	Fiscal Year 2007 Taxes Levied	Fiscal Year 2007 Percentage of Total County Taxes Levied
Georgia Power Co.	$ 14,197,632	5.53%	$ 2,826,135	1.25%
Home Depot	5,978,842	2.33%	5,650,575	2.51%
Ohio Teacher's Retirement Fund	3,007,721	1.17%		
3200 Windy Hill Road Investments			1,815,734	0.81%
Cobb EMC	2,554,848	1.00%	2,535,366	1.13%
Lockheed Martin Corp	2,846,030	1.11%	2,311,856	1.03%
CP Venture Five, LLC	1,841,370	0.72%		
ATT/BellSouth Telecommunication	3,277,531	1.28%	3,400,138	1.51%
Post Properties			3,118,884	1.38%
Cousins Properties			1,765,120	0.78%
Inland Properties			1,989,471	0.88%
GC Net Lease	2,082,318	0.81%		
UK Lasalle Inc.	2,161,589	0.84%		
Walton Properties	2,218,411	0.86%		
Wildwood Properties			3,035,124	1.35%

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
2007	$ 226,524,907	$ (1,246,479)	225,278,428	$ 37,148,299	$ 16.40%	$ 186,898,340	$ 224,046,639	99.45%
2008	240,393,700	(1,195,186)	239,198,514	39,301,350	16.35%	198,061,151	237,362,501	99.23%
2009	239,646,001	(2,650,394)	236,995,607	79,131,484	33.02%	156,800,985	235,932,469	99.55%
2010	224,451,029	(3,263,579)	221,187,450	59,693,126	26.60%	160,303,621	219,996,747	99.46%
2011	246,978,483	(2,126,916)	244,851,567	124,618,748	50.46%	118,942,953	243,561,701	99.47%
2012	242,052,858	(4,729,609)	237,323,249	81,038,859	33.48%	153,335,330	234,374,189	98.76%
2013	233,824,893	(2,335,597)	231,489,296	77,847,895	33.29%	152,130,697	229,978,592	99.35%
2014	247,294,515	(2,934,282)	244,360,233	71,107,105	28.75%	172,242,916	243,350,021	99.59%
2015	257,918,079	(2,058,985)	255,859,094	71,060,722	27.55%	183,574,836	254,635,558	99.52%
2016	258,110,165	(1,474,013)	256,636,152	73,434,005	28.45%	-	73,434,005	28.61%



Source: Cobb County Tax Commissioner's Office

Cobb County, Georgia
Largest Retail Water System Accounts
Unaudited

Customer	2016 Metered Flow (Gallons)	2016 Annual Revenues	2016 Percentage of Total Revenues	2008* Metered Flow (Gallons)	2008* Annual Revenues	2008* Percentage of Total Revenues
Cobb County Government	319,329,000	$ 2,192,266	1.25%	144,304,000	$ 1,173,969	0.94%
Cobb County School System	191,247,000	2,000,025	1.14%	178,144,000	1,449,270	1.16%
Kennesaw State University	123,187,000	1,012,883	0.58%	63,821,000	467,807	0.37%
Georgia Power	125,303,000	702,204	0.40%	-	-	-
Wellstar Health System	74,921,000	658,286	0.38%	55,888,000	381,308	0.31%
Home Depot	73,278,000	647,813	0.37%	56,524,000	369,602	0.30%
YES Companies EXP2, LLC	67,424,000	645,117	0.37%	-	-	-
Walton River LP	56,642,000	556,579	0.32%	-	-	-
Cumberland Mall	40,055,000	393,190	0.22%	-	-	-
Lynx Chemical Group	34,139,000	386,255	0.22%	41,800,000	483,692	0.39%
The Gardens of East Cobb	-	-	-	46,551,000	343,133	0.27%
Asian II Jupiter Mill LLC	-	-	-	39,367,000	292,585	0.23%
Hickory Lake LP	-	-	-	39,613,000	290,946	0.23%
Lakes of Vinings	-	-	-	38,026,000	280,879	0.22%
Total	**1,105,525,000**	**$ 9,194,618**	**5.25%**	**704,038,000**	**$ 5,533,191**	**4.42%**

*Information not available prior to 2008

(1) Provided by the CCWS. All revenues are for combined water and sewer service unless otherwise stated. The listing does not include wholesale sewer customers.

(2) Consists of retail water and sewer operating revenues only (i.e. excludes wholesale revenues, miscellaneous revenues, system development fees, and other non-operating revenues).

Cobb County, Georgia
Existing Water Rates
Unaudited

Meter Size	Minimum Monthly Charges Fiscal Year 2016	2015	2014	2013	2012	2011	2010	2009	2008
5/8 Inch	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
3/4 Inch	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
1 Inch	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
1.5 Inch	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
2.0 Inch	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00
3.0 Inch	66.00	66.00	66.00	66.00	66.00	66.00	66.00	66.00	66.00
4.0 Inch	99.60	99.60	99.60	99.60	99.60	99.60	99.60	99.60	99.60
6.0 Inch	206.40	206.40	206.40	206.40	206.40	206.40	206.40	206.40	206.40
8.0 Inch	321.60	321.60	321.60	321.60	321.60	321.60	321.60	321.60	321.60
10.0 Inch	463.20	463.20	463.20	463.20	463.20	463.20	463.20	463.20	463.20
12.0 Inch	463.20	463.20	463.20	463.20	463.20	463.20	463.20	463.20	463.20

Source: Cobb County Water System
*Information not available prior to 2008

Cobb County, Georgia
Existing Sewer Rates
Unaudited

		Rate Per 1,000 Gallons Fiscal Year									
		2016		2015		2014		2013		2012	
Usage Block	Monthly Usage (gals)	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer
Residential:	Tier 1 (1,000 to 3,000)	$ 2.83	$ 5.41	$ 2.83	$ 5.41	$ 2.83	$ 5.41	$ 2.83	$ 5.41	$ 2.83	$ 5.41
	Tier 2 (4,000 to 15,000)	$ 4.36		$ 4.36		$ 4.36		$ 4.36		$ 4.36	
	Tier 3 (16,000 to 29,000)	$ 5.43		$ 5.43		$ 5.43		$ 5.43		$ 5.43	
	Tier 4 (30,000 to 49,000)	$ 6.36		$ 6.36		$ 6.36		$ 6.36		$ 6.36	
	Tier 5 (50,000 and above)	$ 8.25		$ 8.25		$ 8.25		$ 8.25		$ 8.25	
Non-Residential:		$ 4.28	$ 5.41	$ 4.28	$ 5.41	$ 4.28	$ 5.41	$ 4.28	$ 5.41	$ 4.28	$ 5.41

