CITY OF Marietta GEORGIA

Comprehensive Annual Financial Report

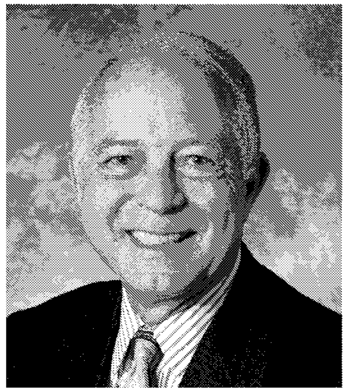
For Fiscal Year Ended June 30, 2008

Comprehensive Annual Financial Report
City of Marietta, Georgia

For the Fiscal Year Ended June 30, 2008

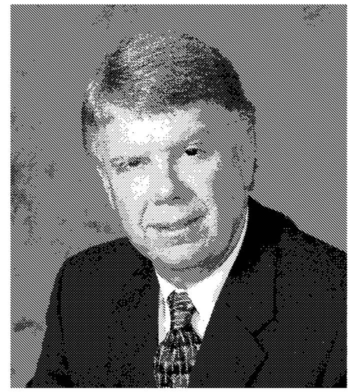
DEPARTMENT OF FINANCE
Sam Lady
Finance Director

MAYOR AND CITY COUNCIL



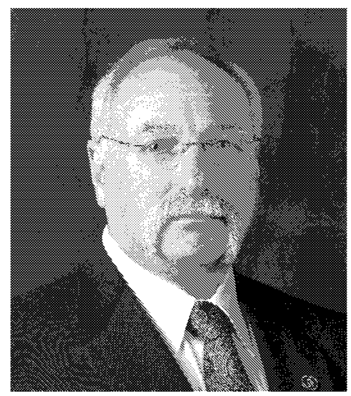
William B. Dunaway
Mayor

Annette Paige Lewis
Councilmember, Ward 1



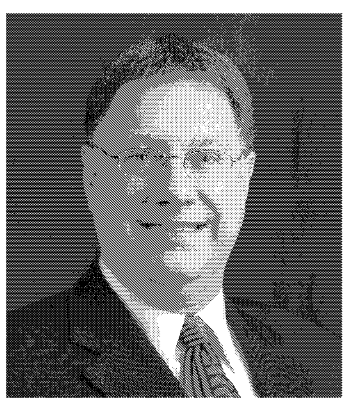
Griffin Chalfant
Councilmember, Ward 2

Holly Marie Walquist
Councilmember, Ward 3

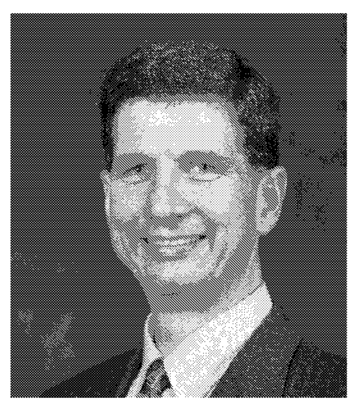


Irvan Alan Pearlberg (Van)
Councilmember, Ward 4

Rev. Anthony Coleman
Councilmember, Ward 5



James King
Councilmember, Ward 6



Philip M. Goldstein
Councilmember, Ward 7

CITY OF MARIETTA, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2008

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2008

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INTRODUCTORY SECTION

CITY OF Marietta GEORGIA

FINANCE DEPARTMENT
205 Lawrence St NE
P. O. Box 609
Marietta, GA 30061-0609
(770) 794-5544
Fax (770) 794-5535

December 19, 2008

THE HONORABLE WILLIAM B. DUNAWAY, MAYOR
MEMBERS OF CITY COUNCIL AND CITIZENS OF THE
CITY OF MARIETTA
MARIETTA, GEORGIA 30060

The Comprehensive Annual Financial Report (CAFR) for the City of Marietta, Georgia, for the fiscal year ended June 30, 2008, is submitted herewith. Georgia state law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements.

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

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

Moore & Cubbedge, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Marietta's financial statements for the fiscal year ended June 30, 2008. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the Government

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

The City became a center for trade and attracted wealthy visitors to its mild climate and "health giving" mineral springs. During the Civil War, Sherman destroyed much of the City on his "March to the Sea" in 1864. Recovery was slow; however, an economic boom took hold during World War II with the construction of the Bell bomber plant. The Lockheed Aircraft Corporation modernized the plant and has kept it in operation since 1951, now operating it under the Lockheed Martin Aeronautical Systems name. Current production includes the C130J Hercules, the sustainment of P353 Orion, modernization upgrade of the C-5, and production of the advanced F22 Raptor.

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

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

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

The City of Marietta provides a full range of municipal government and utility services to approximately 60,700 citizens and customers. Included in these services are traditional City functions such as police and fire protection, sanitation, road and traffic signal maintenance, parks, recreation, planning, cultural affairs, courts, and utility functions including electric, water, wastewater. Furthermore, the City exercises fiduciary responsibility for the City's General Pension.

Local economy

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

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

Marietta and the Marietta Census Tracts have been and will continue to be a population growth area. The City's population was estimated to be 67,021 on June 30, 2008.

Long-term financial planning

Unreserved, undesignated fund balance in the general fund (41.02 percent of total general fund revenues) exceeds the policy guidelines set by the Council for budgetary and planning purposes (i.e. minimum fund balance calculation is slightly over $6 million).

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

Major Initiatives

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

Economic development and redevelopment was a major initiative area this past year. The economic development staff in conjunction with City Council was able to make great progress establishing a strong backbone for future redevelopment. Marietta's plans to revitalize the city continued to move forward despite the national economic slowdown also affecting Marietta. Marietta is putting in place the infrastructure needed to support new redevelopment projects. Marietta's current work to prepare for redevelopment will jumpstart the construction process and local economy when it begins to improve. By having the infrastructure in place, including power, water and sewage lines, developers building in Marietta will be able to more quickly construct homes when the economy begins to recover.

Redevelopment projects underway include residential, commercial and mixed-use developments. Meeting Park, an 11-acre development in the downtown, is under construction with the first phase of townhomes now on the market. The development will include retail and office space, condominiums, town homes, and single-family homes for a total of 298 new households. Marietta Walk is a new mixed-use community on the former Johnny Walker site along Powder Springs Street. This development will include 121 new households as well as office and retail space. Marietta Mill Lofts, which consists of residential and office condominiums, is located in the downtown area overlooking Atlanta Street. Emerson Overlook is a mixed-use project in the downtown which will contain retail and office space as well as 37 residential condominiums. This project is in its final phases of construction. Manget at Historic Marietta is a residential community that will consist of 265 residential units including condominium flats, town homes, and single-family homes. The Village at Frasier Park is a residential town home community transformed from duplex units. Hunter Walk is a single-family infill project that provides finished homes or build-to-suit homes near the downtown transforming distressed areas into desirable areas for homebuyers. Washington Avenue Commons celebrated its grand opening in the spring. This four-story mixed-use building offers first floor class-A office space and 18 self-contained residential units. The developers of these communities have worked closely with the City Council and department staff members to incorporate green space, trees and landscaping, and recreational areas to provide an environment in which to live, work and play.

In total there are 12 redevelopment projects currently underway within three-quarters of a mile of the Square. 496 rental units have been torn down, and they are being replaced by 906 new owner-occupied homes and 195,000 square feet of retail and office space. Private investment in this area of the downtown will be over $344 million compared to only $8 million from 1993 to 2003.

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

In March 2008 Standard & Poor's Ratings Services raised its long-term general obligation (GO) bond rating on the City of Marietta to AA+ from AA based on the Marietta's continued economic diversification, redevelopment efforts, and strong financial operations and management. This puts Marietta in a very small group of governments in Georgia with this high rating. It affirms the market's continued confidence in the financial management of the City and Marietta's progress compared to our peers. Only four cities in Georgia have achieved this rating.

The City of Marietta refunded three bonds in FY08 at lower interest rates, saving taxpayers about $2.56 million over the life of the bonds. The refunded school bond will save more than $1.5 million over the 11 years, the refunded public safety bond will produce a savings of more than $628,000 over the next nine years, and the refunded golf course revenue bond will save the City about $431,000 over the next eight years.

In February 2008 Marietta City Council approved the issuance of $7 million in revenue bonds to finance renovations to the Marietta Conference Center and Resort, clearing the way for it to become a Hilton hotel. The new name of the facility became Hilton Atlanta/Marietta Hotel & Conference Center. The management company will be responsible for all payments on the bond and for paying off the existing debt of the facility, which will build equity for the City. At the end of the lease period, the City would have a property worth over $30 million.

The Office of Economic Development and Development Services were instrumental in providing assistance for two companies to construct new facilities in Marietta. Peachtree Business Products, a manufacturer and distributor of office supplies, commercial printing and safety equipment will be relocating to their new 210,000 square foot facility in West Oak Business Park. Peachtree Business Products currently has 200 full-time employees but will increase to 400 employees once in full production at their new location.

With over 50 years of experience in the lighting industry, Value Lighting is moving their operation from Kennesaw to a new 56,000 square foot facility located at Cobb Industrial Drive and Allgood Road. Value Lighting selected the Marietta site for their expansion needs to better serve their customers as well as having better access to their facilities.

Existing manufacturers and commercial businesses continue to be very strong in Marietta. Employee availability, superior City services, multiple transportation corridors, and positive business climate contribute to our ability to attract and retain industry in the City.

Marietta's commitment to upgrading and replacing the water and sewer systems has been evident in projects completed in 2008 including the US 41 20-inch Water Main Replacement, major rehabilitation work on water storage tanks, and on-going replacement and rehabilitation of priority water and sewer infrastructure. In addition there are now over 4,000 feet of large water main replacements, 5,000 feet of water distribution line replacements, and 12,000 feet of sewer line replacements presently in design. System reliability and infrastructure improvements will continue to be realized due to the ability to achieve departmental goals set for critical areas of operation.

The Board of Lights and Water (BLW), in conjunction with the Marietta City Council, approved $405 million in investment over a 40-year period for two new nuclear reactors at Plant Vogtle. The city will be entitled to purchase 65 megawatts on a yearly basis of power generated by the new reactors. This ensures reliable power for future generations of Mariettans.

The BLW continued with its Automatic Meter Reading (AMR) project. This project includes changing out all residential electric meters and the majority of commercial electric meters. The majority of large water meters have been converted to AMR. Instead of a meter reader employee manually reading a meter on the customer's property, we are now able to read meters electronically via radio frequency with our drive-by system. This technology reduces the number of human errors and improves the accuracy of our power and water bills.

The BLW continued its massive capital improvement program designed to upgrade and enhance services in preparation for our substantial downtown redevelopment and the requirements of our SPLOST program. This new infrastructure will bring in additional revenue and allow the City to grow for decades to come.

Major Transportation and Road Improvement Projects got underway as a result of the voters passing the Special Purpose Local Sales Tax (SPLOST) which began January 1, 2006. Engineering and design work, right-of-way appraisals, and property acquisition are underway along major corridors such as Powder Springs Street, Fairground Street, and Roswell Street, and at intersections such as Powers Ferry Road at South Marietta Parkway and Lower Roswell Road at Rowell Road. The annual street resurfacing project continues as does our general street and drainage rehabilitation program.

In the beginning of FY08, Marietta approved the issuance of a $9.82 million revenue bond in order to accelerate the SPLOST road projects schedule. Instead of the 1% SPLOST tax money funding road projects over the next several years, Marietta has a lump sum amount to do the work sooner, and the 1% collections will provide the revenue to pay off the debt. The accelerated schedule also protects the City from escalating costs that normally take place over long-term projects.

The Roswell Street streetscape project is an architectural master plan that was created to redevelop and bring back the charm of a downtown business district. The engineering and right-of-way acquisition phases are underway, with the construction portion quickly approaching. Grant funding from the Atlanta Regional Commission will be utilized toward this multi-year project along with recently approved SPLOST funds. This significant public investment is already bringing forward private investment in the corridor.

Major technology enhancements and solutions have been deployed during the past year to our IT infrastructure. We took on responsibility for the non-emergency radio system, which will save the city $1.4 million over the next ten years. In addition, as part of the county-wide radio system project to be funded with 1% SPLOST dollars, the City formed a radio communications team to actively review proposals and test radio equipment. The team consisted of several staff members from Police and Fire, the MIS department and Purchasing department. After a deliberate 7-month process, the team made a recommendation on which radios to purchase, and in the process saved the City over $300,000 or 22% of the budgeted funds.

The Marietta City Council approved funding for city parks improvements. New entrance and identification signs will be installed at all city parks. Other improvements include replacing a pedestrian bridge at Burruss Park, replacing tennis court fencing at Laurel Park and Lewis Park, paving parking areas at Lewis Park, making entrance improvements and replacing the driveway and parking lot at Merritt Park, and replacing the bridge at Wildwood Park. In addition, the City received a $50,000 donation, which the city matched, in order to provide better playground equipment at Lewis Park. This spring 415 volunteers, in conjunction with the nonprofit organization KaBOOM!, built a state-of-the art, 2,500 square foot playground at Victory Park. The playground was funded through a $104,400 grant from The Home Depot Foundation along with a $10,000 contribution from the Marietta Kiwanis.

Marietta was honored for improving Franklin Road through its Weed and Seed Program. The Atlanta Regional Commission (ARC) awarded Marietta for its efforts to improve the community. The City formed a task force to tackle the challenges. Committees were created and residents, businesses, and volunteers banded together with the city to address crime and attract businesses back to the area. Marietta Police established a crime-free housing program and Police Athletic League. Leaders launched the Franklin Road Youth Association and Franklin Road Soccer in the Streets program. The City employs a Site Coordinator to administer the program who works closely with local and national agencies, apartment complex owners, property owners, and community leaders. Funding for this program comes from a federal grant for $175,000 along with other local grants, partnerships, and in-kind contributions.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Marietta for its Comprehensive Annual Financial Report for the fiscal year ended

June 30, 2007. This represented the twentieth consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting from the GFOA a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

In addition, the City also received the GFOA Award for Distinguished Budget Presentation for its annual appropriated budget dated July 1, 2007 for fiscal year 2008. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories including policy documentation, financial planning and organization.

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

Respectfully submitted,

Sam Lady

Sam Lady
Finance Director
City of Marietta

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Marietta Georgia

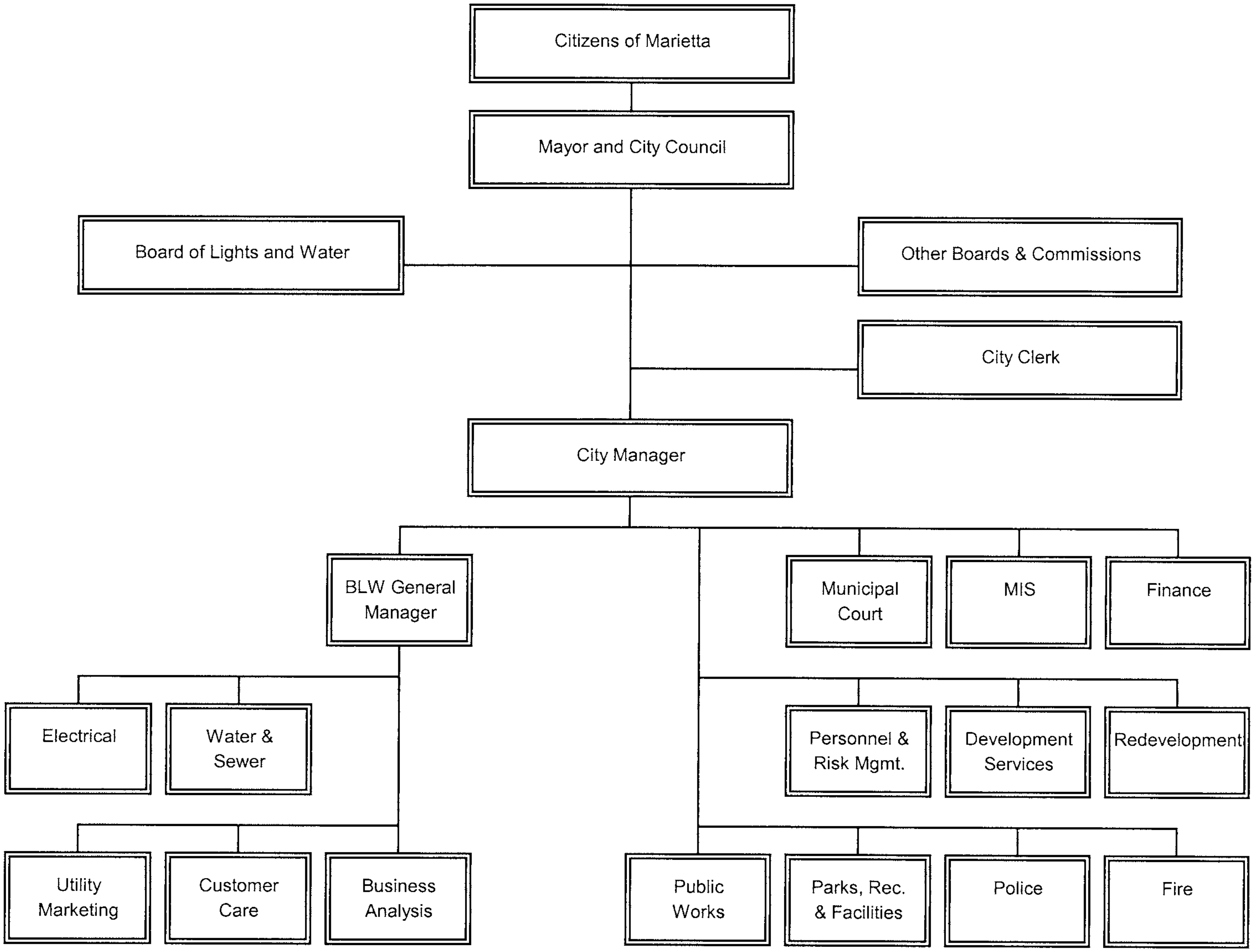
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

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

President

Executive Director

CITY OF MARIETTA ORGANIZATION CHART



OFFICIALS

Mayor and City Council

William B. Dunaway
Mayor

Annette Paige Lewis	Ward 1
Griffin Chalfant	Ward 2
Holly Marie Walquist	Ward 3
Irvan (Van) Alan Pearlberg	Ward 4
Rev. Anthony Coleman	Ward 5
James King	Ward 6
Philip M. Goldstein	Ward 7

Board of Lights and Water

William B. Dunaway, Mayor
Chairperson

Bruce E. Coyle	Board Member
Harlon D. Crimm	Board Member
Charles L. George	Board Member
James King, Councilmember	Board Member
Alice Summerour	Board Member
Arthur D. Vaughn	Board Member

City / BLW Administration

William F. Bruton, Jr.
City Manager

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

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable William B. Dunaway, Mayor
Members of the City Council
City of Marietta
Marietta, Georgia

We have audited the accompanying financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Marietta, Georgia, as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. We have audited each component unit and the fiduciary fund of the City. We have also audited the financial statements of each of the City's nonmajor governmental and internal service funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information as well as each component unit and fiduciary fund of the City of Marietta, Georgia, as of June 30, 2008, and the respective changes of financial position and the cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each of the nonmajor governmental and internal service funds of the City of Marietta, Georgia at June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2008, on our consideration of the City of Marietta, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis, the Schedule of Funding Progress, and the budgetary comparison for the General Fund on pages 3 through 15, page 56 and page 57 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

Moore & Cubbedge, LLP

Moore & Cubbedge, LLP

December 19, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of the City of Marietta for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the City's financial performance.

FINANCIAL HIGHLIGHTS

- Marietta's assets exceed liabilities by $161.7 million at the end of fiscal year 2008. This is an increase of $9 million when compared to the previous year. Of this amount, $137.8 million is invested in capital assets (net of depreciation and related debt). Total unrestricted assets are $(3.9) million, a decrease of $13.2 million from last year. Unrestricted net assets from governmental activities are $(38) million, a decrease of $11.9 million from last year. This negative amount is due mainly to general obligation bonds issued by the City of Marietta of which the proceeds were transferred to the Marietta City Schools for construction and other capital asset purchases. These assets are carried on the Marietta City School's records while the liability remains with the City. Business-type activities unrestricted net assets are $34.1 million.

- The City's total net assets increased $7.6 million over the previous year with a $1.1 million increase generated from governmental activities and a $6.5 million increase resulting in the business-type activities.

- The City's General Fund's fund balance was $16.71 million as of June 30, 2008. Of this amount, $1.5 million is reserved for encumbrances. $844 thousand is reserved or designated for park improvements (that were funded through a donation and a bond issue) and for tourism purposes. $76 thousand is designated for future expenditures and the remaining $14.3 million is undesignated, but will be appropriated by the City Council for subsequent year's expenditures and other future purposes. The General Fund's fund balance increased by $187 thousand from June 30, 2008.

- The total liabilities of the City's governmental-type and business-type funds outstanding at June 30, 2008 are $80.8 million and $57.5 million respectively. $104.9 million of this total represents liabilities that are due in more than one year, such as long-term debt, leases payable, and compensated absences. This is a increase of $6.8 million for the governmental-type funds and an increase of $8.2 million for the business-type funds.

Total general bonded debt decreased $3.6 million in fiscal year 2008. No new general obligation debt was issued during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The City of Marietta's governmental activities include general government, public safety, streets and highways, and recreation. The City has three business type activities, the Board of Lights & Water that provides electric, water and wastewater services, City Club golf course, and the Marietta Conference Center and Resort that is a hotel and conference facility.
The government-wide financial statements include not only the City of Marietta itself (known as the primary government), but also two legally separate entities that have a significant operational or financial relationship with the City. These entities, known as discretely presented component units, are the Marietta Welcome Center and the Marietta Redevelopment Corporation. More information on the functions of these entities can be found in note 1 to the financial statements.

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

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

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

The City maintains 14 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund debt service fund and SPLOST fund which are considered to be major funds. Data from the other 11 funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 18 through 20 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Board of Lights and Water, City Golf Course, and the Marietta Conference Center and Resort, which are considered to be major funds of the City. The internal service funds are presented in the proprietary fund financial statements. Individual fund data for each of these funds is provided in the form of individual fund statements elsewhere in this report.

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

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

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

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 through 55 of this report.

Other information. The combining and individual fund statements and schedules referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements and can be found on pages 60 through 129 of this report.

CITY-WIDE FINANCIAL ANALYSIS

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

Net Assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. As of June 30, 2008, assets exceeded liabilities by $161.7 million.

The following table provides a summary of the City's governmental and business-type net assets for fiscal year 2007 and 2008.

Table 1

Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Assets						
Current and other assets	$ 47,119,055	$ 58,128,465	$ 62,414,683	$ 66,871,096	$109,533,738	$124,895,636
Capital assets	49,461,564	50,432,560	114,154,206	124,555,877	163,615,770	174,988,437
Total assets	96,580,619	108,561,025	176,568,889	191,426,973	273,149,508	299,987,998
Liabilities						
Current and other liabilities	4,933,617	6,161,421	17,096,297	18,059,037	22,029,914	24,220,458
Non-current liabilities	66,389,298	74,656,006	32,001,849	39,392,783	98,391,147	114,048,789
Total liabilities	71,322,915	80,817,427	49,098,146	57,451,820	120,421,061	138,269,247
Net Assets						
Invested in capital assets, net of related debt	38,400,310	40,361,421	90,727,135	97,486,153	129,127,445	137,847,574
Restricted	12,933,338	25,355,346	1,349,186	2,377,157	14,342,524	27,732,503
Unrestricted	(26,135,944)	(37,973,169)	35,394,422	34,111,843	9,258,478	(3,861,326)
Total net assets	$ 25,197,704	$ 27,743,598	$127,470,743	$133,975,153	$152,728,447	$161,718,751

The largest portion of the City's net assets, $137.8 million, represents investments in capital assets. As stated earlier, the governmental activities unrestricted net assets are a negative balance resulting from bonds issued for the Marietta City School for capital construction and other assets. The school reports these assets and the debt is reflected in the City's financial statements.

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

An additional $27.7 million of the City's net assets represent resources that are subject to external restrictions on how they may be used. Included in this category are reserves for debt service, public safety grants, culture and recreation donations and uncommitted bond funds.

Changes in Net Assets. Governmental and business-type activities increased the City's net assets by $7.6 million in fiscal year 2008. The following table indicates the changes in net assets for governmental and business-type activities in fiscal year 2007 and 2008.

Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2007	2008	2007	2008	2007	2008
Revenues						
Program revenues:						
Charges for services	$ 15,213,901	$ 14,505,085	$121,780,982	$123,746,828	$136,994,883	$138,251,913
Operating grants and contributions	9,597,840	8,478,562	0	0	9,597,840	8,478,562
Capital grants and contributions	9,735,991	13,865,101	4,536,972	777,567	14,272,964	14,642,668
General Revenues:						
Property taxes	12,293,579	11,965,381	0	0	12,293,579	11,965,381
Other taxes	11,816,304	11,865,204	0	0	11,816,304	11,865,204
Investment earnings	1,881,843	1,590,204	2,509,636	1,973,077	4,391,479	3,563,281
Other revenues	1,410,350	1,976,361	32,889	139,800	1,443,239	2,116,161
Total Revenues	61,949,809	64,245,898	128,860,479	126,637,272	190,810,288	190,883,170
Expenses						
General government	7,490,659	6,759,380	0	0	7,490,659	6,759,380
Public works	14,888,258	20,427,013	0	0	14,888,258	20,427,013
Culture and recreation	5,346,638	6,443,698	0	0	5,346,638	6,443,698
Public safety	24,791,734	29,165,513	0	0	24,791,734	29,165,513
Urban redevelopment and housing	8,261,612	5,862,864	0	0	8,261,612	5,862,864
Interest on long-term debt	3,125,438	3,449,537	0	0	3,125,438	3,449,537
Water & sewer	0	0	22,294,414	21,209,559	22,294,414	21,209,559
Electric	0	0	85,240,996	85,707,753	85,240,996	85,707,753
Golf	0	0	1,912,942	1,890,486	1,912,942	1,890,486
Conference	0	0	2,267,261	2,368,951	2,267,261	2,368,951
Total expenses	63,904,339	72,108,005	111,715,613	111,176,749	175,619,952	183,284,754
Increase in net assets before transfers	(1,954,530)	(7,862,107)	17,144,866	15,460,523	15,190,336	7,598,416
Transfers in (out)	9,314,449	8,956,113	(9,314,449)	(8,956,113)	0	0
Increase (decrease) in net assets	$ 7,359,919	$ 1,094,006	$ 7,830,417	$ 6,504,410	$ 15,190,336	$ 7,598,416

Governmental Activities. Governmental activities decreased the City's net assets by $7.9 million in fiscal year 2008 before transfers. Key elements of this decrease are as follows:

Total revenues are 64.2 million, up 3.7% from the prior year. The majority of the increase is from intergovernmental revenues. Intergovernmental revenue increase is attributable to the Special Local Option Sales Tax (SPLOST), a one % sales tax approved by the county-wide voters in November 2005 of which will be used for public works improvements and public safety radio upgrades and replacements. Receipt of these revenues started in January 2006. The property tax millage rate remained the same as the previous year, however the property value increased resulting in increased revenue. Permit revenue decreased due to a slowing in the areas housing market. Investment earnings decreased from the previous year. This is attributable to the decrease in the rates. Fines and forfeits also saw a decrease due to a decrease in violations.