		2011		2010		2009		2008	
		Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer
Residential:	Tier 1 (1,000 to 3,000)	$ 2.83	$ 5.30	$ 2.67	$ 5.10	$ 2.47	$ 4.85	$ 2.47	$ 4.90
	Tier 2 (4,000 to 15,000)	$ 4.11		$ 3.88		$ 3.62		$ 3.59	
	Tier 3 (16,000 to 29,000)	$ 5.12		$ 4.83		$ 4.09		$ 4.47	
	Tier 4 (30,000 to 49,000)	$ 6.00		$ 5.66		$ 4.80		$ 5.24	
	Tier 5 (50,000 and above)	$ 7.78		$ 7.34		$ 6.86		$ 6.80	
Non-Residential:		$ 4.04	$ 5.30	$ 3.81	$ 5.10	$ 3.56	$ 4.85	$ 3.53	$ 4.90

Source: Cobb County Water System
*Information not available prior to 2008

Cobb County, Georgia
Fire Sprinkler Service Charges
Unaudited

Meter Size	2008-2016 Detector Meter (1)	2008-2016 Not Metered (2)
6 Inch	$ 50.00	$ 200.00
8 Inch	$ 60.00	$ 250.00
10 Inch	$ 80.00	$ 300.00
12 Inch	$ 110.00	$ 350.00

Cobb County, Georgia
System Development Fees
Unaudited

Fiscal Year	CCWS Portion	Permitting Jurisdiction (3)	Total Fee Collected
2008-2015	$ 2,400.00	$ 500.00	$ 2,900.00

Source: Cobb County Water System
*Information not available prior to 2008

(1) The actual water used is billed at normal retail user rates.
(2) Flat monthly charge. Any water that may be used is billed based on the main meter reading for the building.
(3) CCWS's non-regional fee is $500. Some CCWS wholesale customers charge a different

Cobb County, Georgia
Rate Comparison With Other Utilities (1)
Unaudited

Description		Fiscal Year 2016 Water	2016 Sewer	2016 Total	2008* Water	2008* Sewer	2008* Total
CCWS (Existing 2015)		$ 28.57	$ 32.46	$ 61.03	$ 28.77	$ 34.30	$ 63.07
CCWS (Projected 2016)	(2)	$ 28.57	$ 32.46	$ 61.03	$ 31.08	$ 35.67	$ 66.75
Other Public Utilities:							
Fulton County		$ 21.57	$ 37.89	$ 59.46	$ 24.59	$ 43.63	$ 68.22
Paulding County		$ 47.96	$ 44.96	$ 92.92	**	**	**
City of Atlanta		$ 42.78	$ 108.32	$ 151.10	$ 36.01	$ 91.40	$ 127.41
Cherokee County		$ 32.20	$ 40.40	$ 72.60	$ 34.20	$ 44.60	$ 78.80
Douglas County		$ 40.30	$ 45.03	$ 85.33	$ 35.41	$ 39.55	$ 74.96
Gwinnett County		$ 36.60	$ 51.92	$ 88.52	$ 34.32	$ 34.37	$ 68.69
Coweta County		$ 47.27	$ 50.30	$ 97.57	**	**	**
Rockdale County		$ 36.59	$ 52.07	$ 88.66	$ 27.86	$ 34.55	$ 62.41
Clayton County		$ 34.20	$ 36.47	$ 70.67	$ 31.12	$ 31.22	$ 62.34
DeKalb County		$ 17.65	$ 74.93	$ 92.58	$ 12.31	$ 46.87	$ 59.18
Average of Other Utilities		$ 35.71	$ 54.23	$ 89.94	$ 29.48	$ 45.77	$ 75.25

Source: Cobb County Water System

(1) Assumes a residential customer using 6,000 gallons of service per month.

(2) Based on rate adjustments approved by the Board to become effective on January 1, 2012. The proposed rate adjustments will only apply to the volumetric rate components.

*Information not available prior to 2008
**Information not available

Cobb County, Georgia
Wholesale Sewer Rates
Unaudited

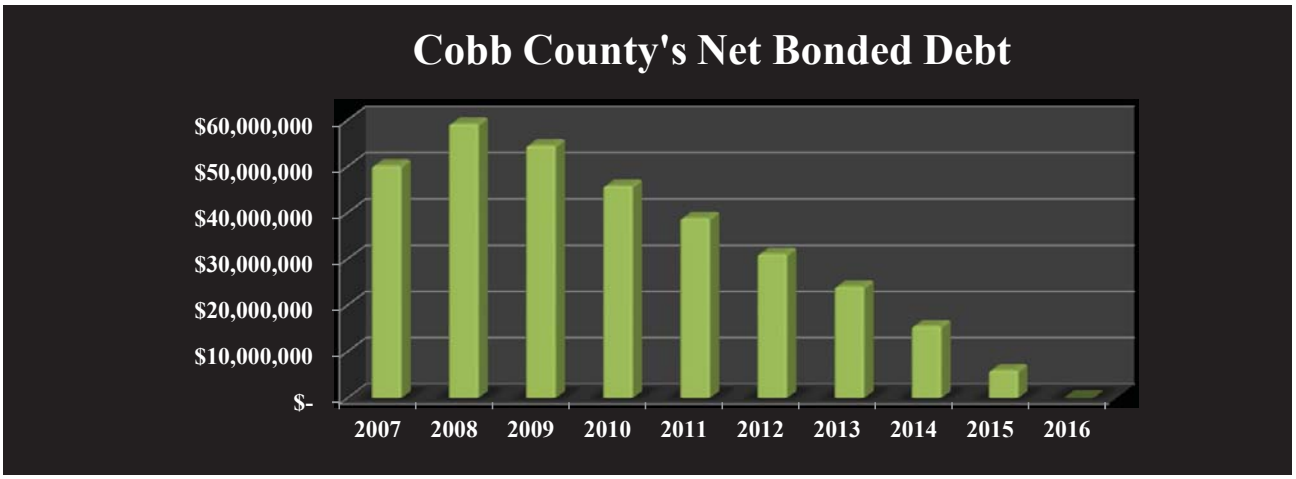
Description	Rate Per 1,000 Gallons 2016	2008
General Wholesale Customers	$ 4.22	$ 3.83
Fulton County:		
Flows up to 10.32 MGD	$ 2.28	$ 2.07
Flows exceeding 10.32 MGD	$ 4.22	$ 3.83

Source: Cobb County Water System
*Information not available prior to 2008

(1) Fulton County funded 50 percent of the cost of the original Sutton WRF, and subsequently receives a reduced rate that excludes a capital recovery component up to the portion of capacity that was funded. A similar provision is in the 2003 agreement between the County and Fulton County for the Sutton WRF replacement project previously discussed.

Cobb County, Georgia
Ratios of General Bonded Debt Outstanding
Unaudited

Fiscal Year	General Bonded Debt Outstanding: General Obligation Bonds Net of Related Premiums, Discounts, & Adjustments	Less: Amounts Restricted to Repaying Principal	Net Bonded Debt	Percentage of Personal Income	Percentage Actual Value of Taxable Property	Per Capita
2007	$ 59,574,862	$ 9,380,967	$ 50,193,895	0.16%	0.06%	$ 74.87
2008	68,024,060	8,732,742	59,291,318	0.19%	0.07%	87.22
2009	61,213,258	6,617,567	54,595,691	0.17%	0.06%	79.73
2010	54,097,458	8,244,274	45,853,184	0.15%	0.06%	66.48
2011	47,588,653	8,728,738	38,859,915	0.13%	0.05%	55.71
2012	40,370,000	9,248,141	31,121,859	0.10%	0.04%	44.01
2013	33,920,141	9,841,774	24,078,367	0.08%	0.03%	33.58
2014	26,436,633	10,930,878	15,505,755	0.05%	0.02%	21.33
2015	18,638,155	12,611,608	6,026,547	0.02%	0.01%	8.21
2016	10,514,647	10,490,000	24,647	0.00%	0.00%	-



Source: Basic Financial Statements

Cobb County, Georgia
Direct and Overlapping Governmental Activities Debt
Unaudited
As of September 30, 2016

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Cities			
Austell	$ 303,887	100%	$ 303,887
Kennesaw	10,105,000	100%	10,105,000
Marietta	90,440,000	100%	90,440,000
Powder Springs	6,290,000	100%	6,290,000
Total cities			$ 107,138,887
Development Authorities			
Acworth	$ 9,176,000	100%	$ 9,176,000
Marietta	21,320,000	100%	21,320,000
Smyrna	45,375,000	100%	45,375,000
Total development authorities			$ 75,871,000
Subtotal, overlapping debt			$ 183,009,887
Total direct debt			
General Obligation Debt, net of premiums, discounts, and adjustments			10,514,647
Certificates of Participation			8,850,000
Revenue Anticipation Certificates, net of premiums			6,142,637
Governmental Revenue Bonds, net of premiums, discounts, and adjustments			481,049,001
Total direct debt			$ 506,556,285
Total direct and overlapping debt			$ 689,566,172

(1) Entities are situated entirely within the geographic boundaries of the County

Notes: Overlapping governments are those that coincide, at least in part, within the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

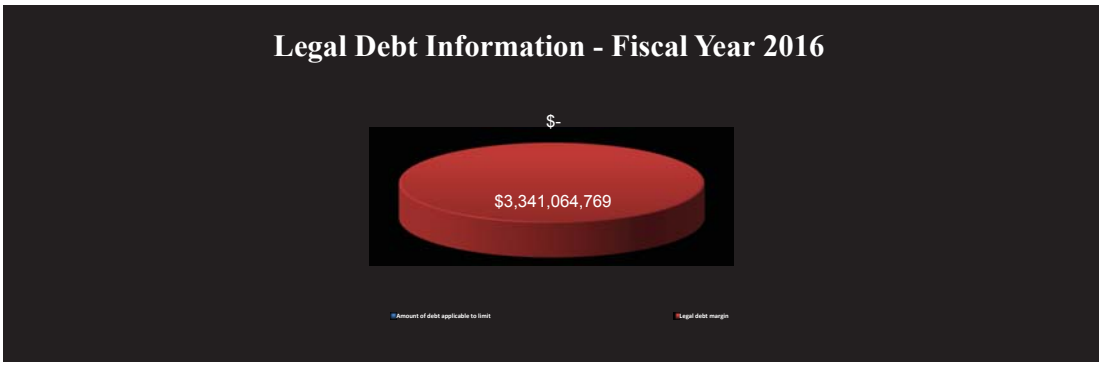
Sources: Assessed value data used to estimate applicable percentages provided by the Cobb County Board of Equalization and Assessment. Debt outstanding data provided by each governmental unit.

Cobb County, Georgia
Legal Debt Margin Information
Unaudited

	Fiscal Year 2016	2015	2014	2013	2012
Assessed value of property	$ 33,410,647,692	$ 31,279,057,426	$ 29,923,663,025	$ 28,814,578,201	$ 29,000,027,430
Debt limit, 10% of assessed value	3,341,064,769	3,127,905,743	2,992,366,303	2,881,457,820	2,900,002,743
Amount of debt applicable to limit	-	5,828,392	15,134,122	23,533,226	31,121,859
General Obligation Bonds	10,490,000	18,440,000	26,065,000	33,375,000	40,370,000
Less: Resources restricted to paying principal	(10,490,000)	(12,611,608)	(10,930,878)	(9,841,774)	(9,248,141)
Total net debt applicable to limit	-	5,828,392	15,134,122	23,533,226	31,121,859
Legal debt margin	$ 3,341,064,769	$ 3,122,077,351	$ 2,977,232,181	$ (23,533,226)	$ 2,868,880,884
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.19%	0.51%	0.82%	1.07%

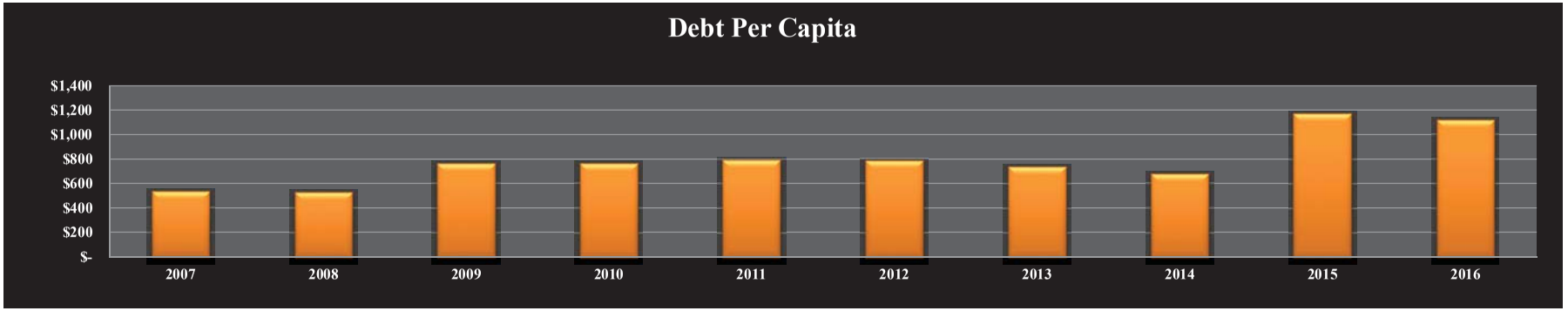
	Fiscal Year 2011	2010	2009	2008	2007
Assessed value of property	$ 29,710,645,634	$ 31,428,353,769	$ 33,757,593,994	$ 33,818,897,411	$ 32,572,081,456
Debt limit, 10% of assessed value	2,971,064,563	3,142,835,377	3,375,759,399	3,381,889,741	3,257,208,146
Amount of debt applicable to limit	38,341,262	45,235,726	53,682,433	58,082,258	48,689,033
General Obligation Bonds	47,070,000	53,480,000	60,300,000	66,815,000	58,070,000
Less: Resources restricted to paying principal	(8,728,738)	(8,244,274)	(6,617,567)	(8,732,742)	(9,380,967)
Total net debt applicable to limit	38,341,262	45,235,726	53,682,433	58,082,258	48,689,033
Legal debt margin	$ 2,932,723,301	$ 3,097,599,651	$ 3,322,076,966	$ 3,323,807,483	$ 3,208,519,113
Total net debt applicable to the limit as a percentage of debt limit	1.29%	1.44%	1.59%	1.72%	1.49%