Expenses totaled $72.1 million. The increase over the previous year was incurred in public works and redevelopment projects in the City. The City is involved in several transportation and road improvement projects as a result of the voter approved Special Local Option Sales Tax (SPLOST). Construction, engineering and design work, right-of-way appraisals, and property acquisition are underway.

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

Business-Type Activities. The City's business-type activities, which include the Board of Lights and Water, City Club golf course, and the Marietta Conference Center & Resort increased net assets by $15.5 million in fiscal year 2008 before transfers to the governmental funds.

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

	Fiscal Year	
Operating income (loss):	2007	2008
Board of Lights & Water	$ 10,810,661	$13,692,153
City Club Golf Course	426,510	210,512
Marietta Conference Center & Resort	862,928	735,019
Total	12,100,102	14,637,684
Non-operating revenues (expenses)	1,382,247	380,620
Contributed capital from developers	3,883,920	777,567
Income (loss) before operating transfers	17,366,269	15,795,871
Transfers in (out)	(9,658,929)	(9,580,640)
Change in net assets	$ 7,707,340	$ 6,215,231

The Board of Lights and Water's operating revenues increased 1.8% from the previous year while operating expenses decreased by .7% resulting in an operating income increase of 26.7% from 2007. Contributions from developers decreased by $3.1 million from 2007.

The City Club golf course operating revenues decreased 8.7% from the previous year while operating expenses increased by 2.8% resulting in an operating gain of $210,512.

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

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

At the end of fiscal 2008, the combined ending fund balances of the City's governmental funds were $48 million. Approximately $38 million of this consists of unreserved/undesignated fund balance, which is available as working capital for current spending in accordance with the purposes of the specific funds. The majority of the remaining fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: a) reserve for encumbrances ($5.5 million); b) reserved for debt service ($3.7 million); c) reserved for culture and recreation ($844 thousand).

The City has three major governmental funds, which are the general fund, debt service fund, and SPLOST fund.

General fund. This is the primary operating fund of the City of Marietta government. It accounts for many of the City's core services such as law enforcement, fire protection, planning, roads and streets, solid waste sanitation, and administration. The general fund balance was $16.7 million as of June 30, 2008. Of this amount, $2.3 million is reserved for encumbrances and culture and recreation. The fiscal year 2008 fund balance is $187 thousand larger than the previous year. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 28.26% of total fiscal year 2008 expenditures and transfers, while total fund balance is 32.85% of the same amount.

Debt service Fund. This fund provides debt service for the city's debt obligations. The debt service fund had a balance of $3.6 million as of June 30, 2008. That is an increase of $822 thousand from the prior year.

SPLOST Fund. The Special Purpose Local Option Sales Tax fund tracks expenditures related to the 1% sales tax used for transportation and communications. Sidewalks, bridge rehabilitation, multi-use trails, road improvements, general street and drainage rehabilitation, street resurfacing and new roads are all construction projects on the Transportation Projects list approved by the voters in 2005. In an effort to accelerate project completion, the city also undertakes County projects that are located within the City limits and receives reimbursement by the county for these projects. A county-wide 800 MHz communications system is also funded under this SPLOST. The fund balance as of June 30, 2008 is $20 million this is an increase of $12 million from the last year.

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

The City operates the Board of Lights and Water (BLW) which provides electric, water, and wastewater utilities for residential and commercial customers. Unrestricted net assets of this fund at the end of the year amounted to $39.5 million. The unrestricted net assets decreased by $4.3 million during the year.

The City operates an 18-hole golf course known as the City Club. The total net assets of this fund at the end of the fiscal year amounted to $2.2 million, an 18.35% increase.

The Marietta Conference Center & Resort is a conference center facility owned by the City. The total net assets of this fund at the end of the fiscal year were $(5.63) million. The total net assets decreased by $121 thousand during the year. As stated earlier the City has leased the facility to a private operator and is no longer reporting the daily operations. The City will continue to pay the debt payments from lease revenues and hotel/motel tax revenues designated towards the bond repayment. The City will also continue to report the asset depreciation.
Other factors concerning the finances of these funds were discussed under business-type activities.

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

GENERAL FUND BUDGETARY HIGHLIGHTS

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

In June 2007, the City Council appropriated $50 million for general fund expenditures. The budget was amended 16 times during the fiscal year.

Table 4
2008 General Fund Budget

	Original Budget	Amendments	Final Budget	Actual
Revenue and other financing sources	$49,594,669	$5,287,930	$55,251,682	$51,288,013
Expenditures and other financing uses	49,594,669	6,993,136	57,006,888	52,592,130

Mid-year budget amendments include:

$1,212,752	Appropriation of reserves from prior year encumbrances
973,700	Parks and cemetery expenditures(1)
705,075	Public Safety (2)
4,099,609	Project rollovers from previous years (3)

(1) Grant for purchase of Hickory Hills Park; grant for Repair Confederate Cemetery; donation for Lewis Park.

(2) Appropriations of donations for public safety supplies, equipment and education programs; purchase of False Alarm software; addition of School Resource Officer; and federal funding for Weed and Seed program.

(3) Project rollovers are for project budgets adopted in a previous year that are for the life of the project. This amount represents a rollover for the Weed and Seed program.

Actual expenditures were 7.7% below anticipated budget. Expenses exceeded revenues by $1.3 million on a budgetary basis.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of June 30, 2008 total $175 million (net of accumulated depreciation and related debt). This investment includes land, buildings, machinery and equipment, as well as infrastructure. To comply with GASB 34, the City researched historical records to determine the value of infrastructure and calculated appropriate depreciation. The City has reported all assets acquired during fiscal years 2002 through 2008, and all assets that could be identified from previous periods. The total investment in capital assets (net of accumulated depreciation and debt) for the current fiscal year increased from the previous year by 6.8% after depreciation. Major capital assets events during the current fiscal year included the following:

Governmental activities:

- Land acquisition for economic development and redevelopment programs $2,376,257
- Buildings and machinery and equipment $2,265,841
- City vehicles $137,717

Business-type activities:

- Electrical system improvements $6.1 million
- Water and sewer system improvements $6.7 million
- Buildings and machinery & equipment $7.3 million

On-going construction commitments include:

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

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

Long-term debt. At June 30, 2008, the City of Marietta had the following outstanding long-term debt (principal amount):

- $2.2 million 1998-A School General Obligation Bonds
- $8.9 million 2002 School General Obligation Bonds
- $9.6 million 2007 Public Safety Refunding Bonds
- $30.6 million 2008 School Refunding Bonds
- $9.8 million 2007 DMDA Revenue Bonds
- $627 thousand note payable for property
- $13.0 million 1996-A Series Marietta Conference Center & Resort Revenue Bonds
- $7.1 million 1996-B Series Marietta Conference Center & Resort Revenue Bonds
- $4.3 million 2003 Series Marietta Conference Center & Resort Revenue Bonds

- $4.8 million capital lease funded through the City Club for the golf course
- $253 thousand capital leases for golf carts
- $8.4 million Series 2005 Tax Allocation District bonds
- $7 million Series 2008 Marietta Conference Center Revenue Bonds
- The City has received a credit rating of Aa3 from Moody's Investor Services, Inc. and an AAA/A-1+ rating from Standard & Poor's Corporation along with an AA rating from Fitch's Inc. Standard & Poor's upgraded the city debt in 2008. The other two agencies upgraded the City's ratings in 2001, the ratings have remained the same through fiscal year 2008.

Georgia Revised Statues provide for a general obligation debt limit of 10% of the assessed valuation. The City has a general obligation debt capacity of $233 million at the end of fiscal year 2008.

Additional information on the City of Marietta's debt can be found in Notes 7 through 8.

Other Matters. The following factors are expected to have a significant effect on the City's financial position or results of operations and were taken into account in developing the fiscal year 2009 budget:

- In fiscal year 2003 the Georgia Department of Community Affairs (DCA) awarded the City of Marietta a grant for Roswell Street improvements of $1,678,400 that has been supplemented by an additional $720,000 grant from the Atlanta Regional Commission (ARC) in fiscal year 2004 and a second grant of $800,000 in fiscal year 2005. The funding for this project will total approximately $4 million over the three years, which includes the City's matching requirements for receiving the grants. The City needed to match 25% of the total project, which was funded from the Capital Project Fund.
- No fee increases were imposed for fiscal year 2009
- Redevelopment efforts will continue to be a major focus of the City. The Marietta Redevelopment Corporation was established this during fiscal year 2004, three Tax Allocation Districts have been established, a number of redevelopment projects are currently under construction.
- Increasing home ownership will also be a major focus of our redevelopment efforts. Several new mixed-use developments are planned such as the former Johnny Walker homes site on Powder Springs Road, the Clay Homes redevelopment project and Emerson Overlook, both along Roswell Street near

Marietta Square. These large-scale projects along with their surrounding neighborhoods will have a tremendous influence in revitalizing the City Center.

- The utility's capital improvement plan has committed millions of dollars toward the areas of redevelopment that are coming on line in the near future. The electrical utility plans to add a new substation with eight feeders on North Marietta Parkway, complete additional feeder projects along Powder Springs Street and Roswell Street, install underground facilities at Johnny Walker Homes, Manget Street, Clay Homes, and Wynhaven, and upgrade and convert Roswell Street from overhead to underground. Likewise, the water department will replace old water and sewer mains in these neighborhoods to meet the needs of these growing areas. Total capital budget for fiscal year 2009 is $21.6 million.

- The Public Works has budgeted over $4.6 million for transportation and road projects. Projects such as new road construction, general street, drainage and intersection improvements, sidewalk and multi-use trail construction, and street resurfacing and repairs are funded by collections from a 1% special purpose local option sales tax (SPLOST) enacted as of January 1, 2006.

- The City is entering into a new radio communications program along with Cobb County and neighboring cities to ensure interoperability for emergency services and crisis management. This program will utilize the latest technology of digital equipment. $1.68 million SPLOST funds are budgeted for this 800 MHz digital radio communications project,

- In developing the budget the City was anticipating the budget would slowly recover from the economic slowdown and predicted that revenues would not grow as they have in the past years and therefore cut budgeted operating expenses to zero growth in fiscal year 2009 for most departments.

REQUESTS FOR INFORMATION

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

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BASIC FINANCIAL STATEMENTS

CITY OF MARIETTA, GEORGIA
STATEMENT OF NET ASSETS
JUNE 30, 2008

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Marietta Welcome Center	Marietta Redevelopment Corporation
Assets:					
Cash and cash equivalents	$ 17,444,839	$ 10,298,424	$ 27,743,263	$ 96,713	$ 1,368,603
Equity in pooled cash	2,689,410	325,665	3,015,075	-	-
Investments	13,187,300	17,978,894	31,166,194	-	3,170,623
Inventories	134,480	3,148,653	3,283,133	-	-
Receivables, net	1,228,727	13,676,485	14,905,212	6,032	-
Internal balances	(638,939)	638,939	-	-	-
Internal balances - fiduciary funds	3,783	-	3,783	-	-
Due from other governments	3,801,544	-	3,801,544	-	-
Prepaid items	36,338	-	36,338	-	-
Restricted assets	19,634,015	15,827,448	35,461,463	-	-
Other assets, net	606,968	4,976,588	5,583,556	-	56,035
Capital assets, non depreciated	7,506,125	8,752,260	16,258,385	-	-
Capital assets, depreciated, net	42,926,435	115,803,617	158,730,052	15,350	-
Total assets	108,561,025	191,426,973	299,987,998	118,095	4,595,261
Liabilities:					
Accounts payable and other current liabilities	4,102,015	11,521,753	15,623,768	51,282	3,220
Claims and judgements payable	1,978,585	-	1,978,585	-	-
Customer deposits	-	-	-	-	-
Due to primary government	-	-	-	-	-
Due to component unit	-	-	-	-	-
Unearned revenue	80,821	-	80,821	-	-
Liabilities payable from:					
Restricted assets	-	6,537,284	6,537,284	-	-
Noncurrent liabilities:					
Due within one year	7,759,257	1,411,450	9,170,707	-	-
Due in more than one year	66,896,749	37,981,333	104,878,082	-	2,446,426
Total liabilities	80,817,427	57,451,820	138,269,247	51,282	2,449,646
Net Assets					
Invested in capital assets, net of related debt	40,361,421	97,486,153	137,847,574	15,350	-
Restricted for:					
Debt service	3,658,388	2,371,019	6,029,407	-	-
Capital projects	20,619,761	-	20,619,761	-	-
Culture and recreation	1,073,188	-	1,073,188	-	-
Other purposes	4,009	6,138	10,147	-	-
Unrestricted	(37,973,169)	34,111,843	(3,861,326)	51,463	2,145,615
Total net assets	$ 27,743,598	$ 133,975,153	$ 161,718,751	$ 66,813	$ 2,145,615

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2008

		Program Revenue			Net (Expense) Revenue and Change in Net Assets – Primary Government			Component Units	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Marietta Welcome Center	Marietta Redevelopment Corporation
Primary Government									
Governmental activities:									
General government	$ 6,759,380	$ 9,906,438	$ 8,720	$ -	$ 3,155,778	$ -	$ 3,155,778		
Public works	20,427,013	3,533,668	-	12,005,237	(4,888,108)	-	(4,888,108)		
Culture and recreation	6,443,698	250,876	84,472	-	(6,108,350)	-	(6,108,350)		
Public safety	29,165,513	110,651	636,187	1,849,696	(26,568,979)	-	(26,568,979)		
Urban redevelopment and housing	5,862,864	703,452	6,179,803	10,168	1,030,559	-	1,030,559		
Interest & fiscal charges on long-term debt	3,449,537	-	1,569,380	-	(1,880,157)	-	(1,880,157)		
Total governmental activities	72,108,005	14,505,085	8,478,562	13,865,101	(35,259,257)	-	(35,259,257)		
Business-type activities:									
Water & Sewer	21,209,559	28,207,449	-	777,567	-	7,775,457	7,775,457		
Electric	85,707,753	92,093,318	-	-	-	6,385,565	6,385,565		
Golf	1,890,486	1,801,341	-	-	-	(89,145)	(89,145)		
Conference Center	2,368,951	1,644,720	-	-	-	(724,231)	(724,231)		
Total business-type activities	111,176,749	123,746,828	-	777,567	-	13,347,646	13,347,646		
Total Primary Government	$ 183,284,754	$ 138,251,913	$ 8,478,562	$ 14,642,668	$ (35,259,257)	$ 13,347,646	$ (21,911,611)		
Component Units:									
Marietta Welcome Center	395,106	163,631	242,378	-				10,903	-
Marietta Redevelopment Corporation	142,340	81,040	-	-				-	(61,300)
Total Component Units	$ 537,446	$ 244,671	$ 242,378	$ -				$ 10,903	$ (61,300)
General Revenues:									
Property Taxes					11,965,381	-	11,965,381	-	-
Insurance premium tax					3,211,100	-	3,211,100	-	-
Alcohol taxes					812,476	-	812,476	-	-
Hotel, motel tax					2,224,497	-	2,224,497	-	-
Franchise taxes					5,159,179	-	5,159,179	-	-
Auto rental tax					457,952	-	457,952	-	-
Unrestricted investment earnings					1,590,204	1,973,077	3,563,281	60	52,215
Gain on sale of capital assets					420,929	139,800	560,729	-	-
Operating grants not restricted to a specific program					1,555,432	-	1,555,432	-	-
Transfers					8,956,113	(8,956,113)	-	-	-
Total general revenues and transfers					36,353,263	(6,843,236)	29,510,027	60	52,215
Change in net assets					1,094,006	6,504,410	7,598,416	10,963	(9,085)
Net assets - beginning, before restatement					25,257,704	127,470,743	152,728,447	55,850	2,154,700
Restatement					1,391,888	-	1,391,888	-	-
Net assets - beginning, after restatement					26,649,592	127,470,743	154,120,335	55,850	2,154,700
Net assets - ending					$ 27,743,598	$ 133,975,153	$ 161,718,751	$ 66,813	$ 2,145,615

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2008

	General	Debt Service	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 7,195,418	$ 2,354,838	$ 14,614,015	$ 4,020,400	$ 28,184,671
Cash with fiscal agent	-	178,696	-	930,530	1,109,226
Equity in pooled cash	1,630,232	90,512	8,452	960,214	2,689,410
Investments	9,712,613	996,146	5,020,000	-	15,728,759
Receivables, net	604,489	169,831	255,666	51,792	1,081,778
Prepaid items	31,048	-	-	5,290	36,338
Due from other funds	-	-	-	1,606,873	1,606,873
Due from other governments	522,487	19,985	708,712	1,374,630	2,625,814
Inventories	-	-	-	15,340	15,340
Total assets	$ 19,696,287	$ 3,810,008	$ 20,606,845	$ 8,965,069	$ 53,078,209
Liabilities and fund balances					
Liabilities:					
Accounts payable	$ 1,636,795	$ 300	$ 525,259	$ 319,847	$ 2,482,201
Retainage payable	-	-	112,067	110,389	222,456
Accrued liabilities	755,762	-	-	21,143	776,905
Due to other funds	272,399	-	-	700,361	972,760
Due to component unit	59,637	-	-	-	59,637
Due to other governments	-	-	-	50,701	50,701
Deferred revenue	261,529	151,320	-	89,738	502,587
Total liabilities	2,986,122	151,620	637,326	1,292,179	5,067,247
Fund balances:					
Reserved for:					
Encumbrances	1,491,485	-	3,213,265	826,921	5,531,671
Culture and recreation	843,842	-	-	-	843,842
Debt service	-	3,658,388	-	-	3,658,388
Unreserved - designated, reported in:					
General fund	75,534	-	-	-	75,534
Capital projects funds	-		306,116	150,000	456,116
Special revenue funds	-	-	-	1,177,922	1,177,922
Unreserved - undesignated, reported in:					
General fund	14,299,304	-	-	-	14,299,304
Special revenue funds	-	-	-	5,556,866	5,556,866
Capital projects funds	-	-	16,450,138	(38,819)	16,411,319
Total fund balances	16,710,165	3,658,388	19,969,519	7,672,890	48,010,962
Total liabilities and fund balances	$ 19,696,287	$ 3,810,008	$ 20,606,845	$ 8,965,069	

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	49,642,933
Revenues earned but unavailable are not reported in the funds.	421,766
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds:	
Receivable from other governments	1,167,159
Unamortized bond issue costs	606,968
Net pension obligation is not expected to be liquidated with expendible available financial resources and therefore is not reported in governmental funds	(190,788)
Internal service funds are used by management to charge the costs of fleet management and insurance to individual funds. The assets and liabilities of the internal service funds and a receivable from business type activities are included in governmental activities in the statement of net assets.	2,716,076
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Net OPEB obligation	(3,372,670)
Unmatured bonds	(69,475,000)
Unamortized deferred loss on refunding	1,360,467
Unamortized bond premium	(42,786)
Accrued compensated absences	(2,473,875)
Loans payable	(627,614)
Net assets of governmental activities	$ 27,743,598

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2008

	General	Debt Service	SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 16,964,329	$ 4,741,033	$ -	$ 2,975,438	$ 24,680,800
Licenses and permits	6,227,731	-	-	-	6,227,731
Intergovernmental	2,583,544	3,684,380	9,662,690	9,143,481	25,074,095
Charges for services	3,978,422	-	-	74,745	4,053,167
Fines and forfeits	3,797,209	-	-	-	3,797,209
Investment earnings	817,845	172,366	769,067	259,099	2,018,377
Other	537,579	-	-	78,766	616,345
Total revenues	34,906,659	8,597,779	10,431,757	12,531,529	66,467,724
Expenditures:					
Current:					
General government	7,435,676	-	-	-	7,435,676
Public works	7,698,754	-	-	329,021	8,027,775
Culture and recreation	4,767,481	-	-	163,585	4,931,066
Public safety	25,867,230	-	-	33,912	25,901,142
Urban redevelopment and housing	-	-	-	6,665,677	6,665,677
Capital outlay	-	-	7,778,531	-	7,778,531
Debt service:					
Principal retirement	47,265	5,240,000	-	-	5,287,265
Interest & fiscal charges	32,671	4,126,678	464,865	351,960	4,976,174
Capital projects	-	-	-	2,780,066	2,780,066
Total expenditures	45,849,077	9,366,678	8,243,396	10,324,221	73,783,372
Excess (deficiency) of revenues over expenditures	(10,942,418)	(768,899)	2,188,361	2,207,308	(7,315,648)
Other financing sources (uses):					
Payment to refunded bond escrow agent	-	(38,550,000)	-	-	(38,550,000)
Sale of capital assets	425,157		-	-	425,157
Transfers in	15,729,197	-	-	-	15,729,197
Transfers out	(5,024,568)	(24,491)	-	(2,701,193)	(7,750,252)
Bond proceeds	-	40,165,000	9,820,000	-	49,985,000
Total other financing sources (uses)	11,129,786	1,590,509	9,820,000	(2,701,193)	19,839,102
Net change in fund balance	187,368	821,610	12,008,361	(493,885)	12,523,454
Fund balances at beginning of year	16,522,797	2,836,778	7,961,158	8,166,775	35,487,508
Fund balances at end of year	$ 16,710,165	$ 3,658,388	$ 19,969,519	$ 7,672,890	$ 48,010,962

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

Amounts reported for governmental activities in the statement of activities (page 17) are different because:	
Net change in fund balances-total governmental funds (page 19)	$ 12,523,454
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($5,143,118) exceeded capital outlays ($4,749,694) in the current period.	(393,424)
The net effect of miscellaneous transactions involving capital assets (sales) is to decrease net assets.	(4,228)
Receipt of long-term receivables is reported as revenue in the governmental funds.	(2,133,434)
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.	(850,215)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal and bond costs are expenditures in the governmental funds, but the repayment reduces long-term liabilities and bond costs are capitalized in the Statement of Net Assets:	
Debt proceeds	(9,820,000)
Principal payments	5,287,265
Bond issue cost	146,082
Pension contributions in deficiency of annual actuarial costs are not recorded as expenditures in the governmental funds.	(634,553)
OPEB contributions in deficiency of annual actuarial costs are not recorded as expenditures in the governmental funds.	(3,372,670)
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 governmental funds:	
Accrued compensated absences	(114,610)
Amortization for bond issue costs, bond premium, and loss on bond refunding	(88,363)
Internal service funds are used by management to charge the costs of fleet management and self-insurance individual funds.	548,702
Change in net assets of governmental activities (page 17)	$ 1,094,006

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2008

	Major				Governmental
	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals	Activities - Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	$ 10,291,538	$ 6,886	$ -	$ 10,298,424	$ 2,764,957
Equity in pooled cash	325,665	-	-	325,665	-
Investments	17,978,894	-	-	17,978,894	2,478,541
Restricted assets:					
Cash with fiscal agent	-	835,000	-	835,000	-
Revenue bond debt service	-	-	2,438,372	2,438,372	-
Facility renovation	-	-	6,010,653	6,010,653	-
Furniture and fixtures reserve	-	-	6,139	6,139	-
Receivables, net	13,653,130	23,355	-	13,676,485	146,949
Due from other funds	3,120,810	-	127,968	3,248,778	125,267
Due from other governments	-	-	-	-	8,571
Inventories, at cost	3,148,653	-	-	3,148,653	119,140
Total current assets	48,518,690	865,241	8,583,132	57,967,063	5,643,425
Noncurrent assets:					
Restricted assets:					
Investments	6,537,284	-	-	6,537,284	-
Total restricted assets	6,537,284	-	-	6,537,284	-
Property, plant and equipment:					
Land and land improvements	1,382,976	6,600,000	769,284	8,752,260	-
Buildings and improvements	15,486,735	2,011,259	23,326,210	40,824,204	488,370
Electrical plant in service	84,505,763	-	-	84,505,763	-
Water and sewer system	66,634,359	-	-	66,634,359	-
Machinery and equipment	43,132,286	3,536,247	7,474,846	54,143,379	998,030
	211,142,119	12,147,506	31,570,340	254,859,965	1,486,400
Less: accumulated depreciation	(112,329,776)	(3,717,386)	(14,256,926)	(130,304,088)	(696,773)
Net property, plant and equipment	98,812,343	8,430,120	17,313,414	124,555,877	789,627
Other assets:					
Inventories, at cost	-	-	254,492	254,492	-
Unamortized costs	-	115,754	1,408,019	1,523,773	-
Investment	3,729,966	-	-	3,729,966	-
	3,729,966	115,754	1,662,511	5,508,231	-
Less: accumulated amortization	-	-	(531,643)	(531,643)	-
Net other assets	3,729,966	115,754	1,130,868	4,976,588	-
Total noncurrent assets	109,079,593	8,545,874	18,444,282	136,069,749	789,627
Total assets	$ 157,598,283	$ 9,411,115	$ 27,027,414	$ 194,036,812	$ 6,433,052

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

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS (CONT'D)
June 30, 2008

	Major				Governmental
	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals	Activities - Internal Service Funds
LIABILITIES					
Current liabilities:					
Accounts payable	$ 10,567,723	$ 79,276	$ -	$ 10,646,999	$ 304,548
Accrued salaries	319,185	-	-	319,185	14,779
Accrued sales tax	480,572	-	-	480,572	-
Other accrued liabilities	-	-	27,372	27,372	-
Accrued compensated absences	301,100	-	-	301,100	14,388
Due to other funds	27,950	1,565,720	91,242	1,684,912	2,319,463
Capital lease obligations	-	46,858	-	46,858	-
Bonds payable	-	-	990,000	990,000	-
Accrued interest payable	-	-	73,492	73,492	-
Net pension obligation	47,625	-	-	47,625	-
Claims and judgements payable	-	-	-	-	1,978,585
Total current liabilities:	11,744,155	1,691,854	1,182,106	14,618,115	4,631,763
Long-term liabilities (net of current portion):					
Accrued compensated absences	466,177	-	-	466,177	10,140
Net OPEB obligation	518,975	-	-	518,975	-
Customer deposits	6,537,284	-	-	6,537,284	-
Capital lease obligations	-	5,516,181	-	5,516,181	-
Revenue bonds	-	-	31,480,000	31,480,000	-
Total long-term liabilities	7,522,436	5,516,181	31,480,000	44,518,617	10,140
Total liabilities	19,266,591	7,208,035	32,662,106	59,136,732	4,641,903
NET ASSETS					
Invested in capital assets, net of related debt	98,812,343	2,867,081	(4,193,271)	97,486,153	789,627
Restricted for:					
Debt Service	-	-	2,371,019	2,371,019	-
Other	-	-	6,138	6,138	-
Unrestricted	39,519,349	(664,001)	(3,818,578)	35,036,770	1,001,522
Total net assets	$ 138,331,692	$ 2,203,080	$ (5,634,692)	134,900,080	$ 1,791,149
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(924,927)	
Net assets of business-type activities				$ 133,975,153	

See accompanying notes to financial statements.