Source: Cobb County Tax Commissioner's Office



Cobb County, Georgia
Ratios of Outstanding Debt By Type
Unaudited

	Governmental Activities					Business - Type Activities						
Fiscal Year	General Obligation Bonds	Certificates of Participation	Revenue Anticipation Certificates	Revenue Bonds	Capital Leases	Revenue Bonds	Capital Leases	Notes Payable	Total Premiums, Discounts, & Adjustments	Total Primary Government	Percentage of Personal Income	Per Capita
2007	$ 58,070,000	$ -	$ -	$ 144,870,000	$ 18,136,978	$ 135,565,000	$ 108,769	$ -	$ *	$ 356,750,747	1.11%	$ 532.11
2008	66,815,000	-	-	141,465,000	11,766,872	116,950,000	190,709	20,759,274	*	357,946,855	1.13%	526.53
2009	60,300,000	-	-	137,865,000	19,055,578	236,025,000	102,032	69,257,915	*	522,605,525	1.76%	763.17
2010	53,480,000	10,730,000	-	133,000,000	16,767,946	224,675,000	17,401	87,374,239	*	526,044,586	1.75%	762.66
2011	47,070,000	10,490,000	-	128,460,000	10,766,312	212,490,000	-	132,316,878	12,584,669	554,177,859	1.80%	794.46
2012	40,370,000	10,260,000	-	123,685,000	5,907,329	198,990,000	325,654	163,412,065	11,706,761	554,656,809	1.77%	784.33
2013	33,375,000	9,990,000	-	118,650,000	2,298,794	185,325,000	258,842	164,395,534	9,076,216	523,369,386	1.67%	740.09
2014	26,065,000	9,670,000	6,315,000	101,870,000	1,115,021	179,395,000	190,749	156,084,686	11,843,248	492,548,704	1.50%	677.65
2015	18,440,000	9,270,000	6,315,000	483,340,000	20,249,253	165,330,000	121,352	147,533,739	10,502,927	861,102,271	2.55%	1,173.39
2016	10,490,000	8,850,000	6,070,000	477,610,000	25,027,811	152,885,000	-	138,736,509	9,340,771	829,010,091	2.34%	1,118.27



*** Information prior to 2011 is not readily available**

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
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
2011	197,794,263	111,410,679	86,383,584	9,665,000	9,485,689	19,150,689	4.51
2012	201,676,082	114,183,662	87,492,420	10,015,000	9,044,825	19,059,825	4.59
2013	188,229,350	113,474,593	74,754,757	10,395,000	8,588,025	18,983,025	3.94
2014	194,473,101	122,988,407	71,484,694	11,770,000	6,471,112	18,241,112	3.92
2015	200,161,816	126,684,133	73,477,683	11,590,000	6,023,749	17,613,749	4.17
2016	207,690,263	134,860,019	72,830,244	12,330,000	5,679,339	18,009,339	4.04

(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	Governmental Activities Revenue Bonds Principal	Governmental Activities Revenue Bonds Interest	Business Type Activities Revenue Bonds Principal	Business Type Activities Revenue Bonds Interest	Total Primary Government Bonds Principal	Total Primary Government Bonds Interest
2017	$ 8,305,000	$ 257,118	$ 9,720,000	$ 19,757,948	$ 12,845,000	$ 5,560,080	$ 30,870,000	$ 25,575,146
2018	2,185,000	35,506	13,795,000	19,418,609	13,260,000	5,151,085	29,240,000	24,605,200
2019	-	-	14,270,000	18,997,327	13,705,000	4,727,264	27,975,000	23,724,591
2020	-	-	14,820,000	18,507,756	14,165,000	4,287,620	28,985,000	22,795,376
2021	-	-	15,425,000	17,968,617	14,670,000	3,800,247	30,095,000	21,768,864
2022-2026	-	-	87,635,000	80,192,112	56,555,000	11,853,656	144,190,000	92,045,768
2027-2031	-	-	70,320,000	63,501,327	27,685,000	2,320,257	98,005,000	65,821,584
2042-2046	-	-	97,485,000	14,940,338	-	-	97,485,000	14,940,338
2047	-	-	10,995,000	247,388	-	-	10,995,000	247,388
	$ 10,490,000	$ 292,624	$ 477,610,000	$ 338,142,957	$ 152,885,000	$ 37,700,209	$ 640,985,000	$ 376,135,790

Cobb County, Georgia
Demographic and Economic Statistics
Unaudited

Year	Population (2)	Personal Income (1)	Per Capita Personal Income (1)	County Unemployment Rate (2)
2007	670,440	$ 32,249,690,000	$ 48,102	3.5%
2008	679,820	31,744,830,000	46,695.93	6.2%
2009	684,780	29,643,900,000	43,289.67	9.6%
2010	689,750	30,144,950,000	43,704.17	9.5%
2011	697,550	30,776,120,000	44,120.31	8.4%
2012	707,170	31,338,650,000	44,315.58	7.3%
2013	716,950	32,029,550,000	44,674.73	7.1%
2014	726,850	32,765,870,000	45,079.27	6.0%
2015	733,860	33,827,430,000	46,095.21	4.9%
2016	741,334	35,410,880,000	47,766.43	4.5%

City	Population
Acworth	22,131
Austell	7,107
Kennesaw	33,584
Marietta	59,067
Powder Springs	14,826
Smyrna	56,146
Total	192,861

Source:
(1) Woods & Poole Economics 2016 Data Pamphlet
(2) Office of Economic Development and Cobb Chamber of Commerce

Cobb County, Georgia
Principal Employers
Unaudited

Employer	Industry	2016 Employees	2016 Percentage of Total County Employment	2007 Employees	2007 Percentage of Total County Employment
Brand Energy & Infrastructure Holdings	Retail	2,803	0.75%		
Cobb County Government	Government	5,086	1.37%	5,427	1.20%
Cobb County Schools	Government	14,984	4.03%	15,533	3.43%
Home Depot	Retail	12,000	3.23%	6,276	1.39%
Kennesaw State University	Education	5,980	1.61%	3,185	0.70%
Kroger Co.	Retail	2,523	0.68%	1,898	0.42%
Lockheed Martin	Aircraft/Defense	5,100	1.37%	6,617	1.46%
Publix Super Markets	Retail	3,619	0.97%	3,215	0.71%
Six Flags Over Georgia	Theme Park	2,772	0.75%	2,240	0.49%
Walmart	Retail			2,660	0.59%
Wellstar Health System	Healthcare	11,596	3.12%	9,838	2.17%

Source: Office of Economic Development and Cobb Chamber of Commerce

Cobb County, Georgia
Building Permits and Construction
Unaudited

	Single Family Residence		Commercial Industrial, Other		Total New Construction	
Year	Permits	Values	Permits	Values	Permits	Values
2016	939	310,783,719	4,786	1,060,620,960	5,725	1,371,404,679
2015	923	314,159,526	4,673	763,401,075	5,596	1,077,560,601
2014	938	277,097,942	6,414	318,658,575	7,352	595,756,517
2013	1,077	316,049,472	5,243	395,524,902	6,320	711,574,374
2012	734	203,691,614	4,933	377,565,829	5,667	581,257,443
2011	586	157,087,812	5,144	466,193,085	5,730	623,280,897
2010	467	107,288,665	5,041	267,126,934	5,508	374,415,599
2009	248	59,240,178	4,842	183,535,565	5,090	242,775,743
2008	617	159,861,048	7,232	503,751,188	7,849	663,612,236
2007	1,514	388,899,310	8,518	505,347,410	10,032	894,246,720

Source: Cobb County Building Inspections Department

Cobb County, Georgia
Commercial and Saving Bank Deposit
Unaudited

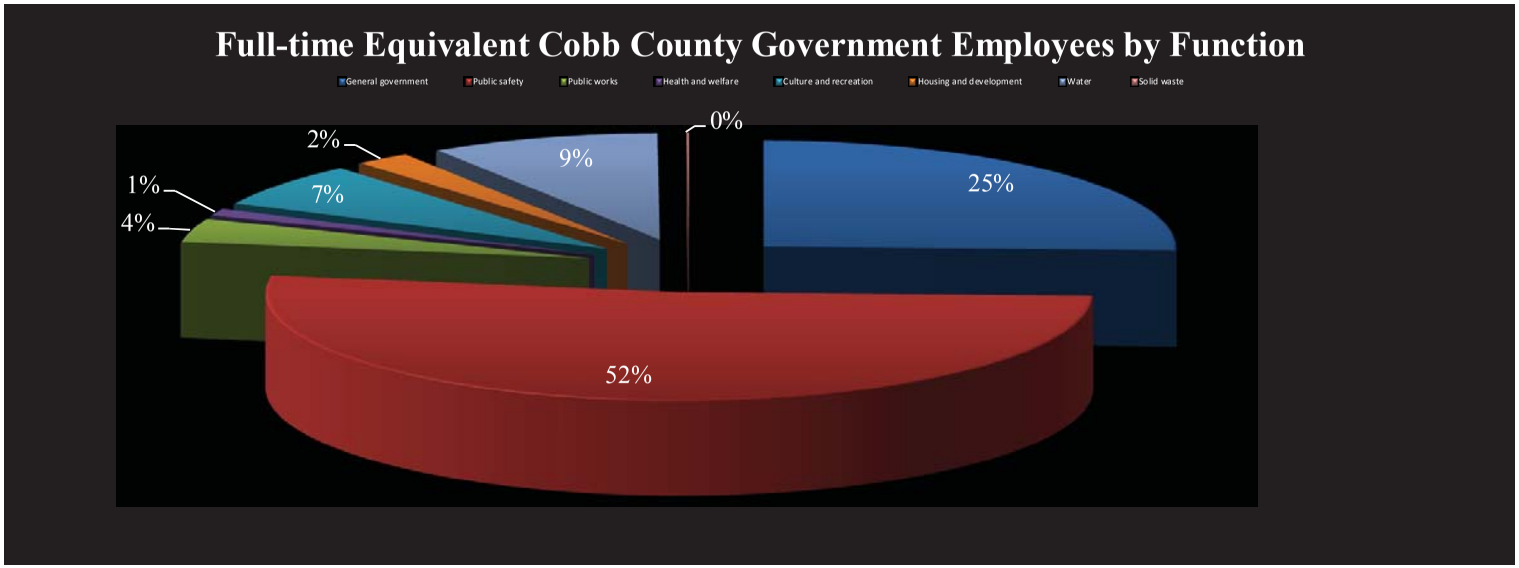
Combined Financial Institutional Statistics

Year	Total Deposits (in thousands)
2016	$ 13,796,846
2015	$ 11,935,855
2014	$ 10,933,235
2013	$ 10,269,243
2012	$ 10,102,532
2011	$ 9,489,929
2010	$ 9,467,972
2009	$ 10,542,221
2008	$ 10,739,032
2007	$ 10,026,064

Source: Federal Deposit Insurance Corporation

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

	Full-time Equivalent Employees as of September 30									
Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government	1,102	1,174	1,141	1,148	1,150	1,141	1,143	1,170	1,175	1,169
Public safety	2,240	2,260	2,348	2,304	2,294	2,294	2,294	2,291	2,251	2,174
Public works	153	161	165	165	159	148	148	174	179	179
Health and welfare	45	67	46	45	43	53	53	59	58	57
Culture and recreation	288	447	292	291	318	318	318	331	338	336
Housing and development	93	110	90	88	92	92	93	103	112	112
Water	389	408	434	429	429	429	429	434	439	439
Solid waste	4	4	4	4	6	6	7	58	58	58
Total	4,314	4,631	4,520	4,474	4,491	4,481	4,485	4,620	4,610	4,524