Continued from previous page.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For the Fiscal Year Ending June 30, 2008

	Major				Governmental Activities - Internal Service Funds
	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals	
Operating revenues:					
Charges for services	$ 118,985,201	$ 1,800,049	$ -	$ 120,785,250	$ 3,217,188
Lease income	-	-	1,644,720	1,644,720	-
Other	1,288,916	-	-	1,288,916	239,269
Contributions	-	-	-	-	8,308,873
Total operating revenues	120,274,117	1,800,049	1,644,720	123,718,886	11,765,330
Operating expenses:					
Personal services	13,919,575	-	-	13,919,575	684,636
Operating	83,051,206	1,402,601	138,282	84,592,089	4,619,421
Other	958,278	-	-	958,278	-
Depreciation	8,652,905	186,936	771,419	9,611,260	53,361
Benefits and claims	-	-	-	-	7,512,616
Total operating expenses	106,581,964	1,589,537	909,701	109,081,202	12,870,034
Operating income (loss)	13,692,153	210,512	735,019	14,637,684	(1,104,704)
Nonoperating revenues (expenses):					
Investment earnings	1,915,625	-	57,452	1,973,077	340,890
Interest and fiscal charges	-	(266,332)	(1,397,223)	(1,663,555)	-
Amortization	-	(34,617)	(62,027)	(96,644)	-
Gain (loss) on sale of capital assets	186,193	73,049	(119,442)	139,800	-
Other	26,650	1,292	-	27,942	-
Total nonoperating revenues (expenses)	2,128,468	(226,608)	(1,521,240)	380,620	340,890
Contributed capital from developers	777,567	-	-	777,567	-
Income (loss) before transfers	16,598,188	(16,096)	(786,221)	15,795,871	(763,814)
Transfers					
Transfers in	2,965,958	384,832	665,955	4,016,745	1,665,946
Transfers out	(13,570,297)	(27,088)	-	(13,597,385)	(64,251)
Total transfers	(10,604,339)	357,744	665,955	(9,580,640)	1,601,695
Change in net assets	5,993,849	341,648	(120,266)	6,215,231	837,881
Net assets at beginning of year	132,337,843	1,861,432	(5,514,426)		953,268
Net assets at end of year	$ 138,331,692	$ 2,203,080	$ (5,634,692)		$ 1,791,149
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				289,179	
Change in net assets of business-type activities				$ 6,504,410	

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ending June 30, 2008

	MAJOR				
	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	TOTALS	Governmental Activities- Internal Service Funds
Cash flows from operating activities:					
Cash received from customers	$ 115,835,016	$ 1,787,257	$ -	$ 117,622,273	$ 11,525,301
Cash received from other operating activities	1,288,916	1,292	-	1,290,208	-
Cash payments goods and services	(83,838,761)	(313,850)	(225,330)	(84,377,941)	(4,470,103)
Cash payments for benefits and claims	-	-	-	-	(7,417,285)
Cash payments for employee services and fringe benefits	(13,024,689)	-	-	(13,024,689)	(679,703)
Cash payments for other operating activities	-	-	-	-	293,099
Cash received from lease	-	-	1,585,511	1,585,511	-
Net cash from (to) operating activities	20,260,482	1,474,699	1,360,181	23,095,362	(748,691)
Cash flows from noncapital financing activities:					
Transfers in	2,965,958	384,832	665,955	4,016,745	1,665,946
Transfers out	(13,570,297)	(27,088)	-	(13,597,385)	(64,251)
Net cash from (to) noncapital financing	(10,604,339)	357,744	665,955	(9,580,640)	1,601,695
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(18,126,596)	(131,479)	(840,101)	(19,098,176)	(30,121)
Proceeds from asset sales	186,193	-	-	186,193	-
Payments on capital leases	-	(93,768)	-	(93,768)	-
Bond principal payments	-	-	(940,000)	(940,000)	-
Interest and fiscal charges	-	(655,667)	(1,450,278)	(2,105,945)	-
Bond issuance proceeds	-	-	8,060,000	8,060,000	-
Issue costs on debts	-	(115,754)	(176,000)	(291,754)	-
Net cash from (to) capital and related financing activities	(17,940,403)	(996,668)	4,653,621	(14,283,450)	(30,121)
Cash flows from investing activities:					
Rental income received (paid)	26,650	-	-	26,650	-
Investment income received (paid)	1,899,716	-	57,452	1,957,168	343,963
Investment (purchases) sales	(135,571)	-	(6,998,698)	(7,134,269)	(289,026)
Net cash from (to) investing activities	1,790,795	-	(6,941,246)	(5,150,451)	54,937
Net increase (decrease) in cash and cash equivalents	(6,493,465)	835,775	(261,489)	(5,919,179)	877,821
Cash and cash equivalents at beginning of year:					
Cash	14,193,100	6,111	-	14,199,211	1,887,136
Equity in pooled cash	2,917,568	-	261,489	3,179,057	-
Total cash and cash equivalents, beginning of year	17,110,668	6,111	261,489	17,378,268	1,887,136
Cash and cash equivalents at end of year:					
Cash	10,291,538	841,886	-	11,133,424	2,764,957
Equity in pooled cash	325,665	-	-	325,665	-
Total cash and cash equivalents, end of year	$ 10,617,203	$ 841,886	$ -	$ 11,459,089	$ 2,764,957

See accompanying notes to financial statements.

Continued on next page.

CITY OF MARIETTA, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Fiscal Year Ending June 30, 2008

	MAJOR				
	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	TOTALS	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 13,692,153	$ 210,512	$ 735,019	$ 14,637,684	$ (1,104,704)
Adjustments to reconcile operating income to net cash from operating activities:					
Miscellaneous revenue	-	1,292	-	1,292	-
Depreciation	8,652,905	186,936	771,419	9,611,260	53,361
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	(12,792)	-	(12,792)	129,236
(Increase) decrease in contributions receivable	-	-	-	-	(2,196)
(Increase) decrease in utility accounts receivable	(501,415)	-	-	(501,415)	-
(Increase) decrease in due from other funds	(3,120,810)	-	-	(3,120,810)	(1,133)
(Increase) decrease in inventories	(296,302)	-	(163,934)	(460,236)	(66,281)
(Increase) decrease in net pension asset/obligation	219,833	-	-	219,833	-
(Increase) decrease in due from other governments	-	-	-	-	(2,109)
Increase (decrease) in accounts payable	478,881	(8,593)	(23,101)	447,187	137,530
Increase (decrease) in accrued salaries	86,158	-	-	86,158	2,078
Increase (decrease) in accrued sales tax	(3,806)	-	-	(3,806)	-
Increase (decrease) in accrued compensated absences	69,920	-	-	69,920	2,855
Increase (decrease) in net OPEB obligation	518,975	-	-	518,975	-
Increase (decrease) in other accrued expenses	-	-	8,746	8,746	-
Increase (decrease) in due to other funds	27,950	1,097,344	91,241	1,216,535	7,341
Increase (decrease) in customer deposits	472,040	-	-	472,040	-
Increase (decrease) in claims and judgments payable	-	-	-	-	95,331
Increase (decrease) in other liabilities	(36,000)	-	(59,209)	(95,209)	-
Net cash from (to) operating activities	$ 20,260,482	$ 1,474,699	$ 1,360,181	$ 23,095,362	$ (748,691)

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

During 2008, assets contributed by developers totaled $777,567 in the Board of Lights and Waterworks.

During 2008, the increase in fair value of investments totaled $42,966 in the Board of Lights and Waterworks.

During 2008, assets of $268,548 were acquired through leasing in the Golf Fund.

See accompanying notes to financial statements.

Continued from previous page.

CITY OF MARIETTA, GEORGIA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2008

	OPEB Trust Fund	Pension Trust Fund
Assets		
Cash and cash equivalents	$ 51,956	$ 3,169,909
Receivables:		
Accrued interest	-	290,821
Contributions	-	102,941
Total receivables	-	393,762
Investments, at fair value		
United States Government securities	-	17,996,597
Corporate notes and debentures	-	9,518,473
Common stock	-	37,117,861
Total investments	-	64,632,931
Total assets	51,956	68,196,602
Liabilities		
Accrued expenses	-	99,834
Due to other funds	-	3,783
Total liabilties	-	103,617
Net assets:		
Held in trust for OPEB benefits (See required supplementary information)	51,956	-
Held in trust for pension benefits (See required supplementary information)	-	68,092,985
Total Net Assets	$ 51,956	$68,092,985

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2008

	OPEB Trust Fund	Pension Trust Fund
Additions:		
Employer contributions	$ -	$ 4,623,599
Contributions from others	51,956	-
	51,956	4,623,599
Investment income (expenses):		
Net depreciation (depreciation) of fair value of investments	-	(3,853,127)
Interest and dividends	-	2,156,448
Total investment income	-	(1,696,679)
Less investment expenses	-	(361,601)
Net investment income (expenses)	-	(2,058,280)
Total additions	51,956	2,565,319
Deductions:		
Pension benefits paid	-	6,925,595
Administrative costs	-	68,736
Total deductions	-	6,994,331
Change in net assets	51,956	(4,429,012)
Net assets - beginning of year	-	72,521,997
Net assets - end of year	$ 51,956	$ 68,092,985

See accompanying notes to financial statements.

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Reporting Entity*

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

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

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

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

Marietta Welcome Center and Visitors Bureau, Inc.: The Marietta Welcome Center and Visitors Bureau, Inc. was created by the Marietta Sesquicentennial Commission in April, 1984. It was incorporated on February 4, 1985 and was granted tax exempt status by the Internal Revenue Code of 1954. The Internal Revenue Service determined that the Center is not a private foundation under Section 509 (a) of the Code. The purpose of the Center is to promote Marietta, Georgia as a viable tourist destination and thereby increase the number of visitors.

The Welcome Center derives its main source of revenue from the hotel/motel and 3% auto rental tax assessed by the City. Even though the City has only one liaison member on the governing board and it does not appoint any members to the board, the Welcome Center is fiscally dependent on the City. The Welcome Center's operational and capital budgets are subject to approval and modification by the City Council.

Complete financial statements of the discretely presented component unit can be obtained directly from their administrative office. The address for this administrative office is as follows:

Marietta Welcome Center and Visitors Bureau, Inc.
No. 4 Depot Street
Marietta, Georgia 30060

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

A. Reporting Entity (Cont'd)

Marietta Redevelopment Corporation:

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

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

The Corporation did not issue separate Component Unit Financial Statements. The amounts reported under accrual basis of accounting are not different than those using the modified accrual basis of accounting. An annual budget is not adopted for the Corporation.

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

B. Government-Wide and Fund Financial Statements

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

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

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

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

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

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

The government reports the following major governmental funds:

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

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

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

The government reports the following major proprietary funds:

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

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

The City Golf Course Fund accounts for the operations of the City's golf course.

Additionally, the government reports the following fund types:

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

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

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

Trust Funds – Trust Funds account for assets held by the City in a trustee capacity for individuals. The City has a Pension Trust Fund which is utilized to account for the activity of the City of Marietta Public Employee Retirement System defined benefit pension plan.

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

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

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

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

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets and Budgetary Accounting

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

Budgets for the General Fund, HUD-Housing Assistance Payments Program Special Revenue Fund, Cemetery Maintenance Special Revenue Fund, Gone With the Wind Museum Special Revenue Fund, Tax Allocation District Special Revenue Fund, the Local Option Sales Tax Capital Projects Fund, and SPLOST Capital Projects Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP) except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Investment earnings are not budgeted for in the HUD-Housing Assistance Payments Program, Local Law Enforcement Block Grant, and SPLOST Funds. Certain operating expenditures are not budgeted for and certain intergovernmental revenues are budgeted as tax revenues in the Tax Allocation District Fund. Other revenues are not budgeted for in the Tree Preservation Fund. Actual GAAP expenditures and revenues in the General, Special Revenue, Debt Service, and Capital Projects Funds have been adjusted to the budgetary basis for comparison within this report. An annual budget for the Marietta Housing Special Revenue Fund and Construction Capital Projects Fund was not adopted for the fiscal year 2008.

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

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

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

The City Manager is authorized to transfer budgeted amounts among divisions within departments within any fund; however, any revisions that alter the total expenditures of any department must be approved by the City Council. During fiscal year 2008, approximately $1.5 million in appropriations for expenditures were made in the governmental type funds.

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

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

Unencumbered appropriations lapse at year end.

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Investments

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

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

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

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

See Notes 2 and 3 for additional information regarding Cash and Investments.

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

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

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

Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation. As of June 30, 2008, there are no non-current portions of interfund balances.

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

G. Inventories

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2008 are recorded as prepaid items. The consumption method is used to account for prepaid items within the City's Funds.

I. Restricted Assets

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

Resources accumulated in the Marietta Conference Center and Resort Enterprise Fund for debt service payments over the next twelve months, facility renovation and funds accumulating for the replacement of furniture and fixtures are classified as restricted assets on the balance sheet.

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.

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

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

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

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

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

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

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

K. Compensated Absences

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

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

L. Long-Term Obligations

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

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

M. Fund Equity

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

N. Comparative Data/Reclassifications

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

(2) CASH AND CASH EQUIVALENTS

Custodial Credit Risk –Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City limits its exposure to custodial credit risk by requiring deposits to be collateralized in accordance with state law. As of June 30, 2008, the City was not exposed to custodial credit risk.

(3) INVESTMENTS

As of June 30, 2008, the City's reporting entity had the following investments:

Type of Investment	Rating	Investment Maturities (in Years)				Fair Value
		Less than 1	1-5	6-10	More than 10	
PRIMARY GOVERNMENT						
Georgia Fund I	AAAm	$ 22,660,871	$ -	$ -	$ -	$22,660,871
Municipal Competitive Trust	not rated	4,626,531	823,905	364,477	-	5,814,913
U.S. Agencies	AAA	23,022,787	1,476,568	2,124,634	-	26,623,989
Total Primary Government (non-fiduciary)		$ 50,310,189	$ 2,300,473	$ 2,489,111	$ -	$55,099,773
FIDUCIARY FUND						
Common Stocks	n/a	$ n/a	$ n/a	$ n/a	$ n/a	$37,117,861
Money Market Mutual Fund	AAA	2,354,484	-	-	-	2,354,484
Corporate Bonds:	A	-	297,000	3,069,541	297,315	3,663,856
	A+	-	1,002,645	983,215	517,370	2,503,230
	AA	-	1,492,810	-	-	1,492,810
	AA-		303,270	776,145	-	1,079,415
	AAA	-	-	779,162	-	779,162
Government Bonds:	AAA	-	2,055,440	3,765,252	8,377,347	14,198,039
	AAA	-	3,764	333,073	3,461,721	3,798,558
Total Fiduciary Fund		$ 2,354,484	$ 5,154,929	$ 9,706,388	$12,653,753	$66,987,415

Investments of the primary government include $6,537,284 grouped in restricted assets, and $17,994,501 grouped in cash and cash equivalents, and excludes $5,618,206 of certificates of deposits.

Investments of the fiduciary fund include $2,354,484 grouped with the cash and cash equivalents.

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

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

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

(4) RECEIVABLES

Receivables at June 30, 2008 for the government's individual major funds and nonmajor, internal service, and trust funds in the aggregate consist of the following:

	Taxes and Fines	Accrued Interest	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	$ 257,337	$ 28,978	$ 211,387	$ 126,955	$ (20,168)	$ 604,489
Board of Lights and Waterworks Fund	--	47,602	14,103,528	--	(498,000)	13,653,130
Golf Fund	--	--	--	23,355	--	23,355
SPLOST Fund	--	255,666	--	--	--	255,666
Debt Service Fund	163,480	9,853	--	--	(3,502)	169,831
Nonmajor and Other Funds	28,252	11,184	--	159,305	--	198,741
Total	$ 449,069	$ 353,283	$ 14,314,915	$ 309,615	$ (521,670)	$ 14,905,212

(5) RESTRICTED ASSETS

The City's restricted assets in the Enterprise Funds include investments held as security for utility customer deposits on record as of June 30, 2008, and cash and investments held in a separate account as required by the Revenue Bond Ordinance. Under City Golf Course, the cash with fiscal agent is restricted for bond payoff.

Board of Lights and Waterworks:	
Customer deposits	$ 6,537,284
City Golf Course:	
Cash with fiscal agent	835,000
Marietta Conference Center and Resort:	
Revenue bond debt service	2,438,372
Furniture and fixtures reserve	6,139
Facility renovations	6,010,653
Total	$15,827,448

The City's restricted assets in the Governmental Funds include cash and investments restricted for completion of projects.

SPLOST Capital Project Fund:	
SPLOST projects	$19,634,015

(6) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2008 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 5,129,868	$ 2,376,257	$ --	$ 7,506,125
Capital assets, being depreciated:				
Buildings	32,631,643	29,168	--	32,660,811
Improvements other than buildings	5,501,230	--	--	5,501,230
Machinery and equipment	32,300,595	2,374,390	(448,700)	34,226,285
Infrastructure	160,092,541	--	--	160,092,541
Total capital assets being depreciated	230,526,009	2,403,558	(448,700)	232,480,867
Less accumulated depreciation for:				
Buildings	(13,673,588)	(768,449)	--	(14,442,037)
Improvements other than buildings	(2,012,656)	(611,889)	--	(2,624,545)
Machinery and equipment	(28,567,914)	(1,633,504)	444,472	(29,756,946)
Infrastructure	(140,548,267)	(2,182,637)	--	(142,730,904)
Total accumulated depreciation	(184,802,425)	(5,196,479)	444,472	(189,554,432)
Total capital assets, being depreciated, net	45,723,584	(2,792,921)	(4,228)	42,926,435
Governmental activities capital assets, net	$ 50,853,452	$ (416,664)	$ (4,228)	$ 50,432,560

The beginning balances have been adjusted to correctly classify certain costs and accumulated depreciation amounts. See also Note 22 – Restatement.

(6) CAPITAL ASSETS (Cont'd)

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 8,752,260	$ --	$ --	$ 8,752,260
Total capital assets, not being depreciated	8,752,260	--	--	8,752,260
Capital assets, being depreciated:				
Buildings and improvements	40,326,905	497,299	--	40,824,204
Plant in service and water/sewer system	138,357,296	12,782,826	--	151,140,122
Machinery and equipment	47,881,844	6,864,166	(602,631)	54,143,379
Total capital assets, being depreciated	226,566,045	20,144,291	(602,631)	246,107,705
Less accumulated depreciation for:				
Buildings and improvements	(13,071,481)	(450,889)	--	(13,522,370)
Plant in service and water/sewer system	(68,890,859)	(4,416,689)	--	(73,307,548)
Machinery and equipment	(39,201,759)	(4,743,682)	471,271	(43,474,170)
Total accumulated depreciation	(121,164,099)	(9,611,260)	471,271	(130,304,088)
Total capital assets, being depreciated, net	105,401,946	$10,533,031	$(131,360)	115,803,617
Business-type activities, capital assets, net	$114,154,206	$ 10,533,031	$(131,360)	$124,555,877

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

Governmental activities:	
General government	$ 113,155
Public safety	1,759,766
Public Works, including depreciation of general infrastructure assets	2,971,530
Culture and recreation	298,667
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	53,361
Total depreciation expense – governmental activities	$ 5,196,479
Business-type activities:	
Water & Sewer	$ 2,774,876
Electric	5,878,029
Conference Center	771,419
Golf	186,936
Total depreciation expense – business-type activities	$ 9,611,260

(7) LONG-TERM OBLIGATIONS

Primary Government:

Governmental Activities:

General Obligation Bonds:

General obligation bonds have been issued for governmental activities and are comprised of the following individual issues at June 30, 2008:

$17,545,000 1996 Public Safety serial bonds due in annual installments commencing January 1, 1999 of $505,000 to $1,465,000 through January 1, 2016; interest at 4.80 to 5.30 percent ($0 outstanding after current refunding in fiscal year ended June 30, 2008). Bonds were issued to construct and equip a public safety building for the police department and courts, renovate and equip an existing fire station, and to construct and equip two new fire stations.

$39,195,000 1998A School Improvement serial bonds due in annual installments commencing August 1, 2006 of $1,845,000 to $7,025,000 through August 1, 2019; interest at 4.0 to 5.0 percent ($2,210,000) outstanding after defeasance of $29,075,000 in the fiscal year ended June 30, 2008). The 1998A were issued to finance the acquisition of land, construction and equipping one new school, and renovating and equipping existing schools, system wide technology improvements and the replacement purchase and upgrade capital equipment for the Marietta School System.

$21,125,000 2002 School Refunding serial bonds due in annual installments of $1,906,000 to $2,525,000 through June 1, 2012; interest at 3.0 to 4.0 percent ($8,880,000 outstanding). The bonds were issued to current refund the 1993 bond issue.

$9,575,000 2007 Public Safety Refunding serial bonds due in annual installments commencing January 1, 2009 of $1,005,000 to $1,415,000 through January 1, 2016; interest at 3.65 percent ($9,575,000 outstanding). The bonds were issued to current refund the 1996 bond issue.

$30,590,000 2008 School Refunding serial bonds due in annual installments commencing February 1, 2009 of $595,000 to $3,545,000 through February 1, 2019; interest at 3.35 percent ($30,590,000 outstanding). The bonds were issued to advance refund the 1998A bond issue. As a result, a portion of the 1998A series bonds is considered defeased, and the City has removed the liability from its records. The outstanding principal of the defeased bonds is $29,075,000 at June 30, 2008.

The advance refunding reduced the total debt service payments over the next 11 years by nearly $1.5 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of $1.1 million.

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

Year Ending June 30,	Principal	Interest	Total
2009	$ 6,140,000	$ 1,578,413	$ 7,718,413
2010	6,170,000	1,569,782	7,739,782
2011	6,415,000	1,349,226	7,764,226
2012	5,635,000	1,117,938	6,752,938
2013	4,190,000	915,460	5,105,460
2014-2018	20,535,000	2,356,692	22,891,692
2019	2,170,000	72,587	5,105,460
Total	$51,255,000	$ 8,960,098	$ 60,215,098

(7) LONG-TERM OBLIGATIONS (Cont'd)

$3,658,388 is available in the Debt Service Fund to service the general obligation bonds.

The amount of defeased debt outstanding but removed from the City's records amounted to $29,075,000 at June 30, 2008.

Revenue Bonds:

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

Year Ending June 30,	Principal	Interest	Total
2009	$ --	$ 364,322	$ 364,322
2010	675,000	364,322	1,039,322
2011	3,775,000	339,280	4,114,280
2012	5,370,000	199,227	5,569,227
Total	$ 9,820,000	$ 1,267,151	$ 11,087,151

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

Tax Allocation District Bonds:

During fiscal year 2006, the City issued $8,400,000 in limited obligations bonds to undertake certain redevelopment projects within a tax allocation district established by the City. The issuance is a limited obligation of the City, not secured by the full faith and credit of the City, but is secured solely by, and payable solely from, pledged revenues. The pledged revenues are defined as the tax allocation increments, the amount of property taxes generated within the district area which exceed the amount collected from the same area prior to development, from the City, Cobb County, and the Marietta City Schools Board of Education. The property tax increments are pledged until the payment in full of the bonds. The bonds are due in annual installments commencing December 15, 2008 of $499,195 to $816,926 through December 15, 2020; interest rate at 4.19%. For the current year, principal and interest paid and total tax allocation incremental revenues were $351,960 and $90,560, respectively.

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

Year Ending June 30,	Principal	Interest	Total
2009	$ 499,195	$ 351,960	$ 851,155
2010	520,111	331,044	851,155
2011	541,904	309,251	851,155
2012	564,610	286,545	851,155
2013	60,658	19,274	79,932
2014-2018	3,332,373	923,400	4,255,773
2019-2021	2,353,540	199,925	2,553,465
Total	$ 8,400,000	$ 2,665,013	$ 11,065,013

(7) LONG-TERM OBLIGATIONS (Cont'd)

Note Payable:

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

Year Ending June 30,	Principal	Interest	Total
2009	$ 49,684	$ 30,248	$ 79,932
2010	52,226	27,706	79,932
2011	54,897	25,035	79,932
2012	57,706	22,226	79,932
2013	60,658	19,274	79,932
2014-2018	352,443	42,218	399,661
Total	$ 627,614	$ 171,707	$ 802,32

Business-Type Activities:

Bonds payable in the Enterprise Funds at June 30, 2008 is as follows:

Bonds Payable - current	$ 990,000
Bonds Payable - noncurrent	30,420,000
	$31,410,000

$13,000,000, Series 1996A-Marietta Conference Center Project Serial bonds due in annual installments commencing July 1, 2014 of $1,085,000 to $1,990,000 through July 1, 2021; interest at a variable rate reset on a weekly basis ($13,000,000 outstanding).

$12,810,000, Series 1996B-Marietta Conference Center Project serial bonds due in annual installments commencing July 1, 1999 of $295,000 to $1,295,000 through July 1, 2014; interest at a variable rate reset on a weekly basis ($7,095,000 outstanding).

$4,315,000 Series 2003 Revenue Bonds – Marietta Conference Center bonds due in two annual installments commencing July 1, 2022 of $2,100,000 and $2,215,000 through July 1, 2023; interest at a variable rate reset on a weekly basis ($4,315,000 outstanding).

$7,000,000 Series 2008 Revenue Bonds – Marietta Conference Center Project bonds due in annual interest installments with principal payments commencing July 1, 2024 of $2,160,00 to $2,500,000 through July 1, 2026; bond interest at a variable rate. Simultaneously with closing the bonds, the Downtown Marietta Development Authority entered into an interest rate swap transaction with a hedge provider which has a notional amount equal to $7,000,000, which is the par amount of the Series 2008 bonds. The notional amount amortizes in synch with the bonds, and requires the Authority to pay a fixed rate of 6.219% and the hedge provider to pay the one month USA-LIBOR-BBA. The payments under the hedge agreement are obligations secured under the bond funding agreement. ($7,000,000 outstanding).

The Series 1996A and 1996B Revenue Bonds were issued on behalf of the City of Marietta by the Downtown Marietta Development Authority (the Authority) in order to finance the construction of the conference center facility. The Series 2003 were issued to finance the buyout of the old management company's agreement and to fund the working capital that was advanced from the General Fund. The Series 2008 were issued to finance a portion of the costs of renovating the Conference Center facility. These bonds are not included on the financial statements of the Authority and are presented as debt obligations of the City of Marietta in accordance with Governmental Accounting Standards Board Interpretation -2 Disclosure of Conduit Debt Obligations.

(7) LONG-TERM OBLIGATIONS (Cont'd)

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

Year Ending June 30,	Principal	Interest	Total
2009	990,000	1,290,132	2,280,132
2010	1,045,000	1,238,139	2,283,139
2011	1,100,000	1,328,576	2,428,576
2012	1,160,000	1,580,235	2,740,235
2013	1,225,000	1,399,601	2,264,601
2014-2018	7,225,000	6,591,434	13,813,434
2019-2023	9,450,000	4,541,359	13,991,359
2024-2026	9,215,000	1,507,425	10,722,425
Total	$31,410,000	$19,476,901	$50,886,901

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

Long-Term Liabilities:

The following is a summary of changes in long-term liabilities of the City's Governmental Funds for the year ended June 30, 2008:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$54,880,000	$40,165,000	$(43,790,000)	$51,255,000	$6,140,000
Less deferred amounts on refunding	--	(1,381,397)	20,930	(1,360,467)	--
Tax Allocation District Bonds	8,400,000	--	--	8,400,000	499,165
Unamortized bond premium	53,481	--	(10,695)	42,786	--
Revenue bond	--	9,820,000	--	9,820,000	--
Note payable	674,879	--	(47,265)	627,614	49,684
Compensated absences	2,280,938	1,166,222	(1,048,757)	2,498,403	1,070,378
OPEB obligation	--	4,927,230	(1,554,560)	3,372,670	--
Governmental activity Long-term liabilities	$66,389,298	$54,697,055	$ (46,430,347)	$ 74,656,006	$7,759,257
Business-type activities:					
Bonds payable:					
Revenue bonds	$25,350,000	$ 7,000,000	$ (940,000)	$31,410,000	$ 990,000
Bond premium/discount	--	1,060,000	--	1,060,000	--
Capital leases	3,192,696	5,088,450	(3,192,696)	5,088,450	46,858
Deferred amounts on refunding	(276,936)	474,589	276,936	474,589	--
Compensated absences	697,357	389,772	(319,852)	767,277	301,100
OPEG obligation	--	1,471,770	(952,795)	518,975	--
Accrued interest payable	3,038,732	73,492	(3,038,732)	73,492	73,492
Business-type activity Long-term liabilities	$32,001,849	$15,558,073	$(8,167,139)	$39,392,783	$1,411,450

Compensated absences are typically liquidated in the general fund.

Component Units:

The Marietta Redevelopment Corporation has a $6,000,000 line of credit with a local financial institution, of which $2,446,426 was used at June 30, 2008. The original line matured on August 2007 and was renewed in November 2007 for an additional 24 months. The line of credit is at the prime rate of interest. $1,000,000 of the Redevelopment Corporation's cash balance serves as an interest reserve on the line of credit. The line is secured by the Redevelopment Corporation's investments.

(8) LEASES

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

Capital Leases
A contract dated July 1, 1990 was supplemented and amended as of September 1, 1995 between the City and the Downtown Marietta Development Authority. This agreement obligates the City to make lease payments directly to the bond sinking fund custodian by December 15 and June 15 of each year for the purpose of paying the principal and interest on the unrefunded outstanding balance of the 1990 Golf Course Redevelopment and Acquisition Bonds and the 1995 Public Golf Course Refunding Revenue Bonds issued by the Authority, and subsequently, as refunded by the Series 2008 Golf Course Refunding Revenue Bonds. This contract enables the City to lease from the Authority the former Marietta Country Club facilities purchased by the Authority with the bond proceeds. The lease has been recorded as a direct financing lease in accordance with generally accepted accounting principles in the City Golf Course Enterprise Fund. This contract qualifies as a conduit debt obligation in accordance with Governmental Accounting Standards Board Interpretation - 2 Disclosure of Conduit Debt Obligations and therefore the obligation for the bonds is not reported on the financial statements of the Downtown Marietta Development Authority. The contract will not expire until full payment of the bonds on July 1, 2015, at which time ownership of the facilities will transfer to the City. The City will be responsible for all operations and maintenance cost of the facilities and will be entitled to all revenues generated by the facilities. Total assets associated with the City Club facilities that have been capitalized in the City Golf Course Enterprise Fund are $12,147,506. Accumulated depreciation associated with these facilities is $3,717,386.

The 2008 Public Golf Course Refunding Revenue Bonds issued by the Authority resulted in an increase in the principal balance of the capital lease of $552,755.

On March 1, 2008, a lease agreement was entered into with Yamaha Motor Corporation for golf carts. The lease agreement is for 48 months and requires a balloon payment at the end of the lease. The lease qualifies as a capital lease and has been recorded in the Golf Course Operating Enterprise Fund. The amount capitalized for the carts is $268,550. Accumulated depreciation associated with the golf carts is $19,542.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2008:

Year Ending June 30	City Golf Course
2009	$ 58,626
2010	899,942
2011	896,052
2012	943,061
2013	836,307
2014-2016	2,514,022
Total minimum lease payments	6,148,010
Less amounts representing interest	584,971
Present value of minimum lease payments	5,563,039
Less deferred loss on refunding	474,589
Total	$ 5,088,450

(9) PENSION PLANS

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

Monthly contributions to the plan are equivalent to 6.13% of regular full-time employees' pay and are 100% contributed by the City. Total contributions to the plan for the fiscal years ended June 30, 2008 and 2007 were $1,875,042 and $1,756,932, respectively.

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

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

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

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

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

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

(9) PENSION PLANS (Cont'd)

Summary of Significant Accounting Policies and Plan Asset Matters:

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

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

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

Schedule of Employer Contributions:

Fiscal Year Ended	Annual Pension Cost	Annual Actual Contributions	Percentage Contributed	Net Pension (Asset) Obligation
6/30/06	$4,042,935	$ 3,583,386	89%	$ (1,351,553)
6/30/07	$4,496,964	$ 4,088,075	91%	$ (862,337)
6/30/08	$5,841,977	$ 4,623,599	76%	$ 238,412

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

Annual required contribution	$ 5,841,977
Interest on net pension asset	(74,363)
Adjustment to annual required contribution	(43,266)
Annual pension cost	5,724,348
Contributions made	(4,623,599)
(Increase) decrease in net pension asset	1,100,749
Net pension asset beginning of year	(862,337)
Net pension obligation end of year	$ 238,412

Entry age normal actuarial cost method is used to establish the actuarial position of the plan and to determine an appropriate level of contributions for all benefits except death and disability. Employer contributions represented 13.5 percent of the current year covered payroll. The actuarially determined contribution recommendation of 19.54 percent was based on the 2008 fiscal year projected payroll determined through an actuarial valuation performed at July 1, 2007. Total contributions to the general pension plan for the fiscal year ended June 30, 2008 were $4,623,599.

As of July 1, 2007, the date of the most recent actuarial valuation, employee membership data relevant to the pension plan was as follows:

Member of retirees and beneficiaries currently receiving benefits	376
Number of terminated employees entitled to benefits but not yet receiving them	304
Active employees:	
Fully Vested	432
Nonvested	285
Total plan participants	1,397

(9) PENSION PLANS (Cont'd)

Actuarial assumptions used in the valuation at July 1, 2007 include the following:

Amortization Method		The greater of:
	-	Level payments for Early Retirement Incentive and approximate level percentage of payroll for remaining unfunded liability (plan changes for pensioners and beneficiaries are amortized as level dollar amounts).
	-	Amortizing the entire Unfunded Actuarial Accrued Liability 30 years from the valuation date as a level percentage of the payroll, taking into account the inflation component only.
Actuarial Value of Assets	-	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the actuarial value, and is recognized over a five year period, further adjusted, if necessary, to be within 20% of the market value.

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

Ten-year historical trend information presenting the General Pension Plan progress in accumulating sufficient assets to pay benefits when due is presented in The City of Marietta, Georgia Public Employees Retirement System Annual Financial Report for the fiscal year ended June 30, 2008, which may be obtained from the City of Marietta Finance Department.

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

Peace Officers' Annuity and Benefit Fund and Georgia Firemen's Pension Fund - Police officers and firefighters are also members of the Peace Officers' Annuity and Benefit Fund and the Georgia Firemen's Pension Fund, respectively. Police officers and firefighters contribute twenty and fifteen dollars, respectively, each month to these state administered plans. The City of Marietta contributed $139,033 to the Peace Officers' Annuity and Benefit Fund for the year ended June 30, 2008. Contributions to this fund are based on the number and amounts of fines and bond forfeiture cases each month as prescribed by State Law. The Georgia Firemen's Pension Fund is funded by the state-levied fire insurance premium tax.

(10) COMMITMENTS AND CONTINGENCIES

A. Litigation

The City of Marietta is a defendant in other various lawsuits at June 30, 2008. However, no additional accrual or disclosure of these lawsuits is required.

(10) COMMITMENTS AND CONTINGENCIES (Cont'd)

B. *Commitments*

Marietta Conference Center

On April 1, 1995, the City executed a Conference Center Funding Agreement with the Downtown Marietta Development Authority (the Authority). Under this agreement, the City pledged 30.25% of its hotel/motel tax collections to the Downtown Marietta Development Authority to be used solely for the principal and interest payments on the Downtown Marietta Development Authority Revenue Bond (the Marietta Conference Center Project), Series 1996A and 1996B, totaling $25,810,000 which was issued by the Authority for the purpose of obtaining funds to pay the costs of acquiring, constructing, furnishing, and equipping the Marietta Conference Center, and the costs of issuing the bonds. The City, as an agent for the Authority, and Remington Hotel Corporation had entered into an agreement effective July 1, 2006 to lease the facilities of Marietta Conference Center and Resort. The lease was set to terminate on May 31, 2008 with three optional extensions through 2023. On March 1, 2008, the City, as agent for the Authority, entered into a new management agreement with Marietta Leasehold, L.P., a partnership including the former lessee, Remington Hotel Corporation, for the management of the renovation and operations of the conference center. The lease is effective January 1, 2008 and expires June 30, 2028. On March 6, 2008, additional bonds were issued and are referred to as The Marietta Conference Center Project Revenue Bonds, Series 2008 in the amount of $7,000,000, for the improvement and renovation of the Conference Center and to implement the Hilton Hotels Corporation's Property Improvement Plan. The Lease agreement provides for the Marietta Leasehold, L.P to pay to the City rent in the amount of $2,325,000 per year payable in equal monthly installments, with additional amounts due starting in 2010. Future minimum rentals total $2,131,250 for fiscal year 2009, $2,250,950 for fiscal year 2010, and $2,610,050 each of fiscal years 2011-2013. Hotel/motel taxes, from which the appropriations are made, have averaged $2.3 million per year over the last 10 years. For the current year, principal and interest paid by the City and the total hotel/motel tax revenue recognized by the City were $7.8 million and $2.2 million, respectively. The agreement also provides for the City to receive additional rent payments equal to 3% of the amount, if any, that gross revenues exceed $14 million. The agreement also provides for Marietta Leasehold, L.P to receive 30.25% of Hotel/Motel Taxes collected, up to a maximum of $900,000. All property, plant, and equipment in the Marietta Conference Center and Resort fund are included in the lease.

In addition to the pledged Hotel/Motel taxes, the City has pledged to the Authority its full faith and credit and taxing power for the payment of principal and interest on the 1996A, 1996B, 2003, and 2008 Bonds. To the extent the amounts on deposit in the Bond Sinking Fund are insufficient to enable the Authority to pay the principal and interest on the bond when due, the City is obligated to pay the Authority amounts sufficient to cover the scheduled principal and interest payments. The Marietta Conference Center operations are reported in an enterprise fund within the financial statements.

Municipal Electric Authority of Georgia

The City has entered into Power Sales Contracts with the Municipal Electric Authority of Georgia (the "Authority"). The contracts require the City to purchase from the Authority all of the City's bulk power supply, other than power supplied by Federally-owned generation projects. The Authority is authorized to establish rates and charges so as to produce revenues sufficient to cover its costs. The City's payment obligations, which extend approximately through the year 2056, are general obligations to the payment of which the City's full faith and credit and taxing powers are pledged. The City purchased bulk power totaling $58,836,419 from the Authority during the year ended June 30, 2008. The City's future minimum payment obligations to the Authority will be based on the Authority's costs.

The City also has active construction projects at June 30, 2008.

(11) INTERFUND RECEIVABLES AND PAYABLE BALANCES

Interfund loans receivable are considered "available spendable resources."

Such balances at June 30, 2008 include Due from (to) and Interfund receivable (payable) and are summarized as follows:

	RECEIVABLE				
PAYABLE	INTERNAL SERVICE	NONMAJOR GOVERNMENTAL	BLW	MCCR	Total
General Fund	$ 93,534	$ 21,236	$ 29,661	$ 127,968	$ 272,399
Nonmajor Governmental	-	602,786	97,575	-	700,361
BLW	27,950	-	-	-	27,950
Golf Course	-	-	1,565,720	-	1,565,720
Fiduciary	3,783	-	-	-	3,783
Internal Service	-	982,851	1,336,612	-	2,319,463
MCCR	-	-	91,242	-	91,242
Total	$ 125,267	$ 1,606,873	$ 3,120,810	$ 127,968	$ 4,980,918

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

These balances are expected to be repaid within one year.

(12) TRANSFERS

Interfund transfers for the current year were as follows:

	Transfer Out From						
Transfer In To	General Fund	Nonmajor Governmental	Debt Service Fund	BLW	Internal Services	Golf Course	Total
Primary Government:							
General Fund	$ -	$ 2,696,889	$ 20,507	$ 12,935,319	$ 53,800	$ 22,682	$ 15,729,197
Internal Services	1,030,968	-	-	634,978	-	-	1,665,946
BLW	2,942,813	4,304	3,984	-	10,451	4,406	2,965,958
MCCR	665,955	-	-	-	-	-	665,955
Golf Course	384,832	-	-	-	-	-	384,832
TOTAL	$ 5,024,568	$ 2,701,193	$ 24,491	$ 13,570,297	$ 64,251	$ 27,088	$ 21,411,888

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

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

(13) PROPERTY TAX

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

Property taxes are levied in August or September of each year on the assessed valuation of property as of the preceding January 1 and are due within 60 days. Taxes levied on August 29, 2007 were due on October 25, 2007.

Liens were attached to property for unpaid taxes on March 5, 2008.

Assessed values are established by the Cobb County Tax Assessor's office and are currently calculated at 40% of the market value. The assessed value of property at January 1, 2007 was $2,328,581,761.

Based on the 2007 City General, Debt Service, and Cemetery Maintenance millage levy of 4.69, a property owner would pay $4.69 per $1,000 of assessed valuation.

Current tax collections of $11,407,894 for the fiscal year ended June 30, 2008 were 99 percent of the tax levy.

(14) FUND BALANCE RESERVES AND DESIGNATIONS

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

Fund Balances:

Reserved for encumbrances - Encumbrances outstanding at year end represent the estimated amount the City intends to honor as a commitment regardless of the lapse in the appropriation. The following is a detail of the reserved for encumbrance balances at June 30, 2008:

Primary Government:	
General Fund	$ 1,491,485
Special Revenue Funds:	
HUD Housing Assistance	378
Cemetery Maintenance	47,282
Tax Allocation District	141,490
Tree Preservation	125,427
Capital Projects Funds:	
Local Option Sales Tax	539,061
SPLOST	3,213,265

Reserved for debt service - This reserve was established by the City in conformance with the general obligation (G.O.) bond ordinances. The net assets of this reserve are for the sole purpose of retiring debt. The total in the Debt Service Fund at June 30, 2008 was $3,658,388.

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

Primary Government:	
General Fund	$ 843,842

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

Primary Government:	
General Fund	$ 75,534
Capital Projects Funds:	
Local Option Sales Tax	150,000
SPLOST	306,116
Special Revenue Funds:	
Tax Allocation District	1,052,495
Tree Preservation	98,710

(15) FUND BALANCE/NET ASSETS (DEFICIT)

Marietta Conference Center & Resort	$ (5,634,692)
Gone With the Wind Museum	$ (53,478)
HUD CDBG	$ (5,075)
Motor Transport	$ (54,515)

Marietta Conference Center & Resort anticipates a recovery of this deficit with lease income.

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

The HUD CDBG Fund will receive grant funds in fiscal year 2009 to fund this deficit.

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

(16) POSTEMPLOYMENT HEALTHCARE PLAN

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

Plan Description - The City of Marietta OPEB Trust is a single-employer defined benefit healthcare plan administered by the City of Marietta. The City provides medical, dental, and life insurance benefits to retirees and spouses. Substantially all of the City's employees may become eligible for those benefits if they reach normal retirement age while working for the City. As of June 30, 2008 there were 333 retirees and spouses eligible for the benefits, 247 retirees and spouses receiving benefits, and 714 current and active employees. The City has the authority to establish and amend benefit provisions.

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

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

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

Funding Policy - The contribution requirements are established and may be amended by the City. The required contribution was determined by an actuarial valuation. For fiscal year 2008, the City contributed $2,507,355 to the plan. If hired before August 14, 1991, 100% of the cost of employee health insurance premiums will be paid by the City. Amounts paid by the City for employees hired subsequent to August 14, 1991 are based on years of service and the date of hire and are as follow:

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

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

(16) POSTEMPLOYMENT HEALTHCARE PLAN (Cont'd)

Annual required contribution	$	6,399,000
Interest on net OPEB obligation		-
Adjustment to annual required contribution		-
Annual OPEB cost (expense)		6,399,000
Contributions made		(2,507,355)
Increase in net OPEB obligation		3,891,645
Net OPEB obligation—beginning of year		-
Net OPEB obligation—end of year	$	3,891,645

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.

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

Valuation date	7/1/2006
Actuarial cost method	Projected unit credit with benefits attributed From date of hire to date of decrement
Amortization method	Level percentage of pay, open
Remaining amortization period	30years
Asset valuation method	n/a
Actuarial assumptions:	
Discount rate	4%
Projected salary increase	4%
Healthcare cost trend rate	12% initial 5% ultimate

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

(17) RISK MANAGEMENT

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

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

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

	Year Ending June 30, 2008	Year Ending June 30, 2007
Claims and judgments payable, beginning of fiscal year	$ 1,883,254	$ 1,888,438
Incurred claims	7,512,616	7,701,291
Claim payments	(7,417,285)	(7,706,475)
Claims and judgments payable, end of fiscal year	$ 1,978,585	$ 1,883,254

(18) INTRADEPARTMENTAL BILLINGS

Total operating revenues and total operating expenses in the Board of Lights and Waterworks Enterprise Fund includes $136,861 of intra departmental billings for utility usage.

(19) INVESTMENT IN TELECOMMUNICATIONS PROJECT

The City elected to participate in the construction and operations of a Telecommunications Project with the Municipal Electric Authority of Georgia (MEAG) and other participating municipalities.

In January 1997, the City Council approved a contract with MEAG whereby the City elected to make a capital contribution to the Telecommunications Project Cost of Acquisition and Contraction. As of June 30, 2008, the City had contributed $3,729,966 to the project.

(20) JOINT VENTURE

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

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

(21) EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following funds had expenditures in excess of appropriations for the fiscal year ended June 30, 2008:

	Budget	Actual	Variance with Final Budget
General Fund:			
General government:			
General administration:			
Legislative	$ 443,154	$ 583,047	$ (139,893)
Law	$ 525,000	$ 547,232	$ (22,232)
Public Safety:			
Police	$14,010,945	$14,071,728	$ (60,783)
Gone With the Wind Museum	$ 151,578	$ 163,514	$ (11,936)

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

(22) RESTATEMENT

The net assets reported in the Governmental Activities column in the Government Wide Statements have been restated to correct depreciation expense and accumulated depreciation on infrastructure. Below is a summary of the restated accounts in the Government Wide Statements:

	Governmental Activities
Net Assets as previously reported	$ 25,257,704
Restatement	1,391,888
Net Assets as adjusted	$ 26,649,592
Net Change in Net Assets as previously reported for FY07	$ 7,359,919
Effect of restatement	1,391,888
Net Change in Net Assets as restated for FY07	$ 8,751,807

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION

A.) PUBLIC EMPLOYEE RETIREMENT SYSTEM

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

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability(AALP)	(3) Funded Ratio (1)(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as A Percentage Of Covered Payroll (4)(5)
07/1/05	73,865,152	110,169,518	67.0%	36,304,366	26,451,193	137.3%
07/1/06	72,817,470	122,328,444	59.5%	49,510,974	30,068,207	164.7%
07/1/07	74,195,118	128,647,468	57.7%	54,452,350	30,170,894	180.5%

B.) POST EMPLOYMENT HEALTHCARE PLAN

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

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability(AALP)	(3) Funded Ratio (1)(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Covered Payroll	(6) UAAL as A Percentage Of Covered Payroll (4)(5)
07/1/07	$ -	90,530,000	0%	90,530,000	30,170,894	300.1%

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

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/08	$ 6,399,000	39.2%	$ 3,891,645

CITY OF MARIETTA, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:				
Taxes	$ 16,826,095	$ 16,826,095	$ 16,964,329	$ 138,234
Licenses and permits	6,391,966	6,391,966	6,227,731	(164,235)
Intergovernmental	1,517,968	6,482,348	2,583,544	(3,898,804)
Charges for services	3,917,418	3,959,248	3,978,422	19,174
Fines and forfeits	4,221,700	4,221,700	3,797,209	(424,491)
Investment earnings	900,000	900,000	817,845	(82,155)
Other	425,210	479,930	537,579	57,649
Total revenues	34,200,357	39,261,287	34,906,659	(4,354,628)
Expenditures:				
Current:				
General government:				
General administration:				
Legislative	609,495	443,154	583,047	(139,893)
Judicial	1,161,363	1,168,237	1,147,021	21,216
Executive	836,556	1,239,082	1,094,196	144,886
Law	525,000	525,000	547,232	(22,232)
Financial administration	1,741,058	1,685,582	1,610,393	75,189
Human resources	885,496	896,959	843,972	52,987
Planning and zoning	1,929,261	6,281,806	2,101,027	4,180,779
Public works	7,904,884	7,931,053	7,809,530	121,523
Culture and recreation	5,535,235	6,521,948	5,652,760	869,188
Public safety:				
Police	13,316,548	14,010,945	14,071,728	(60,783)
Fire	11,359,122	11,864,388	11,797,769	66,619
Aurora/fire museum	2,000	2,000	1,951	49
Debt Service:				
Principal and interest	79,936	79,936	79,936	-
Total expenditures	45,885,954	52,650,090	47,340,562	5,309,528
Excess (deficiency) of revenues over expenditures	(11,685,597)	(13,388,803)	(12,433,903)	954,900
Other financing sources (uses):				
Sales of capital assets	30,000	30,000	425,157	395,157
Transfers in	15,733,395	15,960,395	15,956,197	(4,198)
Transfers out	(4,127,798)	(4,356,798)	(5,251,568)	(894,770)
Total other financing sources (uses)	11,635,597	11,633,597	11,129,786	(503,811)
Net change in fund balance	$ (50,000)	$ (1,755,206)	(1,304,117)	$ 451,089
Reconciliation to GAAP basis:				
Encumbrances outstanding at end of year			1,491,485	
Fund balances at beginning of year - GAAP basis			16,522,797	
Fund balances at end of year - GAAP basis			$ 16,710,165	

GOVERNMENTAL FUNDS

GOVERNMENTAL FUNDS

GENERAL FUND

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

CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 7,195,418	$ 4,121,584
Equity in pooled cash	1,630,232	3,906,957
Investments	9,712,613	7,181,402
Receivables (net of allowance for estimated uncollectibles):		
Taxes and fines	253,194	271,202
Sanitation	195,362	191,024
Accrued interest	28,978	65,377
Other	126,955	166,562
Prepaid items	31,048	31,048
Due from other funds	-	2,776,205
Due from other governments	522,487	446,423
Total assets	$ 19,696,287	$ 19,157,784
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 1,636,795	$ 1,582,871
Accrued salaries and employee benefits	755,762	670,262
Due to other funds	272,399	127,968
Due to component unit	59,637	-
Due to other governments	-	10,000
Deferred revenue	261,529	243,886
Total liabilities	2,986,122	2,634,987
Fund balance:		
Reserved for encumbrances	1,491,485	1,142,596
Reserved for culture and recreation	843,842	809,399
Unreserved:		
Designated	75,534	36,192
Undesignated	14,299,304	14,534,610
Total fund balance	16,710,165	16,522,797
Total liabilities and fund balance	$ 19,696,287	$ 19,157,784

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Taxes	$ 16,964,329	$ 16,607,554
Licenses and permits	6,227,731	6,621,273
Intergovernmental	2,583,544	2,225,805
Charges for services	3,978,422	3,767,775
Fines and forfeits	3,797,209	4,353,147
Investment earnings	817,845	1,071,506
Other	537,579	453,539
Total revenues	34,906,659	35,100,599
Expenditures:		
Current:		
General government	7,435,676	7,370,697
Public works	7,698,754	7,266,035
Culture and recreation	4,767,481	5,404,198
Public safety	25,867,230	23,525,100
Housing and redevelopment	-	2,100,000
Debt service:		
Principal and interest	79,936	79,936
Total expenditures	45,849,077	45,745,966
Excess (deficiency) of revenues over expenditures	(10,942,418)	(10,645,367)
Other financing sources (uses):		
Sale of capital assets	425,157	139,123
Transfers in	15,729,197	15,515,433
Transfers out	(5,024,568)	(4,145,206)
Total other financing sources (uses)	11,129,786	11,509,350
Net change in fund balance	187,368	863,983
Fund balance at beginning of year	16,522,797	15,658,814
Fund balance at end of year	$ 16,710,165	$ 16,522,797

See accompanying notes to financial statements.

NONMAJOR COMBINING STATEMENTS

CITY OF MARIETTA, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2008

	Special Revenue	Local Option Sales Tax	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 4,020,400	$ -	$ 4,020,400
Cash with fiscal agent	930,530	-	930,530
Equity in pooled cash	671,386	288,828	960,214
Receivables, net	51,792	-	51,792
Prepaid expenses	5,290	-	5,290
Due from other funds	1,606,873	-	1,606,873
Due from other governments	157,575	1,217,055	1,374,630
Inventories	15,340	-	15,340
Total assets and other debits	$ 7,459,186	$ 1,505,883	$ 8,965,069
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ 177,382	$ 142,465	$ 319,847
Retainage payable	-	110,389	110,389
Accrued liabilities	21,143	-	21,143
Due to other funds	97,574	602,787	700,361
Due to other governments	50,701	-	50,701
Deferred revenue	89,738	-	89,738
Total liabilities	436,538	855,641	1,292,179
Fund balances:			
Reserved for:			
Encumbrances	287,860	539,061	826,921
Unreserved - designated for:			
Completion of projects	1,177,922	150,000	1,327,922
Unreserved - undesignated, reported in:			
Special revenue funds	5,556,866	-	5,556,866
Capital projects funds	-	(38,819)	(38,819)
Total fund balances	7,022,648	650,242	7,672,890
Total liabilities and fund balances	$ 7,459,186	$ 1,505,883	$ 8,965,069

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2008

	Special Revenue	Local Option Sales Tax	Total Nonmajor Governmental Funds
Revenues:			
Taxes	$ 2,975,438	$ -	$ 2,975,438
Intergovernmental	6,427,095	2,716,386	9,143,481
Charges for services	74,745	-	74,745
Other	78,766	-	78,766
Investment earnings	259,099	-	259,099
Total revenues	9,815,143	2,716,386	12,531,529
Expenditures:			
Current:			
Public works	329,021	-	329,021
Culture and recreation	163,585	-	163,585
Public safety	33,912	-	33,912
Urban redevelopment and housing	6,665,677	-	6,665,677
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	351,960	-	351,960
Capital projects	-	2,780,066	2,780,066
Total expenditures	7,544,155	2,780,066	10,324,221
Excess (deficiency) of revenues over expenditures	2,270,988	(63,680)	2,207,308
Other financing sources (uses):			
Transfers in (out)	(2,701,193)	-	(2,701,193)
Payment to refunded bond escrow agent	-	-	-
Bond proceeds	-	-	-
Total other financing sources (uses)	(2,701,193)	-	(2,701,193)
Net change in fund balance	(430,205)	(63,680)	(493,885)
Fund balances at beginning of year	7,452,853	713,922	8,166,775
Fund balances at end of year	$ 7,022,648	$ 650,242	$ 7,672,890

See accompanying notes to financial statements.