Source: Cobb County Human Resources Department

Cobb County, Georgia
Operating Indicators by Function
Unaudited

Function/Program	Fiscal Year 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government										
Vehicle tags issued	632,791	721,751	698,400	698,010	632,813	695,116	681,339	679,519	696,900	717,060
Public safety										
E-911 calls	400,401	414,371	399,038	381,924	393,208	380,090	382,357	392,177	358,375	367,507
Police service calls	481,449	506,325	483,756	454,620	458,160	457,878	488,890	502,275	425,049	494,134
Fire/EMS dispatches	84,309	77,386	74,074	68,021	64,823	64,854	61,841	61,763	64,006	64,697
Public works										
Miles of road resurfacing	83.00	87.00	124.00	124.00	92.00	64.00	35.93	45.00	77.00	71.89
Health and welfare										
Number of child support cases	5,975	5,988	6,436	6,217	7,500	7,587	7,814	8,108	7,953	8,058
Culture and recreation										
Golf rounds played	41,334	39,940	38,795	42,014	44,848	40,385	24,198	40,414	46,715	47,242
Housing and development										
Building permits issued	5,725	5,596	7,352	6,319	5,667	5,730	5,508	9,014	11,912	10,032
Water										
Water accounts	180,886	179,882	177,969	176,207	174,837	176,406	175,688	175,075	174,709	173,725
Water Purchase	56,906,048	53,144,642	50,166,716	45,611,090	47,698,883	44,919,089	40,513,474	35,430,555	24,963,608	28,851,891
Sales	94,661,829	91,752,406	88,651,958	86,189,236	93,143,253	89,932,972	82,614,026	76,054,675	63,192,343	71,775,004
Daily average consumption - 1,000 gal units	56,167	54,408	53,104	51,552	56,709	56,909	56,312	54,027	54,100	67,925
Solid waste										
Solid waste and compost tonnage	**	**	**	**	**	**	**	144,661	167,642	156,389

Source: Department managers within each function/program.
* Information not available
**At the end of FY2009, Solid Waste was privitized

Cobb County, Georgia
Capital Asset Statistics by Function
Unaudited

Function/Program	Fiscal Year 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General government										
Fleet service bays	23	23	23	23	23	23	23	23	23	23
Public safety										
Police stations	6	6	6	6	6	6	6	6	6	6
Fire stations	29	30	30	30	30	31	31	29	29	28
Public works										
Miles of road***	2,426	3,290	3,228	3,275	3,256	3,451	3,418	3,393	2,434	2,492
Miles of sidewalks	1,227	1,225	1,210	1,186	1,174	1,160	1,146	1,130	1,100	1,080
Health and welfare										
Senior service centers	6	6	6	6	5	4	5	5	5	5
Culture and recreation										
County parks	77	77	77	77	77	77	77	75	74	66
County libraries	16	16	17	17	17	17	17	17	17	17
County golf courses	2	2	2	2	2	2	2	2	2	2
Housing and development										
HUD homes built	6	7	4	28	14	2	1	1	1	2
Water										
Miles of water mains*	3,282	3,215	2,907	3,150	3,133	3,130	3,121	3,086	3,062	3,023
Miles of sewers*	2,623	2,593	2,607	2,603	2,605	2,596	2,611	2,582	2,576	2,558
Solid waste										
Landfills	3	3	3	3	3	3	3	3	3	3

Source: Department managers within each function/program.
*In 2010, Water began utilizing Geographical Information System [GIS] to calculate assets. Historical data has been revised based on 2010 GIS quantities
***In 2012, the miles of roads indicator was reduced so as to not include private roads.

Cobb County, Georgia
Existing Authority Water & Sewer Treatment System Capacities
Unaudited

Description	Fiscal Year 2016 Wyckoff Plant	2016 Quarles Plant	2008 Wyckoff Plant	2008 Quarles Plant
Water Treatment (MGD)	72.00	86.00	72.00	86.00
Raw Water Pumping (MGD)	84.00	96.00	84.00	96.00
Treated Water Pumping (MGD)	100.00	125.00	100.00	125.00
Raw Water Storage (MG)	-	18.00	-	18.00
Clear Well Storage (MG)	6.00	8.00	6.00	8.00
Potable/Finished Water Storage (MG)	Combined 35.60		Combined 35.60	

Treatment Plant	Date in Service	Fiscal Year 2016 Existing Capacity	2016 Capacity Used (%)	2008 Existing Capacity	2008 Capacity Used (%)
R.L. Sutton	1973	60.00	45%	60.00	55%
South Cobb	1964	40.00	59%	40.00	58%
Noonday	1973	20.00	49%	20.00	45%
Northwest	1987	12.00	54%	12.00	58%
Total		132.00		132.00	

Source: Cobb County Water System

(1) At the Wyckoff Plant, no raw water storage is utilized. The source water is taken directly from the Allatoona Reservoir.
*Information not available prior to 2008

Cobb County, Georgia
Historical System Accounts
Unaudited

	Water		Sewer	
Fiscal Year	Accounts	% Change	Accounts	% Change
2007	173,725	1.23%	140,717	1.23%
2008	174,709	0.57%	144,135	2.43%
2009	175,075	0.21%	144,787	0.45%
2010	175,688	0.35%	146,172	0.96%
2011	176,406	0.41%	147,299	0.77%
2012	174,837	-0.89%	148,332	0.70%
2013	176,207	0.78%	151,161	1.91%
2014	177,969	1.00%	152,399	0.82%
2015	179,882	1.07%	153,480	0.71%
2016	180,886	0.56%	150,042	-2.24%