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2008
With Comparative Totals for June 30, 2007

	Nonmajor Funds				
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Marietta Housing Fund	Cemetery Maintenance
ASSETS					
Cash and cash equivalents	$ 2,479,893	$ -	$ 1,540,057	$ -	$ -
Cash with fiscal agent	-	-	930,530	-	-
Equity in pooled cash	84,382	-	130,647	799	218,443
Receivables, net	3,692	642	28,252	-	8,476
Prepaid expenses	-	-	-	-	-
Due from other funds	-	-	926,154	-	680,719
Due from other governments	73,115	37,160	22,781	-	869
Inventories	-	-	-	-	-
Total assets	$ 2,641,082	$ 37,802	$ 3,578,421	$ 799	$ 908,507
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	$ 128,095	$ -	$ 32,968	$ -	$ 7,740
Accrued salaries and employee benefits	11,294	3,797	-	-	1,004
Due to other funds	-	39,080	-	-	-
Due to other governments	-	-	50,701	-	-
Deferred revenue	-	-	42,884	-	6,277
Total liabilities	139,389	42,877	126,553	-	15,021
Fund balance:					
Reserved for encumbrances	378	-	141,490	-	47,282
Unreserved - designated	-	-	1,052,495	-	-
Unreserved - undesignated	2,501,315	(5,075)	2,257,883	799	846,204
Total fund balance (deficit)	2,501,693	(5,075)	3,451,868	799	893,486
Total liabilities and fund balance	$ 2,641,082	$ 37,802	$ 3,578,421	$ 799	$ 908,507

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (CONT'D)
June 30, 2008
With Comparative Totals for June 30, 2007

Nonmajor Funds						
LLEBG Fund	Gone with the Wind Museum	Tree Preservation	Hotel Motel Tax	Auto Rental Tax	Totals 2008	Totals 2007
$ -	$ 450	$ -	$ -	$ -	$ 4,020,400	$ 4,942,222
-	-	-	-	-	930,530	900,666
7,769	-	229,346	-	-	671,386	1,673,435
32	10,698	-	-	-	51,792	26,101
-	5,290	-	-	-	5,290	-
-	-	-	-	-	1,606,873	-
23,650	-	-	-	-	157,575	153,891
-	15,340	-	-	-	15,340	17,781
$ 31,451	$ 31,778	$ 229,346	$ -	$ -	$ 7,459,186	$ 7,714,096
$ -	$ 8,579	$ -	$ -	$ -	$ 177,382	$ 133,044
-	5,048	-	-	-	21,143	17,795
-	58,494	-	-	-	97,574	60,055
-	-	-	-	-	50,701	-
27,442	13,135	-	-	-	89,738	50,349
27,442	85,256	-	-	-	436,538	261,243
-	-	98,710	-	-	287,860	8,455
-	-	125,427	-	-	1,177,922	2,052,148
4,009	(53,478)	5,209	-	-	5,556,866	5,392,250
4,009	(53,478)	130,636	-	-	7,022,648	7,452,853
$ 31,451	$ 31,778	$ 130,636	$ -	$ -	$ 7,459,186	$ 7,714,096

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Nonmajor Funds				
	HUD Housing Assistance	HUD CDBG	Tax Allocation District	Marietta Housing Fund	Cemetery Maintenance
Revenues:					
Taxes	$ -	$ -	$ 90,560	$ -	$ 210,144
Intergovernmental	5,703,154	162,685	527,344	-	-
Investment earnings	75,616	-	107,991	-	72,772
Other	-	-	-	-	-
Charges for service	-	-	-	-	-
Total revenues	5,778,770	162,685	725,895	-	282,916
Expenditures:					
Current:					
Public works	-	-	-	-	329,021
Public safety	-	-	-	-	-
Urban redevelopment and housing	5,652,912	161,515	851,250	-	-
Culture and recreation	-	-	-	-	-
Debt service	-	-	351,960	-	-
Total expenditures	5,652,912	161,515	1,203,210	-	329,021
Excess (deficiency) of revenues over expenditures	125,858	1,170	(477,315)	-	(46,105)
Other financing sources (uses):					
Transfers in (out)	(19,505)	(272)	-	-	-
Total other financing sources (uses)	(19,505)	(272)	-	-	-
Net change in fund balance	106,353	898	(477,315)	-	(46,105)
Fund balances (deficit) at beginning of year	2,395,340	(5,973)	3,929,183	799	939,591
Fund balances (deficit) at end of year	$ 2,501,693	$ (5,075)	$ 3,451,868	$ 799	$ 893,486

See accompanying notes to the financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONT'D)
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

Nonmajor Funds						
LLEBG Fund	Gone with the Wind Museum	Tree Preservation	Hotel Motel Tax	Auto Rental Tax	Totals 2008	Totals 2007
$ -	$ -	$ -	$ 2,217,011	$ 457,723	$ 2,975,438	$ 2,938,827
33,912	-	-	-	-	6,427,095	7,120,931
2,720	-	-	-	-	259,099	317,077
-	78,766	-	-	-	78,766	87,461
-	69,465	5,280	-	-	74,745	77,215
36,632	148,231	5,280	2,217,011	457,723	9,815,143	10,541,511
-	-	-	-	-	329,021	328,805
33,912	-	-	-	-	33,912	12,879
-	-	-	-	-	6,665,677	6,161,612
-	163,514	71	-	-	163,585	162,787
-	-	-	-	-	351,960	353,997
33,912	163,514	71	-	-	7,544,155	7,020,080
2,720	(15,283)	5,209	2,217,011	457,723	2,270,988	3,521,431
-	(6,682)	-	(2,217,011)	(457,723)	(2,701,193)	(2,700,467)
-	(6,682)	-	(2,217,011)	(457,723)	(2,701,193)	(2,700,467)
2,720	(21,965)	5,209	-	-	(430,205)	820,964
1,289	(31,513)	224,137	-	-	7,452,853	6,631,889
$ 4,009	$ (53,478)	$ 229,346	$ -	$ -	$ 7,022,648	$ 7,452,853

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 2,479,893	$ 2,338,995
Equity in pooled cash	84,382	39,818
Due from other governments	73,115	138,265
Receivables (net of allowance for estimated uncollectibles):		
Other receivables	3,692	9,140
Total assets	$ 2,641,082	$ 2,526,218
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 128,095	$ 121,956
Accrued salaries and employee benefits	11,294	8,922
Total liabilities	139,389	130,878
Fund balance:		
Reserved for encumbrances	378	39
Unreserved - undesignated	2,501,315	2,395,301
Total fund balance	2,501,693	2,395,340
Total liabilities and fund balance	$ 2,641,082	$ 2,526,218

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - HOUSING ASSISTANCE PAYMENTS PROGRAM
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Intergovernmental	$ 5,703,154	$ 6,725,974
Investment earnings	75,616	84,345
Total revenues	5,778,770	6,810,319
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	461,459	449,065
Operating	255,960	269,736
Capital outlay	-	600
Housing assistance payments	4,935,493	4,894,345
Total expenditures	5,652,912	5,613,746
Excess of revenues over expenditures	125,858	1,196,573
Other financing sources (uses):		
Transfers out	(19,505)	(19,229)
Total other financing sources (uses)	(19,505)	(19,229)
Net change in fund balance	106,353	1,177,344
Fund balance at beginning of year	2,395,340	1,217,996
Fund balance at end of year	$ 2,501,693	$ 2,395,340

See accompanying notes to financial statements.

CITY OF MARIETTA
HUD- HOUSING ASSISTANCE PAYMENTS PROGRAM
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 7,237,965	$ 5,703,154	$ (1,534,811)
Expenditures- urban redevelopment and housing:			
Current:			
Personal services	515,303	461,459	53,844
Operating	292,613	256,338	36,275
Housing assistance payments	6,411,000	4,935,493	1,475,507
Total expenditures	7,218,916	5,653,290	1,565,626
Excess (deficiency) of revenues over expenditures	19,049	49,864	30,815
Other financing sources (uses):			
Transfers out	(19,505)	(19,505)	-
Net change in fund balance	$ (456)	30,359	$ 30,815
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		378	
Unbudgeted investment earnings		75,616	
Fund balance at beginning of year - GAAP basis		2,395,340	
Fund balance at end of year - GAAP basis		$ 2,501,693	

CITY OF MARIETTA, GEORGIA
HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Other receivables	$ 642	$ 641
Due from other governments	37,160	6,708
Total assets	$ 37,802	$ 7,349
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accrued salaries and employee benefits	$ 3,797	$ 3,076
Due to other funds	39,080	10,246
Total liabilities	42,877	13,322
Fund balance:		
Unreserved - undesignated	(5,075)	(5,973)
Total fund balance	(5,075)	(5,973)
Total liabilities and fund balance	$ 37,802	$ 7,349

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Intergovernmental	$ 162,685	$ 152,898
Expenditures - urban redevelopment and housing:		
Current:		
Personal services	153,101	148,376
Operating services	5,723	3,983
Capital outlay	2,691	-
Total expenditures	161,515	152,359
Excess (deficiency) of revenues over expenditures	1,170	539
Other financing sources (uses)		
Transfers out	(272)	(539)
Total other financing sources (uses)	(272)	(539)
Net change in fund balance	898	-
Fund balance (deficit) at beginning of year	(5,973)	(5,973)
Fund balance (deficit) at end of year	$ (5,075)	$ (5,973)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
HUD - COMMUNITY DEVELOPMENT BLOCK GRANT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE- BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 185,545	$ 162,685	$ (22,860)
Total revenues	185,545	162,685	(22,860)
Expenditures - urban redevelopment and housing:			
Current:			
Personal services	163,917	153,101	10,816
Operating services	14,875	5,723	9,152
Capital outlay	6,481	2,691	3,790
Total expenditures	185,273	161,515	23,758
Excess (deficiency) of revenues over expenditures	272	1,170	898
Other financing sources (uses)			
Transfers out	(272)	(272)	-
Net change in fund balance	$ -	898	$ 898
Fund balance (deficit) at beginning of year - GAAP basis		(5,973)	
Fund balance (deficit) at end of year - GAAP basis		$ (5,075)	

CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 1,540,057	$ 2,602,777
Cash with fiscal agent	930,530	900,666
Equity in pooled cash	130,647	429,812
Receivables (net of allowance for estimated uncollectibles):		
Taxes	28,252	1,332
Due from other funds	926,154	-
Due from other governments	22,781	7,966
Total assets	$ 3,578,421	$ 3,942,553
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 32,968	$ 6,860
Due to other governments	50,701	-
Deferred revenue	42,884	6,510
Total liabilities	126,553	13,370
Fund balance:		
Reserved for encumbrances	141,490	1,366
Unreserved - designated	1,052,495	1,824,655
Unreserved - undesignated	2,257,883	2,103,162
Total fund balance	3,451,868	3,929,183
Total liabilities and fund balance	$ 3,578,421	$ 3,942,553

CITY OF MARIETTA, GEORGIA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Taxes	$ 90,560	$ 64,058
Intergovernmental	527,344	229,447
Investment earnings	107,991	178,635
Total revenues	725,895	472,140
Expenditures - urban redevelopment and housing:		
Current:		
Operating services	16,979	-
Capital outlay	834,271	395,507
Debt service	351,960	353,997
Total expenditures	1,203,210	749,504
Excess (deficiency) of revenues over expenditures	(477,315)	(277,364)
Net change in fund balance	(477,315)	(277,364)
Fund balance at beginning of year	3,929,183	4,206,547
Fund balance at end of year	$ 3,451,868	$ 3,929,183

CITY OF MARIETTA
TAX ALLOCATION DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE- BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	228,000	$ 468,171	$ 240,171
Intergovernmental revenue	60,000	149,733	89,733
Investment earnings	140,000	107,991	(32,009)
Total revenues	428,000	725,895	297,895
Expenditures- urban redevelopment and housing:			
Capital outlay	1,826,021	975,761	850,260
Debt service	351,960	351,960	-
Total expenditures	2,177,981	1,327,721	850,260
Excess (deficiency) of revenues over expenditures	(1,749,981)	(601,826)	1,148,155
Net change in fund balance	$ (1,749,981)	(601,826)	$ 1,148,155
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		141,490	
Unbudgeted operating expenses		(16,979)	
Fund balance at beginning of year		3,929,183	
Fund balance at end of year		$ 3,451,868	

CITY OF MARIETTA, GEORGIA
MARIETTA HOUSING FUND
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Equity in pooled cash	$ 799	$ 799
Total assets	$ 799	$ 799
FUND BALANCE		
Fund balance:		
Unreserved - undesignated	$ 799	$ 799
Total fund balance	$ 799	$ 799

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA HOUSING FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Expenditures - urban redevelopment and housing:		
Capital outlay	$ -	$ -
Excess (deficiency) of revenues over expenditures	-	-
Other financing sources (uses):		
Transfers in	-	-
Transfers out	-	-
Total other financing sources (uses)	-	-
Net change in fund balance	-	-
Fund balance at beginning of year	799	799
Fund balance at end of year	$ 799	$ 799

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Equity in pooled cash	$ 218,443	$ 940,059
Receivables (net of allowance for estimated uncollectibles):		
Taxes	6,654	6,840
Interest	1,822	422
Due from other funds	680,719	-
Due from other governments	869	952
Total assets	$ 908,507	$ 948,273
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 7,740	$ 1,055
Accrued salaries and employee benefits	1,004	1,493
Deferred revenue	6,277	6,134
Total liabilities	15,021	8,682
Fund balance:		
Reserved for encumbrances	47,282	7,003
Unreserved - undesignated	846,204	932,588
Total fund balance	893,486	939,591
Total liabilities and fund balance	$ 908,507	$ 948,273

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Taxes	$ 210,144	$ 200,385
Investment earnings	72,772	52,185
Total revenues	282,916	252,570
Expenditures - public works:		
Current:		
Personal services	61,551	56,396
Operating services	267,470	249,602
Capital outlay	-	22,807
Total expenditures	329,021	328,805
Excess (deficiency) of revenues over expenditures	(46,105)	(76,235)
Fund balance at beginning of year	939,591	1,015,826
Fund balance at end of year	$ 893,486	$ 939,591

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CEMETERY MAINTENANCE
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$ 194,000	$ 210,144	$ 16,144
Investment earnings	35,000	72,772	37,772
Total revenues	229,000	282,916	53,916
Expenditures - public works:			
Current:			
Personal services	83,645	61,551	22,094
Operating services	287,812	314,752	(26,940)
Capital outlay	25,000	-	25,000
Total expenditures	396,457	376,303	20,154
Excess (deficiency) of revenues over expenditures	$ (167,457)	(93,387)	$ 74,070
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		47,282	
Fund balances at beginning of year - GAAP basis		939,591	
Fund balance at end of year - GAAP basis		$ 893,486	

CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Equity in pooled cash	$ 7,769	$ 38,810
Receivables, net	32	184
Due from other governments	23,650	-
Total assets	$ 31,451	$ 38,994
LIABILITIES AND FUND BALANCE		
Liabilities:		
Deferred revenue	$ 27,442	$ 37,705
Total liabilities	27,442	37,705
Fund balance:		
Reserved for encumbrances	-	3,356
Unreserved - undesignated	4,009	(2,067)
Total fund balance	4,009	1,289
Total liabilities and fund balance	$ 31,451	$ 38,994

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Intergovernmental	$ 33,912	12,612
Investment earnings	2,720	1,912
Total revenues	36,632	14,524
Expenditures - public safety:		
Current:		
Capital outlay	33,912	12,879
Total expenditures	33,912	12,879
Excess (deficiency) of revenues over expenditures	2,720	1,645
Net change in fund balance	2,720	1,645
Fund balance at beginning of year	1,289	(356)
Fund balance (deficit) at end of year	$ 4,009	$ 1,289

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL LAW ENFORCEMENT BLOCK GRANT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 52,312	33,912	$ (18,400)
Total revenues	52,312	33,912	(18,400)
Expenditures - public safety:			
Current:			
Capital outlay	52,312	33,912	18,400
Total expenditures	52,312	33,912	18,400
Excess (deficiency) of revenues over expenditures	-	-	-
Net change in fund balance	$ -	-	$ -
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		2,720	
Fund balance at beginning of year - GAAP basis		1,289	
Fund balance (deficit) at end of year - GAAP basis		$ 4,009	

CITY OF MARIETTA, GEORGIA
GONE WITH THE WIND MUSEUM
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 450	$ 450
Receivables, net	10,698	7,542
Inventories	15,340	17,781
Prepaid expenses	5,290	-
Total assets	$ 31,778	$ 25,773
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 8,579	$ 3,173
Accrued salaries and employee benefits	5,048	4,304
Deferred revenue	13,135	-
Due to other funds	58,494	49,809
Total liabilities	85,256	57,286
Fund balance (deficit):		
Reserved for encumbrances	-	47
Unreserved - undesignated	(53,478)	(31,560)
Total fund balance (deficit)	(53,478)	(31,513)
Total liabilities and fund balance	$ 31,778	$ 25,773

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
GONE WITH THE WIND MUSEUM
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Charges for services	$ 69,465	$ 77,215
Other	78,766	87,461
Total revenues	148,231	164,676
Expenditures - culture and recreation:		
Current:		
Personal services	90,523	84,472
Operating services	72,991	68,957
Total expenditures	163,514	153,429
Excess (deficiency) of revenues over expenditures	(15,283)	11,247
Other financing sources (uses):		
Transfers out	(6,682)	(6,315)
Total other financing sources (uses)	(6,682)	(6,315)
Net change in fund balance	(21,965)	4,932
Fund balance (deficit) at beginning of year	(31,513)	(36,445)
Fund balance (deficit) at end of year	$ (53,478)	$ (31,513)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
GONE WITH THE WIND MUSEUM
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Charges for services	$ 75,100	$ 69,465	$ (5,635)
Other	83,160	78,766	(4,394)
Total revenues	158,260	148,231	(10,029)
Expenditures:			
Personal services	88,965	90,523	(1,558)
Operating services	62,613	72,991	(10,378)
Total expenditures	151,578	163,514	(11,936)
Excess (deficiency) of revenues over expenditures	6,682	(15,283)	(21,965)
Other financing sources (uses)			
Transfer out	(6,682)	(6,682)	-
Net change in fund balance	$ -	(21,965)	$ (21,965)
Reconciliation to GAAP basis:			
Fund balance (deficit) at beginning of year		(31,513)	
Fund balance (deficit) at end of year		$ (53,478)	

CITY OF MARIETTA, GEORGIA
TREE PRESERVATION
SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Equity in pooled cash	$ 229,346	$ 224,137
Total assets	$ 229,346	$ 224,137
FUND BALANCE		
Fund balance:		
Reserved for encumbrances	$ 98,710	$ -
Unreserved - designated	125,427	224,137
Unreserved - undesignated	5,209	-
Total fund balance	229,346	224,137
Total fund balance	$ 229,346	$ 224,137

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
TREE PRESERVATION
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Other	$ 5,280	$ -
Total revenues	5,280	-
Expenditures - culture and recreation:		
Current:		
Operating services	71	9,358
Total expenditures	71	9,358
Excess (deficiency) of revenues over expenditures	5,209	(9,358)
Net change in fund balance	5,209	(9,358)
Fund balance at beginning of year	224,137	233,495
Fund balance at end of year	$ 229,346	$ 224,137

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
TREE PRESERVATION
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Other	$ -	$ -	$ -
Total revenues	-	-	-
Expenditures - culture and recreation:			
Current:			
Operating services	$ 224,137	98,710	$ 125,427
Total expenditures	224,137	98,710	125,427
Excess (deficiency) of revenues over expenditures	$ (224,137)	(98,710)	$ 125,427
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		98,639	
Unbudgeted other revenues		5,280	
Fund balance at beginning of year - GAAP Basis		224,137	
Fund balance at end of year - GAAP Basis		$ 229,346	

CITY OF MARIETTA, GEORGIA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Taxes	$ 2,217,011	$ 2,180,519
Total revenues	2,217,011	2,180,519
Other financing sources (uses)		
Transfers out	(2,217,011)	(2,180,519)
Total other financing sources (uses)	(2,217,011)	(2,180,519)
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	$ -	$ -

See accompanying notes to financial statements.

CITY OF MARIETTA
HOTEL MOTEL TAX FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	$ 2,155,000	$ 2,217,011	$ 62,011
Total revenues	2,155,000	2,217,011	62,011
Other financing sources (uses)			
Transfer out	(2,155,000)	(2,217,011)	(62,011)
Net change in fund balance	$ -	-	$ -
Fund balance (deficit) at beginning of year		-	
Fund balance (deficit) at end of year		$ -	

CITY OF MARIETTA, GEORGIA
AUTO RENTAL TAX FUND
SPECIAL REVENUE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Taxes	$ 457,723	$ 493,865
Total revenues	457,723	493,865
Other financing sources (uses)		
Transfers out	(457,723)	(493,865)
Total other financing sources (uses)	(457,723)	(493,865)
Net change in fund balance	-	-
Fund balance at beginning of year	-	-
Fund balance at end of year	$ -	$ -

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
AUTO RENTAL TAX FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget - Positive(Negative)
Revenues:			
Taxes	$ 480,000	$ 457,723	$ (22,277)
Total revenues	480,000	457,723	(22,277)
Other financing sources (uses)			
Transfer out	(480,000)	(457,723)	22,277
Net change in fund balance	$ -	-	$ -
Fund balance (deficit) at beginning of year		-	
Fund balance (deficit) at end of year		$ -	

DEBT SERVICE FUND

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

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 2,354,838	$ 2,202,565
Equity in pooled cash	90,512	578,802
Investments	996,146	19,906
Cash with fiscal agent	178,696	-
Receivables (net of allowance for estimated uncollectibles):		
Taxes	159,978	165,778
Accrued interest	9,853	-
Due from other governments	19,985	21,891
Total assets	$ 3,810,008	$ 2,988,942
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 300	$ 2,377
Deferred revenue	151,320	149,787
Total liabilities	151,620	152,164
Fund balance:		
Reserved for debt service	3,658,388	2,836,778
Total liabilities and fund balance	$ 3,810,008	$ 2,988,942

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Taxes	$ 4,741,033	$ 4,507,862
Intergovernmental revenue	3,684,380	3,670,180
Investment earnings	172,366	204,652
Total revenue	8,597,779	8,382,694
Expenditures:		
Debt service:		
Principal retirement	5,240,000	5,015,000
Interest on bonds	2,516,379	2,710,230
Fiscal agent fees and bond issuance costs	1,610,299	2,102
Total expenditures	9,366,678	7,727,332
Excess (deficiency) of revenues over expenditures	(768,899)	655,362
Other financing sources (uses):		
Bond proceeds	40,165,000	-
Payment to refunded bond escrow agent	(38,550,000)	-
Transfers out	(24,491)	(24,990)
Total other financing sources (uses)	1,590,509	(24,990)
Net change in fund balance	821,610	630,372
Fund balance at beginning of year	2,836,778	2,206,406
Fund balance at end of year	$ 3,658,388	$ 2,836,778

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE- BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Taxes	$ 4,505,000	$ 4,741,033	$ 236,033
Intergovernmental	3,684,380	3,684,380	-
Investment earnings	100,000	172,366	72,366
Total revenues	8,289,380	8,597,779	308,399
Expenditures:			
Debt Service:			
Principal retirement	5,240,000	5,240,000	-
Interest and fiscal charges	4,126,678	4,126,678	-
Total expenditures	9,366,678	9,366,678	-
Excess (deficiency) of revenues over expenditures	(1,077,298)	(768,899)	308,399
Other financing sources (uses):			
Transfers out	(24,491)	(24,491)	-
Bonds issued	40,165,000	40,165,000	-
Payment to refunded bond escrow agent	(38,558,301)	(38,550,000)	8,301
Total other financing sources (uses)	1,582,208	1,590,509	8,301
Net change in fund balance	$ 504,910	821,610	$ 316,700
Fund balance at beginning of year		2,836,778	
Fund balance at end of year		$ 3,658,388	

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CAPITAL PROJECTS FUNDS

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

CONSTRUCTION FUND – To account for the proceeds received from Series 1996 General Obligation Bonds used for construction, renovating, and equipping public safety facilities within the City, and to account for the relocation of the property management department to a new facility.