Source: Cobb County Water System

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, 2016

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion
2005 SPLOST:						
Public Safety						
Jail Expansion	$ 110,000,000	$ 110,000,000	$ 109,999,999	$ -	$ 109,999,999	100.00%
New Court House	55,000,000	63,000,000	62,358,848	-	62,358,848	98.98%
800Mhz Communication System:						
Cobb County	22,625,636	23,556,090	23,556,090	-	23,556,090	100.00%
City of Acworth 800Mhz	208,728	229,395	229,395	-	229,395	100.00%
City of Austell 800Mhz	160,334	192,681	192,681	-	192,681	100.00%
City of Kennesaw 800 Mhz	353,942	428,767	428,767	-	428,767	100.00%
City of Marietta 800 Mhz	2,519,952	1,409,151	1,409,151	-	1,409,151	100.00%
City of Powder Springs 800 Mhz	281,340	253,476	253,476	-	253,476	100.00%
City of Smyrna 800 Mhz	850,068	930,440	930,440	-	930,440	100.00%
Transportation:						
Cobb County	525,324,286	541,263,832	474,611,329	10,686,053	485,297,382	89.66%
City of Acworth	11,090,749	9,974,670	9,974,670	-	9,974,670	100.00%
City of Austell	2,042,132	1,743,270	1,743,270	-	1,743,270	100.00%
City of Kennesaw	9,931,674	7,988,479	7,988,479	-	7,988,479	100.00%
City of Marietta	58,273,797	52,533,354	52,533,354	-	52,533,354	100.00%
City of Powder Springs	13,212,326	11,537,187	11,537,187	-	11,537,187	100.00%
City of Smyrna	42,725,391	37,005,532	37,005,532	-	37,005,532	100.00%
Program Total	$ 854,600,355	$ 862,046,324	$ 794,752,668	$ 10,686,053	$ 805,438,721	93.43%
2011 SPLOST:						
Facilities	$ 16,748,420	$ 24,122,397	$ 15,341,667	$ 1,637,408	$ 16,979,075	70.39%
Parks	82,023,000	87,098,000	55,512,098	17,314,476	72,826,574	83.61%
Public Safety						
Equipment	10,931,400	9,615,278	9,293,416	-	9,293,416	96.65%
800Mhz Communication System	1,965,000	1,965,000	1,961,502	-	1,961,502	99.82%
Transportation:						
Cobb County	250,885,000	349,541,992	178,617,602	67,831,758	246,449,360	70.51%
City of Acworth	13,323,141	14,468,360	13,484,977	980,039	14,465,016	99.98%
City of Austell	4,672,186	5,073,793	4,728,938	343,682	5,072,620	99.98%
City of Kennesaw	22,107,998	24,008,337	22,376,542	1,626,246	24,002,788	99.98%
City of Marietta	44,799,421	48,650,249	45,343,597	3,295,407	48,639,004	99.98%
City of Powder Springs	10,678,598	9,716,937	8,933,311	660,509	9,593,820	98.73%
City of Smyrna	33,934,318	38,851,214	36,221,516	2,621,179	38,842,695	99.98%
Program Total	$ 492,068,482	$ 613,111,557	$ 391,815,166	$ 96,310,704	$ 488,125,870	79.61%
2016 SPLOST:						
Facilities	$ 23,228,600	$ 23,283,464	$ 49,174	$ 3,017,002	$ 3,066,176	13.17%
Libraries	23,203,167	25,203,167	-	392,569	392,569	1.56%
Technology	30,079,000	30,079,000	-	-	-	0.00%
Parks	77,508,779	77,508,779	16,177	2,093,440	2,109,617	2.72%
Public Health	6,500,000	6,500,000	130,351	2,485,392	2,615,743	40.24%
Public Safety	115,051,584	144,945,482	2,989,590	28,227,348	31,216,938	21.54%
Senior Services	2,201,580	2,201,580	-	-	-	0.00%
Transportation:						
Cobb County	287,331,467	326,141,979	392,085	18,077,970	18,470,055	5.66%
City of Acworth	21,208,827	21,208,827	-	2,905,187	2,905,187	13.70%
City of Austell	6,725,280	6,725,280	-	921,229	921,229	13.70%
City of Kennesaw	31,602,891	31,602,891	-	4,328,967	4,328,967	13.70%
City of Marietta	58,353,902	58,353,902	-	7,993,322	7,993,322	13.70%
City of Powder Springs	14,231,720	14,231,720	-	1,949,462	1,949,462	13.70%
City of Smyrna	52,773,203	52,773,203	-	7,228,877	7,228,877	13.70%
Program Total	$ 750,000,000	$ 820,759,274	$ 3,577,377	$ 79,620,765	$ 83,198,142	10.14%

Cobb County, Georgia
Water and Sewer Enterprise Fund
Comparative Statements of Revenues and Expenses
For the Fiscal Years Ended September 30, 2016 and 2015

	2016	2015
Operating revenues:		
Water sales	$ 94,661,829	$ 91,752,406
Sewer sales	104,003,498	100,988,066
Water connection charges	4,937,514	4,469,145
Sewer connection charges	2,187,791	1,609,241
Other	844,768	560,271
Total operating revenues	$ 206,635,400	$ 199,379,129
Operating expenses:		
Administrative	$ 24,049,731	$ 19,772,624
Engineering	2,731,410	2,735,267
Water operations	65,705,185	61,603,567
Sewer operations	42,373,693	42,572,675
Total operating expenses	$ 134,860,019	$ 126,684,133
Operating income before depreciation	$ 71,775,381	$ 72,694,996
Less depreciation	(42,221,543)	(40,973,997)
Operating income	$ 29,553,838	$ 31,720,999
Nonoperating revenues (expenses):		
Interest income	$ 185,519	$ 87,135
Interest and fiscal charges	(5,653,337)	(6,023,749)
Amortization	614,720	640,722
Gain from sale of capital assets	229,941	27,779
Total nonoperating revenues (expenses)	$ (4,623,157)	$ (5,268,113)
Net income before transfers and capital contributions	$ 24,930,681	$ 26,452,886
Capital contributions	$ 17,829,558	$ 12,255,060
Total capital contributions	$ 17,829,558	$ 12,255,060
Transfers:		
Transfers in	$ 24,683	$ 27,051
Transfers out	(12,857,526)	(14,561,185)
Total transfers	$ (12,832,843)	$ (14,534,134)
Change in net position	$ 29,927,396	$ 24,173,812

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).

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INDEPENDENT AUDITOR'S 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 Mike Boyce, Chairman
Members of the Cobb County Board of Commissioners
Cobb County, Georgia

We have audited, in accordance with the 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, 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, 2016, and the related notes to the financial statements, which collectively comprise Cobb County, Georgia's basic financial statements and have issued our report thereon dated March 14, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cobb County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of Cobb County, Georgia's internal control.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cobb County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Nichols, Cauley & Associates, LLC

Kennesaw, GA

March 14, 2017

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

The Honorable Mike Boyce, Chairman
Members of the Cobb County Board of Commissioners
Cobb County, Georgia

Report on Compliance for Each Major Federal Program

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) Compliance Supplement* that could have a direct and material effect on each of the Cobb County, Georgia's major federal programs for the year ended September 30, 2016. 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.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Cobb County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Cobb County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Cobb County, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2016.