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

CITY OF MARIETTA, GEORGIA
CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2008 and 2007

	Local Option Sales Tax	SPLOST Fund	Totals 2008	Totals 2007
ASSETS				
Cash and cash equivalents	$ -	$ 14,614,015	$ 14,614,015	$ 6,107,371
Equity in pooled cash	288,828	8,452	297,280	-
Investments	-	5,020,000	5,020,000	-
Receivables, net	-	255,666	255,666	23,726
Due from other governments	1,217,055	708,712	1,925,767	3,788,299
Total assets	$ 1,505,883	$ 20,606,845	$ 22,112,728	$ 9,919,396
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	$ 142,465	$ 525,259	$ 667,724	$ 288,092
Retainage payable	110,389	112,067	222,456	32,511
Deferred revenue	-	-	-	866,577
Due to other funds	602,787	-	602,787	57,136
Total liabilities	855,641	637,326	1,492,967	1,244,316
Fund balances:				
Reserved for encumbrances	539,061	3,213,265	3,752,326	2,648,239
Unreserved - designated	150,000	306,116	456,116	-
Unreserved - undesignated	(38,819)	16,450,138	16,411,319	6,026,841
Total fund balances	650,242	19,969,519	20,619,761	8,675,080
Total liabilities and fund balances	$ 1,505,883	$ 20,606,845	$ 22,112,728	$ 9,919,396

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Local Option Sales Tax	SPLOST Fund	Totals 2008	Totals 2007
Revenues:				
Investment earnings	$ -	$ 769,067	$ 769,067	$ 208,916
Intergovernmental	2,716,386	9,662,690	12,379,076	8,833,385
Total revenues	2,716,386	10,431,757	13,148,143	9,042,301
Expenditures:				
Capital outlay	2,780,066	7,778,531	10,558,597	4,243,722
Debt service:				
Interest on bonds	-	318,782	318,782	-
Fiscal agent fees and bond issuance cost	-	146,083	146,083	-
Total expenditures	2,780,066	8,243,396	11,023,462	4,243,722
Excess (deficiency) of revenues over expenditures	(63,680)	2,188,361	2,124,681	4,798,579
Other financing sources (uses):				
Bond proceeds	-	9,820,000	9,820,000	-
Transfers in (out)	-	-	-	(69,834)
Net change in fund balance	(63,680)	12,008,361	11,944,681	4,728,745
Fund balances at beginning of year, before restatement	713,922	7,961,158	8,675,080	4,366,327
Restatement	-	-	-	(419,992)
Fund balances at beginning of year, after restatement	713,922	7,961,158	8,675,080	3,946,335
Fund balances at end of year	$ 650,242	$ 19,969,519	$ 20,619,761	$ 8,675,080

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008		2007	
ASSETS				
Equity in pooled cash	$	288,828	$	-
Receivables:				
Due from other governments		1,217,055		883,758
Total assets	$	1,505,883	$	883,758
LIABILITIES AND FUND BALANCE				
Liabilities:				
Accounts payable	$	142,465	$	112,700
Retainage payable		110,389		-
Due to other funds		602,787		57,136
Total liabilities		855,641		169,836
Fund balance:				
Reserved for encumbrances		539,061		1,179,158
Unreserved - designated		150,000		-
Unreserved - undesignated		(38,819)		(465,236)
Total fund balance		650,242		713,922
Total liabilities and fund balance	$	1,505,883	$	883,758

See accompanyting notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Investment earnings	$ -	$ 24,701
Intergovernmental	2,716,386	901,956
Total revenues	2,716,386	926,657
Expenditures:		
Capital outlay	2,780,066	1,206,625
Total expenditures	2,780,066	1,206,625
Excess (deficiency) of revenues over expenditures	(63,680)	(279,968)
Other financing sources (uses):		
Transfers out	-	(69,730)
Net change in fund balance	(63,680)	(349,698)
Fund balance at beginning of year	713,922	1,063,620
Fund balance at end of year	$ 650,242	$ 713,922

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental	$ 3,345,093	$ 2,716,386	$ (628,707)
Total revenues	3,345,093	2,716,386	(628,707)
Expenditures:			
Capital outlay	4,662,816	3,319,127	1,343,689
Total expenditures	4,662,816	3,319,127	1,343,689
Net change in fund balance	$ (1,317,723)	(602,741)	$ 714,982
Reconciliation to GAAP basis:			
Encumbrances outstanding at end of year		539,061	
Fund balance at beginning of year - GAAP basis		713,922	
Fund balance at end of year - GAAP basis		$ 650,242	

CITY OF MARIETTA, GEORGIA
CONSTRUCTION FUND
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Investment earnings	$ -	$ 88
Expenditures:		
Capital outlay	-	14,359
Excess (deficiency) of revenues over expenditures	-	(14,271)
Other financing sources (uses):		
Tansfers out	-	(104)
Net change in fund balance	-	(14,375)
Fund balance at beginning of year	-	14,375
Fund balance at end of year	$ -	$ -

See accompanying notes to the financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEET
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 14,614,015	$ 6,107,371
Equity in pooled cash	8,452	-
Investments	5,020,000	-
Receivables:		
Accrued interest	255,666	23,726
Due from other governments	708,712	2,904,541
Total assets	$ 20,606,845	$ 9,035,638
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$ 525,259	175,392
Retainage payable	112,067	32,511
Deferred revenue	-	866,577
Total liabilities	637,326	1,074,480
Fund balance:		
Reserved for encumbrances	3,213,265	1,469,081
Unreserved - designated	306,116	-
Unreserved - undesignated	16,450,138	6,492,077
Total fund balance	19,969,519	7,961,158
Total liabilities and fund balance	$ 20,606,845	$ 9,035,638

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Revenues:		
Investment earnings	$ 769,067	$ 184,127
Intergovernmental	9,662,690	7,931,429
Total revenues	10,431,757	8,115,556
Expenditures:		
Capital outlay	7,778,531	3,022,738
Debt Service		
Interest on bonds	318,782	-
Fiscal agent fees and bond issuance costs	146,083	-
Total expenditures	8,243,396	3,022,738
Excess (deficiency) of revenues over expenditures	2,188,361	5,092,818
Other financing sources (uses):		
Bond proceeds	9,820,000	-
Net change in fund balance	12,008,361	5,092,818
Fund balance at beginning of year, before restatement	7,961,158	3,288,332
Restatement	-	(419,992)
Fund balance at end of year, after restatement	7,961,158	2,868,340
Fund balance at end of year	$ 19,969,519	$ 7,961,158

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2008

	Budget	Actual	Variance with Final Budget-Positive (Negative)
Revenues:			
Intergovernmental	$ 14,897,375	$ 9,662,690	$ (5,234,685)
Total revenues	14,897,375	9,662,690	(5,234,685)
Expenditures:			
Capital outlay	26,031,931	10,991,796	15,040,135
Debt Service:			
Interest and fiscal charges	465,071	464,865	206
Total expenditures	26,497,002	11,456,661	15,040,341
Excess (deficiency) of revenues over expenditures	(11,599,627)	(1,793,971)	9,805,656
Other financing sources (uses):			
Bond proceeds	9,820,000	9,820,000	-
Transfers out	(39,736)	-	39,736
Net change in fund balance	$ (1,819,363)	8,026,029	$ 9,845,392
Reconciliation to GAAP basis:			
Unbudgeted investment earnings		769,067	
Encumbrances outstanding at end of year		3,213,265	
Fund balance at beginning of year - GAAP basis		7,961,158	
Fund balance at end of year - GAAP basis		$ 19,969,519	

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PROPRIETARY FUNDS

ENTERPRISE FUNDS

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

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

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

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

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2008
With Comparative Totals for June 30, 2007

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2008	Totals 2007
ASSETS					
Current assets:					
Cash and cash equivalents	$ 10,291,538	$ 6,886	$ -	$ 10,298,424	$ 14,199,211
Restricted cash with fiscal agent	-	835,000	-	835,000	-
Equity in pooled cash	325,665	-	-	325,665	3,179,057
Investments	17,978,894	-	-	17,978,894	18,272,398
Restricted investments:					
Revenue bond debt service	-	-	2,438,372	2,438,372	1,450,738
Facility renovation	-	-	6,010,653	6,010,653	-
Furniture and fixtures reserve	-	-	6,139	6,139	5,728
Receivables, net	13,653,130	23,355	-	13,676,485	13,189,335
Due from other funds	3,120,810	-	127,968	3,248,778	127,968
Inventories, at cost	3,148,653	-	-	3,148,653	2,852,351
Total current assets	48,518,690	865,241	8,583,132	57,967,063	53,276,786
Noncurrent assets:					
Restricted assets:					
Investments	6,537,284	-	-	6,537,284	6,065,244
Property, plant and equipment:					
Land and land improvements	1,382,976	6,600,000	769,284	8,752,260	8,752,260
Buildings and improvements	15,486,735	2,011,259	23,326,210	40,824,204	40,326,905
Electrical plant in service	84,505,763	-	-	84,505,763	76,633,619
Water and sewer system	66,634,359		-	66,634,359	61,723,676
Machinery and equipment	43,132,286	3,536,247	7,474,846	54,143,379	47,881,844
	211,142,119	12,147,506	31,570,340	254,859,965	235,318,304
Less: accumulated depreciation	(112,329,776)	(3,717,386)	(14,256,926)	(130,304,088)	(121,164,098)
Net property, plant and equipment	98,812,343	8,430,120	17,313,414	124,555,877	114,154,206
Other assets:					
Inventories, at cost	-	-	254,492	254,492	90,558
Unamortized costs	-	115,754	1,408,019	1,523,773	1,232,019
Net pension asset	-	-	-	-	172,208
Investment	3,729,966	-	-	3,729,966	3,729,966
	3,729,966	115,754	1,662,511	5,508,231	5,224,751
Less: accumulated amortization	-	-	(531,643)	(531,643)	(469,616)
Net other assets	3,729,966	115,754	1,130,868	4,976,588	4,755,135
Total noncurrent assets	109,079,593	8,545,874	18,444,282	136,069,749	124,974,585
Total assets	$ 157,598,283	$ 9,411,115	$ 27,027,414	$ 194,036,812	$ 178,251,371

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

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET ASSETS (CONT'D)
June 30, 2008
With Comparative Totals for June 30, 2007

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2008	Totals 2007
LIABILITIES					
Current liabilities:					
Accounts payable	$ 10,567,723	$ 79,276	$ -	$ 10,646,999	$ 10,199,812
Accrued salaries	319,185	-	-	319,185	233,027
Accrued sales tax	480,572	-	-	480,572	484,378
Other accrued liabilities	-	-	27,372	27,372	18,627
Due to other governments	-	-	-	-	36,000
Accrued compensated absences	301,100	-	-	301,100	283,328
Deferred revenue	-	-	-	-	59,209
Due to other funds	27,950	1,565,720	91,242	1,684,912	468,376
Capital lease obligations	-	46,858	-	46,858	494,451
Bonds payable	-	-	990,000	990,000	940,000
Accrued interest payable	-	-	73,492	73,492	496,615
Net pension obligation	47,625	-	-	47,625	-
Total current liabilities	11,744,155	1,691,854	1,182,106	14,618,115	13,713,823
Long-term liabilities (net of current portion):					
Accrued compensated absences	466,177	-	-	466,177	414,029
Net OPEB obligation	518,975	-	-	518,975	-
Customer deposits	6,537,284	-	-	6,537,284	6,065,244
Capital lease obligations	-	5,516,181	-	5,516,181	2,421,309
Revenue bonds	-	-	31,480,000	31,480,000	24,410,000
Accrued interest payable	-	-	-	-	2,542,117
Total long-term liabilities	7,522,436	5,516,181	31,480,000	44,518,617	35,852,699
Total liabilities	19,266,591	7,208,035	32,662,106	59,136,732	49,566,522
NET ASSETS					
Invested in capital assets, net of related debt	98,812,343	2,867,081	(4,193,271)	97,486,153	90,727,135
Restricted for:					
Debt Service	-	-	2,371,019	2,371,019	1,343,458
Other	-	-	6,138	6,138	5,728
Unrestricted	39,519,349	(664,001)	(3,818,578)	35,036,770	36,608,528
Total net assets	$ 138,331,692	$ 2,203,080	$ (5,634,692)	$ 134,900,080	$ 128,684,849

See accompanying notes to financial statements.

Continued from previous page.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2008	Totals 2007
Operating revenues:					
Charges for services	$ 118,985,201	$ 1,800,049	$ -	$ 120,785,250	$ 118,466,756
Lease income	-	-	1,644,720	1,644,720	1,681,074
Other	1,288,916	-	-	1,288,916	1,629,586
Total operating revenues	120,274,117	1,800,049	1,644,720	123,718,886	121,777,416
Operating expenses:					
Personal services	13,919,575	-	-	13,919,575	12,196,356
Operating	83,051,206	1,402,601	138,282	84,592,089	87,779,704
Other	958,278	-	-	958,278	985,923
Depreciation	8,652,905	186,936	771,419	9,611,260	8,715,331
Total operating expenses	106,581,964	1,589,537	909,701	109,081,202	109,677,314
Operating income	13,692,153	210,512	735,019	14,637,684	12,100,102
Nonoperating revenues (expenses):					
Investment earnings	1,915,625	-	57,452	1,973,077	2,509,636
Interest and fiscal charges	-	(266,332)	(1,397,223)	(1,663,555)	(1,730,030)
Amortization	-	(34,617)	(62,027)	(96,644)	(86,866)
Gain (loss) on sale of capital assets	186,193	73,049	(119,442)	139,800	32,889
Other	26,650	1,292	-	27,942	3,566
Total nonoperating revenues (expenses)	2,128,468	(226,608)	(1,521,240)	380,620	729,195
Capital contributions from developers	777,567	-	-	777,567	3,883,920
Income (loss) before transfers	16,598,188	(16,096)	(786,221)	15,795,871	16,713,217
Transfers:					
Transfers in	2,965,958	384,832	665,955	4,016,745	4,064,695
Transfers out	(13,570,297)	(27,088)	-	(13,597,385)	(13,070,572)
Total transfers	(10,604,339)	357,744	665,955	(9,580,640)	(9,005,877)
Change in net assets	5,993,849	341,648	(120,266)	6,215,231	7,707,340
Net assets at beginning of year	132,337,843	1,861,432	(5,514,426)	128,684,849	120,977,509
Net assets at end of year	$ 138,331,692	$ 2,203,080	$ (5,634,692)	$ 134,900,080	$ 128,684,849

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2008	Totals 2007
Cash flows from operating activities:					
Cash received from customers	$ 115,835,016	$ 1,787,257	$ -	$ 117,622,273	$ 120,111,277
Cash received from other operating activities	1,288,916	1,292	-	1,290,208	1,404,261
Cash received from lease	-	-	1,585,511	1,585,511	1,677,432
Cash payments goods and services	(83,838,761)	(313,850)	(225,330)	(84,377,941)	(81,094,905)
Cash payments for employee services and fringe benefits	(13,024,689)	-	-	(13,024,689)	(12,060,660)
Net cash from (to) operating activities	20,260,482	1,474,699	1,360,181	23,095,362	30,037,405
Cash flows from noncapital financing activities:					
Transfers in	2,965,958	384,832	665,955	4,016,745	4,826,907
Transfers out	(13,570,297)	(27,088)	-	(13,597,385)	(12,140,803)
Net cash from (to) noncapital financing activities	(10,604,339)	357,744	665,955	(9,580,640)	(7,313,896)
Cash flows from capital and related financing activities:					
Payments for capital acquisitions	(18,126,596)	(131,479)	(840,101)	(19,098,176)	(8,451,944)
Payments on capital leases	-	(93,768)	-	(93,768)	(548,735)
Proceeds from fixed asset sales	186,193	-	-	186,193	55,187
Proceeds from bond issue	-	-	8,060,000	8,060,000	-
Bond principal payments	-	-	(940,000)	(940,000)	(440,000)
Interest and fiscal charges	-	(655,667)	(1,450,278)	(2,105,945)	(2,296,108)
Issues costs on debt	-	(115,754)	(176,000)	(291,754)	-
Net cash from (to) capital and related financing activities	(17,940,403)	(996,668)	4,653,621	(14,283,450)	(11,681,600)
Cash flows from investing activities:					
Rental income received (paid)	26,650	-	-	26,650	23,333
Investment income received (paid)	1,899,716	-	57,452	1,957,168	1,720,023
Investment (purchases) sales	(135,571)	-	(6,998,698)	(7,134,269)	(5,480,007)
Net cash from (to) investing activities	1,790,795	-	(6,941,246)	(5,150,451)	(3,736,651)
Net increase (decrease) in cash and cash equivalents	(6,493,465)	835,775	(261,489)	(5,919,179)	7,305,258
Cash and cash equivalents at beginning of year:					
Cash	14,193,100	6,111	-	14,199,211	11,640,075
Equity in pooled cash	2,917,568	-	261,489	3,179,057	2,602,382
Total cash and cash equivalents, beginning of year	17,110,668	6,111	261,489	17,378,268	14,242,457
Cash and cash equivalents at end of year:					
Cash	10,291,538	841,886	-	11,133,424	17,903,833
Equity in pooled cash	325,665	-	-	325,665	3,643,882
Total cash and cash equivalents, end of year	$ 10,617,203	$ 841,886	$ -	$ 11,459,089	$ 21,547,715

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

CITY OF MARIETTA, GEORGIA
ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS (CONT'D)
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Board of Lights and Waterworks	City Golf Course	Marietta Conference Center & Resort	Totals 2008	Totals 2007
Reconciliation of operating income (loss) to net cash from operating activities:					
Operating income (loss)	$ 13,692,153	$ 210,512	$ 735,019	$ 14,637,684	$ 17,218,305
Adjustments to reconcile operating income to net cash from operating activities:					
Depreciation	8,652,905	186,936	771,419	9,611,260	8,067,490
Miscellaneous	-	1,292	-	1,292	1,418
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	-	(12,792)	-	(12,792)	331,618
(Increase) decrease in utility accounts receivable	(501,415)	-	-	(501,415)	(225,056)
(Increase) decrease in due from other funds	(3,120,810)	-	-	(3,120,810)	3,974,450
(Increase) decrease in inventories	(296,302)	-	(163,934)	(460,236)	(45,533)
(Increase) decrease in prepaid expense	-	-	-	-	119,789
(Increase) decrease in net pension asset/obligation	219,833	-	-	219,833	140,538
(Increase) decrease in due from other governments	-	-	-	-	5,100
Increase (decrease) in accounts payable	478,881	(8,593)	(23,101)	447,187	385,982
Increase (decrease) in accrued salaries	86,158	-	-	86,158	(104,218)
Increase (decrease) in accrued sales tax	(3,806)	-	-	(3,806)	121,711
Increase (decrease) in accrued commissions	-	-	-	-	(51,227)
Increase (decrease) in accrued compensated absences	69,920	-	-	69,920	(15,179)
Increase (decrease) in other accrued expenses	-	-	8,746	8,746	(57,589)
Increase (decrease) in due to other funds	27,950	1,097,344	91,241	1,216,535	(35,741)
Increase (decrease) in interfund payable	-	-	-	-	(260,161)
Increase (decrease) in net OPEB obligation	518,975	-	-	518,975	-
Increase (decrease) in customer deposits	472,040	-	-	472,040	413,054
Increase (decrease) in bank overdrafts	-	-		-	-
Increase (decrease) in other liabilities	(36,000)	-	(59,209)	(95,209)	52,654
Net cash from (to) operating activities	$ 20,260,482	$ 1,474,699	$ 1,360,181	$ 23,095,362	$ 30,037,405

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

During 2007, assets contributed by developers totaled $3,883,920 in the Board of Lights and Waterworks.

During 2007, the increase in fair value of investments totaled $61,340 in the Board of Lights and Waterworks.

During 2008, assets contributed by developers totaled $777,567 in the Board of Lights and Waterworks.

During 2008, the increase in fair value of investments totaled $42,966 in the Board of Lights and Waterworks.

During 2008, assets of $268,548 were acquired through leasing in the Golf Fund.

See accompanying notes to financial statements.

Continued from previous page.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
June 30, 2008 and 2007

ASSETS

	2008	2007
Current assets:		
Cash and cash equivalents	$ 10,291,538	$ 14,193,100
Equity in pooled cash	325,665	2,917,568
Investments	17,978,894	18,272,398
Receivables:		
Accrued interest	47,602	74,659
Utility accounts (net of allowance for estimated uncollectibles of $498,000 and $498,000)	13,605,528	13,104,113
Due from other funds	3,120,810	-
Inventories	3,148,653	2,852,351
Total current assets	48,518,690	51,414,189
Noncurrent assets:		
Restricted assets:		
Investments	6,537,284	6,065,244
Property, plant and equipment:		
Land	1,382,976	1,382,976
Buildings and improvements	15,486,735	15,062,778
Electrical plant in service	84,505,763	76,633,619
Water and sewer system	66,634,359	61,723,676
Machinery and equipment	43,132,286	37,434,908
	211,142,119	192,237,957
Less: accumulated depreciation	(112,329,776)	(103,676,873)
Net property, plant and equipment	98,812,343	88,561,084
Other assets:		
Net pension asset	-	172,208
Investment	3,729,966	3,729,966
Total other assets	3,729,966	3,902,174
Total noncurrent assets	109,079,593	98,528,502
Total assets	$ 157,598,283	$ 149,942,691

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

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS (CONT'D)
June 30, 2008 and 2007

LIABILITIES

	2008	2007
Liabilities:		
Current liabilities:		
Accounts payable	$ 10,567,723	$ 10,088,842
Due to other governments	-	36,000
Accrued salaries and employee benefits	319,185	233,027
Accrued sales tax	480,572	484,378
Accrued compensated absences	301,100	283,328
Due to other funds	27,950	-
Net pension obligation	47,625	-
Total current liabilities	11,744,155	11,125,575
Long-term liabilities (net of current portion):		
Accrued compensated absences	466,177	414,029
Net OPEB obligation	518,975	-
Customer deposits	6,537,284	6,065,244
Total long-term liabilities (net of current portion)	7,522,436	6,479,273
Total liabilities	19,266,591	17,604,848
NET ASSETS		
Invested in capital assets, net of related debt	98,812,343	88,561,084
Unrestricted	39,519,349	43,776,759
Total net assets	$ 138,331,692	$ 132,337,843

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

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Year Ended June 30, 2008 and 2007

	2008	2007
Operating revenues:		
Charges for services	$ 118,985,201	$ 116,495,085
Other	1,288,916	1,629,586
Total operating revenues	120,274,117	118,124,671
Operating expenses:		
Personal services	13,919,575	12,196,356
Operating	83,051,206	86,374,771
Other	958,278	985,923
Depreciation	8,652,905	7,756,957
Total operating expenses	106,581,964	107,314,007
Operating income	13,692,153	10,810,664
Nonoperating revenues (expenses):		
Investment earnings	1,915,625	2,469,122
Gain (loss) on sale of assets	186,193	103,981
Other	26,650	2,221
Total nonoperating revenues (expenses)	2,128,468	2,575,324
Capital contributions from developers	777,567	3,883,920
Income before transfers	16,598,188	17,269,908
Transfers:		
Transfers in	2,965,958	2,940,136
Transfers out	(13,570,297)	(13,044,247)
Total transfers in (out)	(10,604,339)	(10,104,111)
Change in net assets	5,993,849	7,165,797
Net assets at beginning of year	132,337,843	125,172,046
Net assets at end of year	$ 138,331,692	$ 132,337,843

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
BOARD OF LIGHTS AND WATERWORKS
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Cash flows from operating activities:		
Cash received from customers	$ 115,835,016	$ 116,601,845
Cash received from other operating activities	1,288,916	1,878,675
Cash payments goods and services	(83,838,761)	(87,013,808)
Cash payments for employee services and fringe benefits	(13,024,689)	(12,073,338)
Net cash from (to) operating activities	20,260,482	19,393,374
Cash flows from noncapital financing activities:		
Transfers in	2,965,958	2,940,136
Transfers out	(13,570,297)	(13,044,247)
Net cash from (to) noncapital financing activities	(10,604,339)	(10,104,111)
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(18,126,596)	(16,855,592)
Proceeds from sale of assets	186,193	103,981
Net cash from (to) capital and related financing activities	(17,940,403)	(16,751,611)
Cash flows from investing activities:		
Rental income received	26,650	2,221
Interest received	1,899,716	2,524,664
Investment (purchases) sales	(135,571)	1,014,930
Net cash from (to) investing activities	1,790,795	3,541,815
Net increase (decrease) in cash and cash equivalents	(6,493,465)	(3,920,533)
Cash and cash equivalents at beginning of year:		
Cash	14,193,100	17,809,683
Equity in pooled cash	2,917,568	3,221,518
Total cash and cash equivalents, beginning of year	17,110,668	21,031,201
Cash and cash equivalents at end of year:		
Cash	10,291,538	14,193,100
Equity in pooled cash	325,665	2,917,568
Total cash and cash equivalents, end of year	$ 10,617,203	$ 17,110,668
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	$ 13,692,153	$ 10,810,664
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	8,652,905	7,756,957
Change in assets and liabilities:		
(Increase) decrease in other receivable	-	249,089
(Increase) decrease in utility accounts receivable	(501,415)	(584,890)
(Increase) decrease in due from other funds	(3,120,810)	-
(Increase) decrease in inventories	(296,302)	(455,077)
(Increase) decrease in due from other governments	-	7,933
(Increase) decrease in net pension asset/obligation	219,833	179,196
Increase (decrease) in accounts payable	478,881	786,229
Increase (decrease) in accrued salaries	86,158	(15,880)
Increase (decrease) in accrued sales tax	(3,806)	(20,266)
Increase (decrease) in accrued compensated absences	69,920	(40,298)
Increase (decrease) in net OPEB obligation	518,975	-
Increase (decrease) in due to other governments	(36,000)	36,000
Increase (decrease) in due to other funds	27,950	-
Increase (decrease) in customer deposits	472,040	683,717
Net cash from operating activities	$ 20,260,482	$ 19,393,374

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2007, assets contributed by developers totaled $3,883,920.
During 2007, the increase in fair value of investments totaled $61,340.
During 2008, assets contributed by developers totaled $777,567.
During 2008, the increase in fair value of investments totaled $42,966.

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
June 30, 2008 and 2007

ASSETS	2008	2007
Current assets:		
Cash	$ 6,886	$ 6,111
Restricted cash with fiscal agent	835,000	-
Accounts receivable	23,355	10,563
Total current assets	865,241	16,674
Noncurrent assets:		
Property, plant and equipment:		
Land	6,600,000	6,600,000
Buildings and improvements	2,011,259	1,937,917
Machinery and equipment	3,536,247	3,472,682
	12,147,506	12,010,599
Less: accumulated depreciation	(3,717,386)	(3,762,384)
Net property, plant and equipment	8,430,120	8,248,215
Other assets:		
Unamortized bond costs	115,754	-
Total noncurrent assets	8,545,874	8,248,215
Total assets	9,411,115	8,264,889
LIABILITIES		
Liabilities:		
Current liabilites:		
Accounts payable	$ 79,276	$ 87,869
Due to other funds	1,565,720	468,376
Capital lease obligations	46,858	494,451
Accrued interest payable	-	389,335
Total current liabilities	1,691,854	1,440,031
Long-term liabilities (net of current portion):		
Capital lease obligations (net of deferred gain(loss) of $474,589 and ($276,936))	5,516,181	2,421,309
Accrued interest payable	-	2,542,117
Total long-term liabilities	5,516,181	4,963,426
Total liabilities	7,208,035	6,403,457
NET ASSETS		
Invested in capital assets, net of related debt	2,867,081	5,332,455
Restricted for debt service	835,000	-
Unrestricted	(1,499,001)	(3,471,023)
Total net assets	$ 2,203,080	$ 1,861,432

See accompanying notes to financial statements.

CITY OF MAREITTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Operating revenues:		
Charges for services	$ 1,800,049	$ 1,971,671
Operating expenses:		
Operating	1,402,601	1,344,809
Depreciation	186,936	200,352
Total operating expenses	1,589,537	1,545,161
Operating income (loss)	210,512	426,510
Nonoperating revenues (expenses) :		
Interest expense	(266,332)	(333,164)
Amortization of deferred loss	(34,617)	(34,617)
Gain on disposal of capital assets	73,049	-
Other	1,292	1,345
Total nonoperating revenues (expenses)	(226,608)	(366,436)
Income (loss) before operating transfers	(16,096)	60,074
Transfers:		
Transfers in	384,832	471,507
Transfers out	(27,088)	(26,325)
Total transfers	357,744	445,182
Change in net assets	341,648	505,256
Net assets at beginning of year	1,861,432	1,356,176
Net assets at end of year	$ 2,203,080	$ 1,861,432

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
CITY GOLF COURSE
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Cash flows from operating activities:		
Cash received from customers	$ 1,787,257	$ 1,979,398
Cash payments for goods and services	(313,850)	(1,459,318)
Cash received from other operating activities	1,292	1,345
Net Cash from (to) operating activities	1,474,699	521,425
Cash flows from noncapital financing activities:		
Transfers in	384,832	471,507
Transfers out	(27,088)	(26,325)
Net cash from (to) noncapital financing activities	357,744	445,182
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(131,479)	(88,175)
Payments on capital leases	(93,768)	(520,157)
Issue costs on debts	(115,754)	-
Interest and fiscal charges	(655,667)	(358,355)
Net cash from (to) capital related financing activities	(996,668)	(966,687)
Net increase (decrease) in cash and cash equivalents	835,775	(80)
Cash and cash equivalents at beginning of year	6,111	6,191
Cash and cash equivalents at end of year	$ 841,886	$ 6,111
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	$ 210,512	$ 426,510
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	186,936	200,352
Miscellaneous revenue	1,292	1,345
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(12,792)	7,727
Increase (decrease) in due to other funds	1,097,344	(94,686)
Increase (decrease) in accounts payable	(8,593)	(19,823)
Net cash from (to) operating activities	$ 1,474,699	$ 521,425

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:
During 2008, assets of $268,548 were acquired through leasing.

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS
June 30, 2008 and 2007

ASSETS

	2008	2007
Current assets:		
Equity in pooled cash	$ -	$ 261,489
Restricted investments:		
Revenue bond debt service	2,438,372	1,450,738
Facility renovation	6,010,653	-
Furniture and fixtures reserve	6,139	5,728
Due from other funds	127,968	127,968
Total current assets	8,583,132	1,845,923
Noncurrent assets:		
Property, plant and equipment:		
Land	769,284	769,284
Buildings and improvements	23,326,210	23,326,210
Machinery and equipment	7,474,846	6,974,254
	31,570,340	31,069,748
Less: accumulated depreciation	(14,256,926)	(13,724,841)
Net property, plant and equipment	17,313,414	17,344,907
Other assets:		
Inventories, at cost	254,492	90,558
Unamortized bond costs	1,408,019	1,232,019
Less: accumulated amortization	(531,643)	(469,616)
Net other assets	1,130,868	852,961
Total noncurrent assets	18,444,282	18,197,868
Total assets	$ 27,027,414	$ 20,043,791

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

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET ASSETS (CONT'D)
June 30, 2008 and 2007

LIABILITIES	2008	2007
Liabilities:		
Current liabilites:		
Accounts payable	$ -	$ 23,101
Deferred revenue	-	59,209
Other accrued liabilities	27,372	18,627
Due to other funds	91,242	-
Accrued interest payable	73,492	107,280
Bonds payable	990,000	940,000
Total current liabilities	1,182,106	1,148,217
Long-term liabilities (net of current portion):		
Revenue bonds	31,480,000	24,410,000
Total liabilities	32,662,106	25,558,217
NET ASSETS		
Invested in capital assets, net of related debt	(4,193,271)	(3,166,404)
Restricted for:		
Debt Service	2,371,019	1,343,458
Other	6,138	5,728
Unrestricted	(3,818,578)	(3,697,208)
Total net assets	$ (5,634,692)	$ (5,514,426)

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

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Operating revenues:		
Lease income	$ 1,644,720	$ 1,681,074
Operating expenses:		
Operating	138,282	60,124
Depreciation	771,419	758,022
Total operating expenses	909,701	818,146
Operating income (loss)	735,019	862,928
Nonoperating revenues (expenses) :		
Investment earnings	57,452	40,514
Interest and fiscal charges	(1,397,223)	(1,396,866)
Loss on disposal of assets	(119,442)	(71,092)
Amortization	(62,027)	(52,249)
Total nonoperating revenues (expense)	(1,521,240)	(1,479,693)
Income (loss) before operating transfers	(786,221)	(616,765)
Transfers:		
Transfers in	665,955	653,052
Change in net assets	(120,266)	36,287
Net assets at beginning of year	(5,514,426)	(5,550,713)
Net assets at end of year	$ (5,634,692)	$ (5,514,426)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MARIETTA CONFERENCE CENTER AND RESORT
ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Cash flows from operating activities:		
Cash received from lease	$ 1,585,511	$ 1,714,898
Cash payments for goods and services	(225,330)	(68,265)
Net cash from (to) operating activities	1,360,181	1,646,633
Cash flows from noncapital financing activities:		
Transfers in	665,955	653,052
Net cash from (to) noncapital financing	665,955	653,052
Cash flows from capital and related financing activities:		
Payments for capital acquisitions	(840,101)	(162,148)
Bond principal payments	(940,000)	(465,000)
Interest and fiscal charges	(1,450,278)	(1,396,866)
Bond issuance proceeds	8,060,000	-
Issue costs on debts	(176,000)	-
Net cash from (to) capital and related financing activities	4,653,621	(2,024,014)
Cash flows from investing activities:		
Investment income received	57,452	40,514
Investment (purchases) sales	(6,998,698)	(565,019)
Net cash from (to) investing activities	(6,941,246)	(524,505)
Net increase (decrease) in cash and cash equivalents	(261,489)	(248,834)
Cash and cash equivalents at beginning of year	261,489	510,323
Total cash and cash equivalents, end of year	$ -	$ 261,489
Reconciliation of operating income (loss) to net cash from operating activities:		
Operating income (loss)	$ 735,019	$ 862,928
Adjustments to reconcile operating income to net cash from operating activities:		
Noncash transactions		
Depreciation	771,419	758,022
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	-	27,269
(Increase) decrease in inventories	(163,934)	-
Increase (decrease) in accounts payable	(23,101)	1,025
Increase (decrease) in accrued salaries	-	(2,994)
Increase (decrease) in other accrued expenses	8,746	(6,172)
Increase (decrease) in due to other funds	91,241	-
Increase (decrease) in deferred revenue	(59,209)	6,555
Net cash from (to) operating activities	$ 1,360,181	$ 1,646,633

See accompanying notes to financial statements.

INTERNAL SERVICES FUNDS

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

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

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

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2008
With Comparative Totals for June 30, 2007

	Self-Insurance	Motor Transport	Totals 2008	Totals 2007
ASSETS				
Current assets:				
Cash and cash equivalents	$ 2,764,957	$ -	$ 2,764,957	$ 1,887,136
Equity in pooled cash	-	-	-	-
Investments	2,478,541	-	2,478,541	2,189,515
Receivables, net	146,949	-	146,949	277,062
Due from other governments	-	8,571	8,571	6462
Due from other funds	3,783	121,484	125,267	2,650
Inventories	-	119,140	119,140	52,859
Total current assets	5,394,230	249,195	5,643,425	4,415,684
Property, plant and equipment:				
Buildings and improvements	-	488,370	488,370	461,877
Machinery and equipment	-	998,030	998,030	994,402
Less: accumulated depreciation	-	(696,773)	(696,773)	(643,411)
Net property, plant and equipment	-	789,627	789,627	812,868
Total assets	5,394,230	1,038,822	6,433,052	5,228,552
LIABILITIES				
Current liabilities:				
Accounts payable	233,369	71,179	304,548	167,018
Claims and judgements payable	1,978,585	-	1,978,585	1,883,254
Accrued salaries	-	14,779	14,779	12,701
Accrued compensated absences	-	14,388	14,388	11,557
Due to other funds	1,336,612	982,851	2,319,463	2,190,638
Total current liabilities	3,548,566	1,083,197	4,631,763	4,265,168
Long-term liabilities (net of current portion):				
Accrued compensated absences	-	10,140	10,140	10,116
Total liabilities	3,548,566	1,093,337	$ 4,641,903	$ 4,275,284
NET ASSETS				
Invested in capital assets, net of related debt	-	789,627	789,627	812,868
Unrestricted	1,845,664	(844,142)	1,001,522	140,400
Total net assets	$ 1,845,664	$ (54,515)	$ 1,791,149	$ 953,268

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Self-Insurance	Motor Transport	Totals 2008	Totals 2007
Operating revenues:				
Charges for services	$ -	$ 3,217,188	$ 3,217,188	$ 2,781,603
Contributions	8,308,873	-	8,308,873	7,918,078
Other	235,724	3,545	239,269	1,005,569
Total operating revenues	8,544,597	3,220,733	11,765,330	11,705,250
Operating expenses:				
Personal services	-	684,636	684,636	635,885
Operating services	2,163,267	2,456,154	4,619,421	4,059,956
Depreciation	-	53,361	53,361	48,548
Benefits and claims	7,512,616	-	7,512,616	7,701,291
Total operating expenses	9,675,883	3,194,151	12,870,034	12,445,680
Operating income (loss)	(1,131,286)	26,582	(1,104,704)	(740,430)
Nonoperating revenues (expenses) :				
Investment earnings	340,890	-	340,890	283,381
Transfers:				
Transfers in	1,665,946	-	1,665,946	1,199,977
Transfers out	(48,495)	(15,756)	(64,251)	(111,206)
Total transfers	1,617,451	(15,756)	1,601,695	1,088,771
Change in net assets	827,055	10,826	837,881	631,722
Net assets at beginning of year	1,018,609	(65,341)	953,268	321,546
Net assets at end of year	$ 1,845,664	$ (54,515)	$ 1,791,149	$ 953,268

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2008
With Comparative Totals for the Fiscal Year Ended June 30, 2007

	Self- Insurance	Motor Transport	Totals 2008	Totals 2007
Cash flow from operating activities:				
Cash received from contributions and services provided	$ 8,306,677	$ 3,097,140	$ 11,403,817	$ 10,806,662
Cash payments for goods and services	(1,976,958)	(2,371,661)	(4,348,619)	(4,296,770)
Cash payments for employee services and fringes	-	(679,703)	(679,703)	(633,072)
Cash payments for benefits and claims	(7,417,285)	-	(7,417,285)	(7,706,475)
Cash payments for other operating activities	293,099	-	293,099	903,088
Net Cash from (to) operating activities	(794,467)	45,776	(748,691)	(926,567)
Cash flows from noncapital financing activities				
Transfers in	1,665,946	-	1,665,946	1,105,303
Transfers out	(48,495)	(15,756)	(64,251)	(16,532)
Net transfers in (out) from noncapital financing activities	1,617,451	(15,756)	1,601,695	1,088,771
Cash flows from capital and related financing activities				
Payments for capital acquisitions	-	(30,120)	(30,121)	(92,558)
Net cash from (to) capital and related financing activities	-	(30,120)	(30,121)	(92,558)
Cash flows from investing activities				
Interest received	343,963	-	343,963	278,844
Investments (purchased) sold	(289,026)	-	(289,026)	(88,301)
Net cash from (to) investing activities	54,937	-	54,937	190,543
Net increase (decrease) in cash and cash equivalents	877,921	(100)	877,821	260,189
Cash and cash equivalents at beginning of year	1,887,036	100	1,887,136	1,626,947
Cash and cash equivalents at end of year	$ 2,764,957	$ -	$ 2,764,957	$ 1,887,136
Reconciliation of operating income (loss) to net cash from operating activities:				
Operating income (loss)	$ (1,131,286)	$ 26,582	$ (1,104,704)	$ (740,430)
Adjustments to reconcile operating income to net cash from operating activities:				
Depreciation	-	53,361	53,361	48,548
Changes in assets and liabilities:				
(Increase) decrease in other receivables	129,236	(121,484)	7,752	(238,606)
(Increase) decrease in contributions receivable	(2,196)	-	(2,196)	98,160
(Increase) decrease in due from other funds	(1,133)	-	(1,133)	(2,650)
(Increase) decrease in due from other governments	-	(2,109)	(2,109)	1,903
(Increase) decrease in inventories	-	(66,281)	(66,281)	9,281
Increase (decrease) in accounts payable	186,309	(48,779)	137,530	(191,887)
Increase (decrease) in accrued salaries	-	2,078	2,078	878
Increase (decrease) in accrued compensated absenses	-	2,855	2,855	1,935
Increase (decrease) in due to other funds	(70,728)	199,553	128,825	91,485
Increase (decrease) in claims and judgements payable	95,331	-	95,331	(5,184)
Net cash from (to) operating activities	$ (794,467)	$ 45,776	$ (748,691)	$ (926,567)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SELF - INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
June 30, 2008 and 2007

	2008	2007
ASSETS		
Cash and cash equivalents	$ 2,764,957	$ 1,887,036
Investments	2,478,541	2,189,515
Receivables:		
Accrued interest	11,184	14,257
Contributions	135,765	133,569
Other	-	129,236
Due from other funds	3,783	2,650
Total assets	5,394,230	4,356,263
LIABILITIES		
Current liabilities:		
Accounts payable	233,369	47,060
Claims and judgements payable	1,978,585	1,883,254
Due to other funds	1,336,612	1,407,340
Total liabilities	3,548,566	3,337,654
NET ASSETS		
Unrestricted	$ 1,845,664	$ 1,018,609

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SELF - INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Operating revenues:		
Contributions	$ 8,308,873	$ 7,918,078
Other	235,724	996,001
Total operating revenues	8,544,597	8,914,079
Operating expenses:		
Operating services	2,163,267	1,912,738
Benefits and claims	7,512,616	7,701,291
Total operating expenses	9,675,883	9,614,029
Operating income (loss)	(1,131,286)	(699,950)
Nonoperating revenues:		
Investment earnings	340,890	283,381
Income before transfers	(790,396)	(416,569)
Transfers:		
Transfers in	1,665,946	1,199,977
Transfers out	(48,495)	(94,674)
Total transfers	1,617,451	1,105,303
Change in net assets	827,055	688,734
Net assets at beginning of year	1,018,609	329,875
Net assets at end of year	$ 1,845,664	$ 1,018,609

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
SELF-INSURANCE
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Cash flow from operating activities:		
Cash received from contributions	$ 8,306,677	$ 8,013,588
Cash received from other operating activities	293,099	903,088
Cash payments for operating services	(1,976,958)	(2,162,858)
Cash payments for benefits and claims	(7,417,285)	(7,706,475)
Net cash from (to) operating activities	(794,467)	(952,657)
Cash flows from noncapital financing activities		
Transfers in	1,665,946	1,105,303
Transfers out	(48,495)	-
Net transfers in (out) from noncapital financing activities	1,617,451	1,105,303
Cash flows from investing activities		
Interest received	343,963	278,844
Investments (purchased) sold	(289,026)	(88,301)
Net cash from (to) investing activities	54,937	190,543
Net increase (decrease) in cash and cash equivalents	877,921	343,189
Cash and cash equivalents at beginning of year	1,887,036	1,543,847
Cash and cash equivalents at end of year	$ 2,764,957	$ 1,887,036
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	$ (1,131,286)	$ (699,950)
Adjustments to reconcile operating income to net cash from operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in due from other funds	(1,133)	(2,650)
(Increase) decrease in contributions receivable	(2,196)	98,160
(Increase) decrease in other receivables	129,236	(238,606)
Increase (decrease) in accounts payable	186,309	(250,120)
Increase (decrease) in due to other funds	(70,728)	145,693
Increase (decrease) in claims and judgements payable	95,331	(5,184)
Net cash from (to) operating activities	$ (794,467)	$ (952,657)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF NET ASSETS
June 30, 2008 and 2007

	2008	2007
ASSETS		
Current assets:		
Cash and cash equivalents	$ -	$ 100
Due from other funds	121,484	-
Due from other governments	8,571	6,462
Inventories	119,140	52,859
Total current assets	249,195	59,421
Property, plant and equipment:		
Buildings and improvements	488,370	461,877
Machinery and equipment	998,030	994,402
Less: accumulated depreciation	(696,773)	(643,411)
Net property, plant and equipment	789,627	812,868
Total assets	1,038,822	872,289
LIABILITIES		
Current liabilities:		
Accounts payable	71,179	119,958
Accrued salaries and employee benefits	14,779	12,701
Due to other funds	982,851	783,298
Accrued compensated absences	14,388	11,557
Total current liabilities	1,083,197	927,514
Long-term liabilities (net of current portion):		
Accrued compensated absences	10,140	10,116
Total liabilities	1,093,337	937,630
NET ASSETS		
Invested in capital assets, net of related debt	789,627	812,868
Unrestricted	(844,142)	(878,209)
Total net assets	$ (54,515)	$ (65,341)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Operating revenues:		
Charges for services	$ 3,217,188	$ 2,781,603
Other	3,545	9,568
Total operating revenues	3,220,733	2,791,171
Operating expenses:		
Personal services	684,636	635,885
Operating services	2,456,154	2,147,218
Depreciation	53,361	48,548
Total operating expenses	3,194,151	2,831,651
Operating income (loss)	26,582	(40,480)
Transfers:		
Transfers out	(15,756)	(16,532)
Total transfers	(15,756)	(16,532)
Change in net assets	10,826	(57,012)
Net assets at beginning of year	(65,341)	(8,329)
Net assets at end of year	$ (54,515)	$ (65,341)

See accompanying notes to financial statements.

CITY OF MARIETTA, GEORGIA
MOTOR TRANSPORT
INTERNAL SERVICE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2008 and 2007

	2008	2007
Cash flow from operating activities:		
Cash received for services provided	$ 3,097,140	$ 2,793,074
Cash payments for goods and services	(2,371,661)	(2,133,912)
Cash payments for employee services and fringes	(679,703)	(633,072)
Net cash from (to) operating activities	45,776	26,090
Cash flows from noncapital financing activities		
Transfers out	(15,756)	(16,532)
Net transfers in (out) from noncapital financing activities	(15,756)	(16,532)
Cash flows from capital and related financing activities		
Payments for capital acquisitions	(30,120)	(92,558)
Net cash from (to) capital and related financing activities	(30,120)	(92,558)
Net increase (decrease) in cash and cash equivalents	(100)	(83,000)
Cash and cash equivalents at beginning of year	100	83,100
Cash and cash equivalents at end of year	$ -	$ 100
Reconciliation of operating income to net cash from operating activities:		
Operating income (loss)	$ 26,582	$ (40,480)
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	53,361	48,548
Changes in assets and liabilities:		
(Increase) decrease in due from other funds	(121,484)	-
(Increase) decrease in due from other governments	(2,109)	1,903
(Increase) decrease in inventories	(66,281)	9,281
Increase (decrease) in accounts payable	(48,779)	58,233
Increase (decrease) in accrued salaries	2,078	878
Increase (decrease) in accrued compensated absenses	2,855	1,935
Increase (decrease) in due to other funds	199,553	(54,208)
Net cash from (to) operating activities	$ 45,776	$ 26,090

See accompanying notes to financial statements.

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SUPPLEMENTAL INFORMATION

CITY OF MARIETTA, GEORGIA
MARIETTA REDEVELOPMENT CORPORATION COMPONENT UNIT
BALANCE SHEET
June 30, 2008

ASSETS	
Cash	$ 1,368,603
Investment in real estate	3,170,623
Deposits	56,035
Total assets	$ 4,595,261
LIABILITIES AND EQUITY	
Liabilities:	
Deposits	$ 3,220
Total liabilities	3,220
Equity:	
Fund balance:	
Unreserved	4,592,041
Total equity	4,592,041

Amounts reported for the component unit in the statement of net assets are different because:	
Long-term liabilities are not due and payable in the current period and therefore the line of credit is not reported.	(2,446,426)
Net assets of component unit	$ 2,145,615

CITY OF MARIETTA, GEORGIA
MARIETTA REDEVELOPMENT CORPORATION COMPONENT UNIT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the Year Ended June 30, 2008

Revenues:	
Charges for services	$ 81,040
Investment earnings	52,215
Total revenues	133,255
Expenditures:	
Current:	
Urban redevelopment and housing	104,776
Debt service:	
Interest	37,564
Total expenditures	142,340
Excess (deficiency) of revenues over expenditures	(9,085)
Other financing sources (uses):	
Line of credit proceeds	2,446,426
Net change in fund balance	2,437,341
Fund balance at beginning of year	2,154,700
Fund balance at end of year	$ 4,592,041

Amounts reported for the component units in the statement of activities are different because:

Net change in fund balance - total component units	$ 2,437,341
Debt proceeds provide current financial resources to the component unit, but issuing debt increases long-term liabilities in the statement of net assets.	(2,446,426)
Change in net assets of component units on the statement of activities	$ (9,085)

STATISTICAL SECTION

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

Contents

FINANCIAL TRENDS

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

REVENUE CAPACITY

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

DEBT CAPACITY

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

OPERATING INFORMATION

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

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

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

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

Note: Fiscal year 2002 the City implemented GASB 34 reporting format. Previous years not available.
A restatement in the amount of $1,391,888 was made to opening net assets in 2008 to correct accumulated depreciation on infrastructure.

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

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

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

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

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

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

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General fund										
Reserved	$ 1,120,585	$ 314,783	$ 2,619,214	$ 2,824,053	$ 2,618,300	$ 3,541,471	$ 2,926,287	$ 1,418,139	$ 1,951,995	$ 2,335,327
Unrestricted	15,283,245	15,357,327	14,401,649	12,456,974	11,067,315	7,052,523 (2)	8,824,684	14,240,675 (3)	14,570,802	14,374,838
Total general fund	$ 16,403,830	$ 15,672,110	$ 17,020,863	$ 15,281,027	$ 13,685,615	$ 10,593,994	$ 11,750,971	$ 15,658,814	$ 16,522,797	$ 16,710,165
All other governmental funds										
Reserved	$ 9,910,823	$ 7,799,021	$ 7,295,816	$ 6,063,784	$ 4,827,189	$ 3,794,278	$ 2,782,569	$ 2,880,403	$ 5,493,472	$ 7,725,291
Unreserved, reported in:										
Special revenue funds	1,173,718	1,403,664	1,619,326	1,713,180	1,848,752	1,980,587	2,084,380	6,592,067 (4)	7,444,398	6,708,071
Capital projects funds	-	-	-	-	-	-	(2,906)	3,732,152 (5)	6,026,841	16,867,435
Total all other governmental funds	$ 11,084,541	$ 9,202,685	$ 8,915,142	$ 7,776,964	$ 6,675,941	$ 5,774,865	$ 4,864,043	$ 13,204,622	$ 18,964,711	$ 31,300,797

(1) Includes 1997 public safety construction bond funds

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

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

(4) Includes 2005 TAD bond proceeds

(5) Includes the 2005 SPLOST tax revenues

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	$17,537,255	$14,092,755	$13,639,470	$14,382,122	$14,160,753	$16,129,207	$24,891,288	$23,052,547	$24,054,243	$24,680,800
Licenses and permits	11,688,006	11,842,975	11,964,581	12,188,318	12,546,419	12,814,047	6,314,395	6,306,258	6,621,273	6,227,731
Intergovernmental	4,431,355	8,560,142	10,541,323	10,802,296	12,794,367	15,251,038	12,993,072	17,845,244	21,850,301	25,074,095
Charges for services	2,389,318	2,444,572	2,489,411	2,502,163	3,669,682	3,687,691	3,918,537	3,914,149	3,932,451	4,053,167
Fines and forfeits	2,336,854	2,474,198	2,613,043	2,501,532	2,119,515	2,151,560	3,789,735	4,127,362	4,353,147	3,797,209
Investment earnings	1,413,622	1,697,091	1,868,450	1,085,352	556,459	155,504	375,582	964,352	1,802,151	2,018,377
Other	162,337	588,928	733,421	283,283	309,749	428,813	1,340,973	551,064	453,539	616,345
Total revenues	39,958,747	41,700,661	43,849,699	43,745,066	46,156,944	50,617,860	53,623,582	56,760,976	63,067,105	66,467,724
Expenditures										
General government	6,495,089	6,850,376	7,323,277	6,419,304	5,209,312	2,476,031	5,418,240	11,715,968	7,370,697	7,435,676
Public works	4,950,394	5,485,823	6,259,310	6,149,003	6,032,895	7,576,562	6,712,946	7,284,494	7,594,840	8,027,775
Culture and recreation	3,355,529	4,583,859	3,552,807	3,251,382	5,132,803	3,326,108	4,807,994	5,150,388	5,566,985	4,931,066
Urban redevelopment and housing	3,296,814	4,061,907	4,613,434	5,531,052	6,246,521	6,996,078	7,181,872	7,071,247	8,261,612	6,665,677
Public safety	18,391,589	20,441,755	20,567,812	19,463,643	20,433,348	24,413,923	20,858,758	23,916,347	23,537,979	25,901,142
Capital	6,494,607	4,241,074	2,282,757	6,567,510	5,061,572	5,120,264	9,516,023	2,358,450	4,243,722	7,778,531
Intergovernmental	49,940,447	-	-	-	-	-	-	-	-	-
Debt service										
Principal	1,765,000	2,255,000	3,205,000	3,185,000	5,585,000	7,640,000	4,657,380	4,852,776	5,059,965	5,287,265
Interest	2,288,382	4,766,637	4,276,012	4,108,381	4,581,910	3,353,311	3,107,466	2,935,530	3,101,300	4,789,241
Fiscal agent fees and bond issuance costs	185,000	-	-	7,136	177,928	4,208	1,802	119,830	-	186,933
Capital projects	-	-	-	-	-	-	-	-	-	2,780,066
Total expenditures	97,162,851	52,686,431	52,080,409	54,682,411	58,461,289	60,906,485	62,262,481	65,405,030	64,737,100	73,783,372
Excess of revenues over (under) expenditures	(57,204,104)	(10,985,770)	(8,230,710)	(10,937,345)	(12,304,345)	(10,288,625)	(8,638,899)	(8,644,054)	(1,669,995)	(7,315,648)
Other financing sources (uses)										
Transfers in	12,138,912	11,057,678	11,533,179	11,312,473	11,480,033	10,046,820	12,815,707	15,793,259	15,515,433	15,729,197
Transfers out	(1,959,923)	(2,699,484)	(2,302,030)	(3,336,683)	(2,790,094)	(3,797,032)	(4,170,090)	(8,335,765)	(6,940,497)	(7,750,252)
Sale of capital assets	52,322	14,000	60,771	83,541	46,015	46,140	239,437	5,034,982	139,123	425,157
Bond proceeds/refunding bonds issued	50,125,447	-	-	-	21,231,956	-	-	8,400,000	-	49,985,000
Payment to refunded bond escrow agent	-	-	-	-	(20,360,000)	-	-	-	-	(38,550,000)
Total other financing sources (uses)	60,356,758	8,372,194	9,291,920	8,059,331	9,607,910	6,295,928	8,885,054	20,892,476	8,714,059	19,839,102
Net change in fund balances	$ 3,152,654	$ (2,613,576)	$ 1,061,210	$ (2,878,014)	$ (2,696,435)	$ (3,992,697)	$ 246,155	$12,248,422	$ 7,044,064	$ 12,523,454
Debt service as a percentage of noncapital expenditures	4.67%	14.49%	15.02%	13.88%	17.97%	19.59%	14.64%	13.90%	13.11%	14.87%

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

Year Ended (1) June 30	Property Tax	Intangible Tax	Alcoholic Beverage Excise Tax	Hotel Motel Tax	Real Estate Transfer Tax	Other	Total
1999	$7,629,307	$129,922	$811,565	$2,745,396	$98,381	$529,605	$11,944,176
2000	7,861,679	154,535	860,722	2,773,870	64,087	597,167	12,312,060
2001	7,946,778	153,288	884,965	2,628,991	166,789	543,430	12,324,241
2002	8,169,946	211,941	868,053	2,294,071	108,249	527,429	12,179,689
2003	8,995,155	285,519	846,831	2,093,875	80,592	539,024	12,840,996
2004	10,507,706	284,215	847,700	2,009,839	99,110	519,884	14,268,454
2005 (2)	15,306,659	230,896	842,738	2,067,734	136,880	3,313,987	21,898,894
2006	16,546,032	257,488	861,353	2,150,995	149,332	3,087,347	23,052,547
2007	17,416,798	285,132	884,674	2,180,519	110,783	3,176,337	24,054,243
2008	17,590,571	224,801	812,476	2,217,011	106,428	3,729,513	24,680,800

(1) 1999 - 2005: Includes General, Special Revenue, Debt Service Funds and discretely presented component unit: Marietta Welcome Center and Visitor's Bureau, Inc.
2006 - 2008: Includes all governmental funds

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

CITY OF MARIETTA, GEORGIA

Assessed Value and Estimated Actual Value of Taxable Property (Unaudited)

Last ten fiscal years

Digest Year	Real Property (1)	Personal Property: Motor Vehicles/Homes	Personal Property: Personal Property	Personal Property: Public Utilities	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
1998	1,183,625,941	147,787,659	328,804,279	23,782,509	23,508,400	1,660,491,988	4.61	4,151,229,970	40.00%
1999	1,349,905,975	158,753,428	327,301,417	25,408,274	24,172,000	1,837,197,094	4.26	4,592,992,735	40.00%
2000	1,425,404,919	175,625,779	327,116,080	29,966,697	25,126,000	1,932,987,475	4.25	4,832,468,688	40.00%
2001	1,494,023,175	171,693,737	301,835,529	31,394,374	26,379,506	1,972,567,309	4.186	4,931,418,273	40.00%
2002	1,745,314,574	168,311,224	297,553,461	36,728,896	74,975,895 (3)	2,172,932,260	4.186	5,432,330,650	40.00%
2003	1,788,218,138	156,996,283	308,502,425	34,685,490	92,338,297	2,196,064,039	4.686	5,490,160,098	40.00%
2004	1,860,715,202	151,204,522	289,628,328	33,045,200	117,344,645	2,217,248,607	4.686	5,543,121,518	40.00%
2005	2,024,460,648	163,927,353	294,707,607	32,891,832	130,666,229	2,385,321,211	4.686	5,963,303,028	40.00%
2006	2,185,623,440	172,340,767	293,856,544	35,121,972	161,562,650	2,525,380,073	4.686	6,313,450,183	40.00%
2007	2,328,581,761	170,498,321	316,625,189	30,026,547	192,084,113	2,653,647,705	4.683	6,634,119,263	40.00%

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

(2) State law changed procedure of paying motor vehicle tax

(3) Floating homestead exemption went into effect.