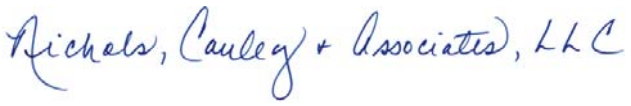
Report on Internal Control Over Compliance

Management of Cobb County, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Cobb County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Kennesaw, GA

March 14, 2017

COBB COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2016

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	unmodified		
Internal control over financial reporting:			
Material weakness identified?	_____ yes	X no	
Significant deficiency identified not considered to be material weaknesses?	_____ yes	X no	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 no	none reported
Type of auditor's report issued on compliance for major programs:	unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	_____ yes	X no	

Identification of major programs:

CFDA Number	Name of Federal Programs
14.239	Home
20.507	Federal Transit - Formula Grants
93.667	Social Services Block Grant

Dollar threshold used to distinguish between Type A and Type B programs:	$ 976,899		
Auditee qualified as low-risk auditee?	X yes	_____ no	

COBB COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended September 30, 2016

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 Period Ending September 30, 2016

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures
U. S. Department of the Interior				
Pass-through:				
Ga. Office of Treasury and Fiscal Services				
Payments to States in Lieu of Real Estate Taxes	15.226	UNKNOWN	$ -	$ 23,035
Total for U. S. Department of Interior			**-**	**23,035**
U. S. Department of Homeland Security				
Pass-through Georgia Emergency Management Agency:				
GA Dept of Homeland Security Grant -EOD Canine Program	97.067	2014-SS-00092-S01	-	1,940
GA Dept of Homeland Security Grant - SHSP Program	97.067	2015-SS-00065-S01	-	51,600
			-	53,540
GA Dept of Homeland Security Grant - EMPG Program	97.042	OEM15-034	-	83,124
GA Dept of Homeland Security Grant - EMPG Program	97.042	OEM16-034	-	16,201
			-	99,325
GA Dept of Homeland Security Grant - SHSG Program	97.073	2015-SS-00065-S01	-	25,000
Total for U. S. Department of Homeland Security			**-**	**177,865**
U.S. Department of Health and Human Services				
Pass-through Georgia Department of Human Resources:				
Community Services Block Grant	93.569	42700-040-0000009912	-	636,629
Child Support Enforcement	93.563	42700-401-0000040046	-	728,468
Child Support Enforcement	93.563	42700-401-0000049820	-	359,555
			-	1,088,023
Pass-through Atlanta Regional Commission:				
Social Services Block Grant	93.667	AG1608	-	633,203
Aging Cluster				
Special Programs for the Aging - Title III, Part B	93.044	AG1608	-	635,907
Special Programs for the Aging - Title III, Part C	93.045	AG1608	-	537,493
Nutrition Services Incentive Program	93.053	AG1608	-	408,986
			-	1,582,386
National Family Caregiver Support Title III, Part E	93.052	AG1608	-	210,086
Total for U. S. Department of Health and Human Services			**-**	**4,150,327**

COBB COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Period Ending September 30, 2016

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Housing and Urban Development				
Direct Grants:				
Community Development Block Grant/Entitlement	14.218	B-16-UC-13-0002	-	3,677,952
Community Development Block Grant/Entitlement	14.218	B-08-UN-13-0002	-	918
Community Development Block Grant/Entitlement	14.218	B-12-UN-13-0002	-	300
			-	3,679,170
Home Investment Partnership	14.239	M-13-DC-13-201	-	1,849,506
Emergency Solutions Grants Program	14.231	S-13-UC-13-0008	-	317,616
Total for U. S. Department of Housing and Urban Development			**-**	**5,846,292**
U.S. Department of Justice				
Direct Grants:				
Office of Justice Programs:				
State Criminal Alien Assistance Program	16.606	--	-	18,023
Equitable Sharing - MCS Asset Forfeiture Program	16.922	--	-	820
Office on Violence Against Women Programs:				
Sexual Assault Justice Initiative Grant	16.590	2016-SI-AX-K002	-	40,665
Pass-through Administrative Office of the Courts				
Victims of Crime	16.575	C13-8-103/C14-8-108/C15-8-1	-	132,840
Pass-through Georgia Criminal Justice Coordinating Council:				
Juvenile Justice and Delinquency Prevention	16.540	2014-JF-FX-0209	-	262,611
Juvenile Justice and Delinquency Prevention	16.540	2015-JF-FX-0001	-	66,216
			-	328,827
Veterans Treatment Court	16.744	2014-VV-BX-0058	-	57,391
Pass-through Metro Atlanta Project Pact:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2013-DJ-BX-3491	-	26,418
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-3491	-	7,207
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-3491	-	52,651
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2016-DJ-BX-3491	-	7,900
			-	94,176
Total for U. S. Department of Justice			**-**	**672,742**

COBB COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Period Ending September 30, 2016

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Labor				
Pass through Governors Office of Workforce Development				
Workforce Investment Act **(WIA)**				
WIA Cluster				
Adult Program	17.258	11-14-14-03-004	17,783	17,783
	17.258	11-15-15-03-004	109,330	109,330
	17.258	11-14-15-03-004	355,149	355,149
	17.258	11-15-16-03-004	1,413,066	1,413,066
			1,895,328	1,895,328
Youth Program	17.259	15-15-15-03-004	795,856	795,856
	17.259	15-16-16-03-004	601,509	601,509
			1,397,365	1,397,365
Dislocated Worker Program	17.278	19-13-14-03-004	26,007	26,007
	17.278	44-14-14-03-004	292	292
	17.278	31-14-14-03-004	4,629	4,629
	17.278	31-15-15-03-004	240,868	240,868
	17.278	31-14-15-03-004	414,746	414,746
	17.278	31-15-16-03-004	270,350	270,350
	17.278	21-13-14-03-004	26,164	26,164
			983,056	983,056
			4,275,749	4,275,749
Total for U. S. Department of Labor			**4,275,749**	**4,275,749**
U.S. Department of Transportation				
Direct Grants:				
Federal Transit Administration - Formula Grants				
Operating	20.507	--	-	1,819,732
Planning	20.507	--	-	212,618
Job Access and Reverse Commute Program	20.507	--	-	333,424
Mobility Management	20.507	--	-	12,651,180
Capital Improvements	20.507	--	-	2,177,577
			-	17,194,531
Airport Imp Program	20.106	--	-	76,657
Total for U.S. Department of Transportation			**-**	**17,271,188**
U. S. Department of Treasury				
Direct Grants:				
Social Security-Inmate Reporting Incentives	21.UNKNOWN	--	-	69,800
Equitable Sharing/Asset Forfeiture Program	21.UNKNOWN	--	-	76,315
Total for U.S. Department of the Treasury			**-**	**146,115**
Total Schedule of Federal Assistance			**$ 4,275,749**	**$ 32,563,313**

COBB COUNTY, GEORGIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2016

Note 1. General

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

Note 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 to the County's basic financial statements. Expenditures are recognized following the applicable cost principles contained in either Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") or the OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Relationship to Federal Financial Reports

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

Note 4. Indirect Cost Rates

The County has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

COBB COUNTY, GEORGIA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
For the Fiscal Year Ended September 30, 2016

NONE REPORTED