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

	City of Marietta				Overlapping Rates					
					Cobb County			Marietta City Schools		Downtown Marietta Development Authority (1)
Fiscal Year	Operating Millage	Debt Service Millage	Cemetery Maintenance Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Total Direct & Overlapping Rates	Operating Millage
1999	2.07	2.11	0.08	4.25	6.57	0.63	7.07	15.47	26.79	3.00
2000	2.04	2.10	0.08	4.19	6.57	0.50	7.07	15.47	26.73	3.00
2001	2.04	2.07	0.08	4.19	6.8	0.50	7.07	17.97	29.23	2.60
2002	2.04	2.07	0.08	4.69	6.85	0.27	7.07	17.97	29.73	2.60
2003	2.79	1.82	0.08	4.69	6.85	0.22	7.07	17.97	29.73	2.60
2004	2.79	1.82	0.08	4.69	6.85	0.22	7.07	17.97	29.73	2.38
2005	2.79	1.82	0.08	4.69	6.85	0.22	7.07	17.97	29.73	2.38
2006	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2007	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38
2008	2.79	1.82	0.08	4.69	6.82	0.22	7.04	17.97	29.70	2.38

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

CITY OF MARIETTA, GEORGIA
Principal Taxpayers (Unaudited)
June 30, 2008

		2008			1999		
Taxpayer (1)	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Bell South Telecom. (Public Utilities)	Telephone	$18,912,070	1	0.71%	$17,586,512	2	1.06%
C W Matthews Contracting Co.	Commercial	$17,298,510	2	0.65%	$9,601,685	6	0.58%
Bell Ferry Corporation	Real Estate	$15,412,320	3	0.58%	$12,960,000	4	0.78%
Sterling Town Center Apartments	Commercial	$12,872,480	4	0.49%	-		
Stewart & Stevenson Tug	Commercial	$11,350,630	5	0.43%	-		
Atlanta Parkway Investment Group I	Real Estate	$10,779,584	6	0.41%	$17,896,887	1	1.08%
Atlanta Parkway Investment Group II	Real Estate	$10,736,552	7	0.40%	-		
Bel-Eqr IV Limited Patnership	Real Estate	$8,843,800	8	0.33%	-		
Wellstar Health System, Inc.	Hospital	$8,662,480	9	0.33%	-		
Jasmiine At Powers Ferry LLC	Commercial	$8,189,000	10	0.31%	-		
Tyco International US Inc.	Manufacturing	-		-	$16,784,076	3	1.01%
Tridom Corp.	Commercial	-		-	$10,842,170	5	0.65%
Focus/Ridge LP	Real Estate	-		-	$7,264,000	7	0.44%
Sierra Capital Realty	Real Estate	-		-	$6,280,108	8	0.38%
Winterset LTD	Real Estate	-		-	$6,040,000	9	0.36%
Summit Station	Real Estate	-		-	$6,038,800	10	0.36%
Totals		$123,057,426		4.64%	$111,294,238		6.70%

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

Tax Digest Year	Total Tax Levy for Fiscal Year	Subsequent Years Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections of Prior Years Levy	Total Collections to Date	
				Amount	Percentage of Levy		Amount	Percentage of Levy
1998	6,711,797	4,584	6,716,380	6,648,881	99.06%	67,493	6,716,374	100.00%
1999	6,913,330	(97)	6,913,232	6,853,712	99.14%	44,742	6,898,454	99.79%
2000	7,187,928	(21,876)	7,166,052	7,043,100	97.99%	117,008	7,160,108	99.92%
2001	7,216,601	12,864	7,229,466	7,104,677	98.45%	89,180	7,193,857	99.51%
2002	8,126,201	55,343	8,181,543	7,997,857	98.42%	121,294	8,119,151	99.24%
2003	9,277,950	(50,063)	9,227,887	9,120,751	98.31%	76,272	9,197,023	99.67%
2004	9,430,498	(13,165)	9,417,333	9,348,551	99.13%	51,347	9,399,898	99.81%
2005	10,136,294	32,643	10,168,937	10,036,324	99.01%	120,996	10,157,320	99.89%
2006	10,761,609	(44,629)	10,716,980	10,615,645	98.64%	53,012	10,668,657	99.55%
2007	11,407,894	0	11,407,894	11,273,654	98.82%	0	11,273,654	98.82%

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

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

Source: City of Marietta utility department

* No rate for that Tier during that time
** Information prior to 2001 not readily available

(1) 0 - 2,000 gallons

(2)

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

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

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

Source: City of Marietta utility department
** Information prior to 2001 not readily available

(1) Cost per first 650 kilowatt hours

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

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

CITY OF MARIETTA, GEORGIA
Principal Electric Revenue Customers (Unaudited)
June 30, 2008

Customer Name	Type of Business	2008 Kilowatt Hours Billed	2008 Rank	2008 Percentage of Total Kwt Billable Hours Value	1999 Kilowatt Hours Billed	1999 Rank	1999 Percentage of Total Kwt Billable Hours Value
Wellstar Hospital	Hospital	46,865,740	1	4.29%	32,371,000	1	3.29%
Cobb County Government	Government	23,984,630	2	2.19%			
Lockheed Martin	Comercial	18,791,867	3	1.72%			
Marietta City Schools	School	15,762,639	4	1.44%			
Southern Ice Cream	Comercial	13,732,200	5	1.26%	14,072,000	3	1.43%
Southern Polytechnic	School	12,218,400	6	1.12%	11,967,000	4	1.22%
City of Marietta	Government	11,538,091	7	1.05%			
Tip Top Poultry	Comercial	8,168,400	8	0.75%	6,753,000	8	0.69%
Coca Cola Enterprises	Comercial	7,546,800	9	0.69%			
Lasalle Partners Management Inc.	Realestate	7,074,400	10	0.65%			
Medical Disposables	Comercial			-	23,231,000	2	2.36%
Solvay Pharmaceuticals	Comercial			-	9,490,000	5	0.96%
Vingings Industries	Comercial			-	7,942,000	6	0.81%
Metal Coasters of Georgia	Comercial				7,314,000	7	0.74%
Amitech	Comercial				6,477,000	9	0.66%
Life University	School				6,239,000	10	0.63%
Totals		165,683,167		15.15%	105,826,000		10.75%

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

	Governmental Activities				Business Type Activities					
Fiscal Year	General Obligation Bonds	SPLOST Revenue Bonds	Tax Allocation Bonds	Note Payable	Marietta Conference Center Revenue Bonds	Golf Course Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
1999	$90,430,000	- -	- -	- -	$24,990,000	$7,776,906	$786,764	$123,983,670	9.84%	$2,229
2000	88,175,000	- -	- -	- -	24,530,000	7,068,675	685,807	120,459,482	8.98%	2,103
2001	84,970,000	- -	- -	- -	24,040,000	6,395,357	462,664	115,868,021	8.16%	1,971
2002	81,785,000	- -	- -	- -	23,515,000	5,757,091	214,343	111,271,434	7.65%	1,851
2003	76,965,000	- -	- -	- -	22,955,000	5,153,829	208,635	105,282,464	7.20%	1,749
2004	69,325,000	- -	- -	- -	26,670,000	4,583,140	256,699	100,834,839	6.86%	1,675
2005	64,705,000	- -	- -	762,620	26,255,000	4,044,323	217,265	95,984,208	6.48%	1,595
2006	59,895,000	- -	8,400,000	719,844	25,815,000	3,536,585	176,269	98,542,698	6.48%	1,637
2007	54,880,000	- -	8,400,000	674,879	25,350,000	3,059,064	133,632	92,497,575	5.90%	1,522
2008	51,255,000	9,820,000	8,400,000	627,614	31,410,000	4,835,000	253,450	106,601,064	6.80%	1,591

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Actual Taxable Value of Property	Per Capita
1999	90,430,000	1,964,281	88,465,719	2.13%	1,585
2000	88,175,000	1,775,655	86,399,345	1.88%	1,508
2001	84,970,000	1,831,837	83,138,163	1.72%	1,415
2002	81,785,000	1,796,097	79,988,903	1.62%	1,328
2003	76,965,000	2,000,172	74,964,828	1.38%	1,245
2004	69,325,000	1,958,270	67,366,730	1.23%	1,119
2005	64,705,000	1,898,186	62,806,814	1.13%	1,043
2006	59,895,000	2,206,406	57,688,594	0.97%	958
2007	54,880,000	2,836,778	52,043,222	0.87%	857
2008	51,255,000	3,658,389	47,596,611	0.75%	710

CITY OF MARIETTA, GEORGIA
Direct and Overlapping Governmental Activities Debt
As of June 30, 2008

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Direct General Obligation Debt	$51,255,000	100.00%	$ 51,255,000
Overlapping General Obligation Debt:			
Cobb County including TAX Anticipation Notes	153,815,000	9.25%	14,227,888
Cobb County Board of Education	0 (1)	9.25%	-
Total Overlapping General Obligation Debt			14,227,888
Total Direct and Overlapping General Obligation Debt			$ 65,482,888
Overlapping Guaranteed Revenue Debt:			
City of Marietta Note Payable	627,614	100.00%	$ 627,614
Downtown Marietta Development Authority:			
Golf Course	4,835,000	100.00%	4,835,000
Conference Center	31,410,000	100.00%	31,410,000
SPLOST Revenue Bonds	9,820,000	100.00%	9,820,000
Cobb Administrative Building Project	2,795,000	9.25%	258,538
Cobb-Marietta Coliseum and Exhibit Hall Authority	53,235,000	9.25%	4,924,238
Cobb County Recreation Authority	3,040,000	9.25%	281,200
Cobb County Solid Waste Management	13,910,000	9.25%	1,286,675
Total Overlapping Guaranteed Revenue Debt			$ 53,443,264
Total Direct, Overlapping and Overlaping Guaranteed Revenue Debt			$ 118,926,152
Debt Per Capita			
Direct General Obligation Debt			$ 764.76
Overlapping General Obligation Debt			$ 212.29
Overlapping Guaranteed Revenue Debt			$ 797.41
Total Debt Per Captia			$ 1,774.46

(1) Cobb County Board of Education paid off General Obligation Debt in FY2007

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Debt limit: 10 percent of assessed value	$168,400,039	$186,136,909	$195,811,348	$199,894,682	$224,790,816	$228,840,234	$233,459,325	$251,598,744	$268,694,272	$284,573,182
Total net debt applicable to limit	90,430,000	88,175,000	84,970,000	81,785,000	76,965,000	69,325,000	64,705,000	59,895,000	54,880,000	51,255,000
Legal Debt margin	$77,970,039	$97,961,909	$110,841,348	$118,109,682	$147,825,816	$159,515,234	$168,754,325	$191,703,744	$213,814,272	$233,318,182
Total net debt applicable to the limit as a percentage of debt limit	53.70%	47.37%	43.39%	40.91%	34.24%	30.29%	27.72%	23.81%	20.42%	18.01%

Legal Debt Margin Calculation for Fiscal Year 2008

Total taxable assessed value	$2,653,647,705
Add back: exempt real property	192,084,113
Total assessed value	$2,845,731,818
Debt limit (10% of total assessed value)	284,573,182
Debt applicable to limit:	
General obligation bonds	51,255,000
Legal debt margin	$233,318,182

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

	Marietta Conference Center Bonds, Series 1996 A, 1996 B, and 2003 (1)				Tax Allocation District CCSR Series 2005 (2)			
Fiscal Year	Operating Revenues	Principal	Interest	Coverage	TAD Revenues	Principal	Interest	Coverage
1999	13,453,915	430,000	1,789,731	6.06	-	-	-	-
2000	13,895,505	460,000	1,756,152	6.27	-	-	-	-
2001	13,273,286	490,000	1,715,922	6.02	-	-	-	-
2002	10,392,010	525,000	1,641,762	4.80	-	-	-	-
2003	9,535,056	560,000	1,838,201	3.98	-	-	-	-
2004	8,976,919	600,000	1,841,483	3.69	-	-	-	-
2005	9,343,330	415,000	1,841,606	4.25	-	-	-	-
2006	1,677,432	440,000	1,798,563	0.75	172,486	-	-	-
2007	1,681,074	465,000	1,328,549	0.94	472,140	*	353,997	1.33
2008	1,644,720	940,000	1,355,580	0.72	725,895	*	351,960	2.06

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

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

* First Tax allocation bond principal payment is due in FY2009

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

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1999	55,824	1,264,358	22,649	29.9	6,928	3.2
2000	57,286	1,341,008	23,409	30.0	7,325	3.8
2001 (1)	58,748	1,419,880	24,169	30.1	7,460	4.4
2002	60,210	1,457,865	24,213	30.2	7,524	6.0
2003	60,208	1,463,115	24,301	30.4	7,552	5.8
2004	60,204	1,470,964	24,433	30.6	7,316	5.6
2005	60,197	1,481,328	24,608	31.0	7,558	4.6
2006 (2)	60,189	1,520,795	25,267	32.3	7,818	3.9
2007 (2)	60,758	1,566,949	25,790	32.8	7,517	3.9
2008 (1)	67,021	1,567,303	25,349	33.7	7,638	5.2

(1) Bureau of Census
(2) Claritas
All other years estimated by the Marietta Redevelopment Authority Staff

CITY OF MARIETTA, GEORGIA
Principal Employers
Last ten fiscal years

	2008			1999		
Employer	Employees [1]	Rank	Percentage of Total City Employment [2]	Employees [3]	Rank	Percentage of Total City Employment [2]
Welstar Kennestone Hospital	3,720	1	11%			
Matria Healthcare	2,600	2	7%			
YKK Corp of America	2,400	3	7%			
Solvay Pharmaceuticals	1,700	4	5%	950	3	3%
Tip Top Poultry, Inc.	1,400	5	4%			
Columbian Chemical Company	1,350	6	4%			
C.W. Matthews Contracting, Inc.	1,300	7	4%			
Marietta City Schools	1,264	8	4%	940	4	3%
Cobb County Government	1,100	9	3%	810	7	3%
Power Industry Consultants	1,000	10	3%			
AT&T				1,600	1	5%
Life University				1,000	2	3%
Healthdyne, Inc.				900	5	
the Kendall Company				900	6	3%
White Water/American Adventures				800	8	2%
City of Marietta				798	9	
Yellow Freight System, Inc.				631	10	2%

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

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

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General government										
Elected officials	8	8	8	8	8	8	8	8	8	8
City clerk	3	3	3	3	3	3	3	3	3	3
Municipal court	13	14	14	14	12	12	15	16	16	16
City manager	6	6	6	6	5	6	5	6	7	7
Mayor staff	1	1	1	1	1	1	1	1	1	1
Finance	25	24	27	24	23	24	21	25	24	23
Personnel	8	8	9	9	6	8	8	9	9	8
Development services	23	23	20	25	23	25	24	30	29	31
Public works										
Admin. & engineering	14	13	13	7	8	7	7	7	7	7
Code enforcement	7	7	7	9	7	7	6	8	8	8
Sanitation	41	45	45	42	37	42	42	41	42	42
Streets & Traffic	43	43	43	43	35	41	39	41	41	39
Public safety										
Police										
Officers	135	136	139	141	136	136	136	134	133	132
Civilians	24	27	28	20	28	26	17	31	31	33
Fire										
Firefighters & officers	129	127	135	131	119	127	122	134	128	131
Civilians	4	4	4	5	4	3	3	4	4	4
Culture and recreation										
Recreation	13	14	12	11	12	12	10	9	11	11
Property maintenance	42	44	52	38	38	20	19	16	17	17
Cemetery maintenance	1	3	3	3	3	3	3	3	2	1
BLW Board	6	6	6	6	6	6	6	6	6	6
Electric	135	130	124	132	134	137	127	130	137	127
MIS/GIS	19	19	19	19	19	20	19	21	21	20
Water/sewer	34	27	36	36	36	39	38	38	37	41
FiberNet [1]	0	0	0	26	26	24	0	0	0	0
Fleet maintenance	14	12	12	12	12	14	14	14	13	13
Total	748	744	766	771	741	751	693	735	735	729

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

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Function										
Police										
Murder	3	5	5	2	5	6	1	6	4	4
Robbery	185	181	175	164	212	206	201	197	276	268
Agravated assault	300	164	247	131	177	186	141	131	189	189
Auto theft	541	465	576	340	397	427	439	405	467	393
Burglary	613	584	532	552	635	609	483	419	614	636
Larceny	2,482	2,347	2,391	1,929	2,158	2,207	1,803	1,929	1,820	1,858
Fire										
Calls for service	10,772	11,718	11,626	11,467	11,736	11,736	12,266	12,633	12,514	10,496
Fires	672	645	469	443	388	381	227	220	296	297
Structure fires	216	211	140	197	176	75	80	75	79	75
EMS calls	4,320	4,556	4,603	4,498	4,617	4,945	3,487	3,500	3,715	3,803
Fire investigations	*	78	52	47	30	48	45	42	86	77
Plan reviews of commercial property	*	492	488	482	508	624	624	640	984	416
Public Works/Engineering/Inspections										
Highways and streets										
Street resurfacing (miles)	4	5	4	8	4	3	3	2.8	3.1	12.1
Pedestrain signals installed	3	3	10	8	6	10	9	9	19	10
Signalized intersections installed/upgraded	9	9	10	3	10	10	7	10	13	6
Engineering/building inspections										
Site plans reviewed	74	64	39	60	50	47	47	52	130	118
Grading permits issued	34	339	252	176	250	278	312	318	317	173
Permits issued (building and trade)	5,673	4,750	4,195	4,354	4,300	4,194	4,456	4,725	6,536	4,767
Inspections	14,289	14,096	11,554	11,708	12,000	10,500	11,295	11,525	17,180	12,039
Sanitation										
Tons of residential waste landfilled	12,500	12,431	13,927	13,822	12,500	14,700	14,983	15,300	19,785	18,955
Tons of residential waste recycled	4,412	7,124	5,176	6,010	4,500	6,030	6,527	6,825	5,786	6,391

* Information not readily available
** Suspended due to drought
Source: various City of Marietta departments as compiled by City's Budget Division

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Parks, recreation, and facilities										
Parks and recreation										
Senior games participants	272	279	302	280	300	320	309	320	275	222
Summer day camp participants	1,080	1,075	880	694	544	580	517	790	356	1,018
Youth basketball participants	675	800	780	720	620	590	480	490	321	380
Youth track participants	*	177	148	128	100	100	112	108	92	100
Adult basketball teams	20	18	26	20	18	6	14	11	10	11
Concerts on the Square	15	15	15	15	16	16	17	17	17	17
Festivals on the Square	4	4	4	4	4	4	4	4	4	4
Facilities										
Inspections	650	6,404	6,923	7,441	3,470	3,470	3,470	3,571	3,613	3,659
Work orders	1,696	1,653	1,684	1,981	2,198	2,598	2,598	2,870	2,971	3,121
Vandalism incidents	132	183	215	244	183	173	173	189	264	210
Development Services										
Code compliance inspections	1,272	6,010	6,758	6,930	8,164	9,760	8,670	10,200	12,780	12,333
Code enforcement cases	*	*	*	*	3,515	3,344	3,564	3,600	4,925	5,167
Citations issued	30	68	88	78	62	35	22	40	53	36
Sign permits issued	360	270	204	198	264	300	250	330	350	282
Rezoning applications processed	50	38	32	60	30	50	36	30	29	19
Varience applications processed	60	47	74	67	71	100	68	80	54	32
Plats reviewed	30	65	128	44	122	127	119	140	78	51
Building permits reviewed	2,000	870	720	691	693	700	768	800	1,677	1,511
Personnel										
Number of open positions	205	140	189	191	195	217	235	210	204	121
Number of applications received	1,500	1,095	2,145	2,430	2,525	3,553	5,043	4,500	5,584	5,733
Pension applications received and approved	25	30	23	23	23	25	39	40	37	25
Finance										
Tax payments processed	18,126	22,687	21,967	21,967	19,880	19,899	20,000	19,225	19,802	20,460
Value of tax payments (millions)	*	*	32	36.2	45.6	47.2	46.9	51.5	54.9	58.8
Property tax exemption forms	*	700	850	850	8,874	8,874	7,799	8,000	8,204	8,418
Purchase orders processed	2,019	1,975	2,300	2,300	2,700	2,500	2,500	2,375	2,351	2,107
Active vendors	*	5,965	6,200	6,200	6,300	6,300	6,300	6,375	6,425	6,439
Business licenses issued	*	8,272	8,008	8,365	8,815	8,898	8,854	8,558	9,020	8,098

* Information not readily available
** Suspended due to drought
Source: various City of Marietta departments as compiled by City's Budget Division

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Municipal Court										
Traffic citations issued	19,979	21,381	22,508	19,011	19,403	18,684	14,056	16,922	20,655	17,114
Red light citations issued	*	*	*	*	*	4,510	35,010	37,001	35,873	26,882
Parking citations issued	2,085	3,992	4,121	4,308	3,855	4,171	4,628	4,768	3,927	4,160
Cases filed	*	20,960	17,318	15,226	15,490	15,053	13,297	14,228	16,051	13,321
Non-jury trials	*	883	1,144	1,047	853	924	923	997	906	126
New probationers	*	700	810	707	673	631	578	528	489	631
Electric										
New customer work orders	344	266	300	300	300	300	429	415	677	551
Lighting repair work orders	2,117	2,021	1,900	1,851	1,970	1,970	1,970	1,769	1,771	1,847
Line clearance (miles)	23	49	55	55	55	84	68	75	104	100
Trees removed on system	234	446	450	450	217	240	208	250	209	225
Meter site audits	*	*	*	400	425	335	335	384	527	350
Transformer infrared scanning	*	*	*	165	125	130	130	218	289	220
Electric customers	44,445	44,909	44,691	44,467	44,843	46,073	45,543	44,338	45,593	46,032
Kilowatt hours sold (millions)	984	1,013	1,072	1,046	1,082	1,074	1,036	1,075	1,073	1,094
Water & sewer										
New meter installs	*	235	170	136	116	144	146	150	204	78
Large water main replacements (feet)	*	0	0	0	2,050	16,050	3,250	3,150	3,150	5,000
Water line replacements (feet)	*	3,560	5,500	0	5,802	14,330	11,920	17,455	4,600	6,100
Sewer main rehabiliation (feet)	*	3,500	5,000	0	2,420	9,191	3,087	15,100	4,500	2,800
Major sanitary sewer overflows	*	*	*	*	*	3	2	0	1	0
Backflow device inspections	*	*	*	*	*	180	186	274	454	469
Utility locates	*	*	*	*	*	3,617	3,510	4,000	3,495	3,625
Gallons of grease removed from traps	*	*	*	*	*	411,728	640,951	500,000	762,226	715,234
Valves exercised	*	*	*	*	900	110	140	600	189	0
Plan reviews	*	*	*	*	66	73	62	70	46	35
Job orders completed	*	11,660	11,785	11,250	10,200	11,679	11,857	12,000	3,142	5,812
Water customers	*	*	17,665	18,194	18,325	18,218	18,276	18,249	18,661	18,073
Water gallons sold (million)	4,089	3,463	3,708	3,446	3,415	3,160	3,158	3,357	3,353	3,001
Sewer customers	*	*	16,783	16,584	16,741	16,768	16,728	16,654	16,710	16,782
Sewer gallons (millions)	3,425	3,346	3,737	3,159	3,093	2,960	2,962	3,044	2,998	2,708

* Information not readily available
** Suspended due to drought
Source: various City of Marietta departments as compiled by City's Budget Division

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

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Public safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	58	68	68	72	82	80	87	98	103	99
Fire Stations	6	6	6	6	6	6	6	6	6	6
Sanitation										
Collection trucks	14	15	15	15	15	15	15	15	15	15
Highways and streets										
Streets(miles)	212.9	215.1	215.3	215.8	217.0	217.6	219.6	220.2	223.2	223.7
Streetlights	**	**	**	**	**	**	**	6,787	6,817	7,824
Traffic signals	99	99	99	100	102	104	106	108	108	104
Culture and recreation										
Parks acreage	277	277	248	279	287.7	288	288	288	298.8	310
Parks	18	18	18	18	19	19	19	19	20	20
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	25	25	25	25	27	27	27	27	27	23
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles) *	260	265	275	280	290	300	305	314.4	314.4	318.8
Fire hydrants *	1,850	1,900	2,000	2,100	2,150	2,200	2,250	2,315	2,322	2,385
Water pump stations	2	2	2	3	3	3	3	3	3	3
Wastewater										
Sanitary sewer mains (miles)*	190	205	215	230	240	255	265	275.5	278.3	285.2
Storm sewers(miles)	218.3	220.5	220.7	221.2	222.4	223.0	225.0	225.6	225.6	230
Wastewater pump stations	3	3	1	1	1	1	1	1	1	1
Electric										
Number of distribution stations	18	19	19	19	20	20	20	20	20	21
Miles of service lines	**	**	**	**	561	562	569	572	579	585
Conference Center	1	1	1	1	1	1	1	1	1	1
Golf Course	1	1	1	1	1	1	1	1	1	1

Sources: Various city departments
Note: * Fiscal Years 97 - 2005 estimates
** not readily available

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