GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Chatham County

Georgia

For the Fiscal Year Beginning

July 1, 2012

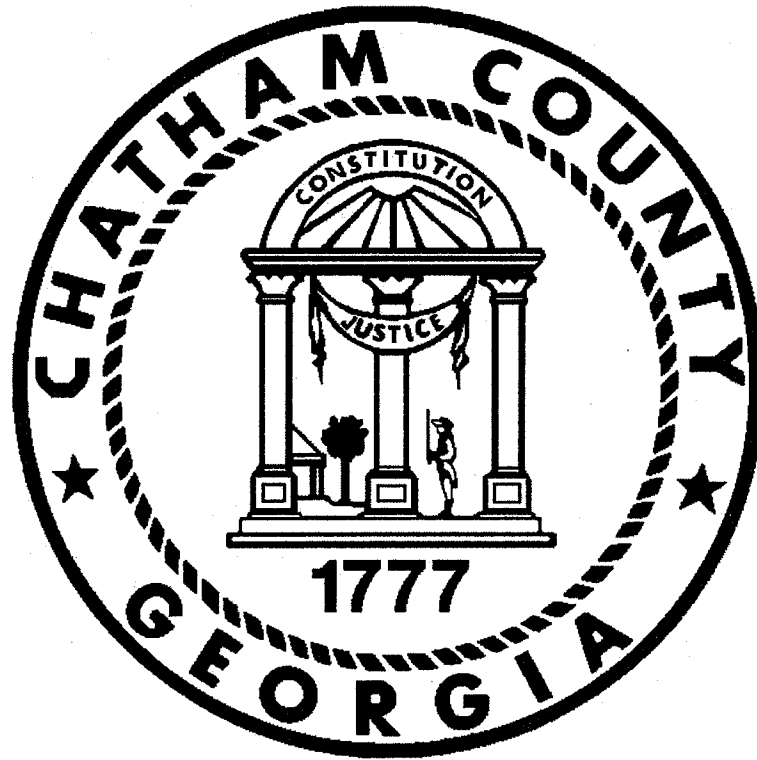President   Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award for Distinguished Budget Presentation to Chatham County, Georgia for its annual budget for the fiscal year beginning July 1, 2012.
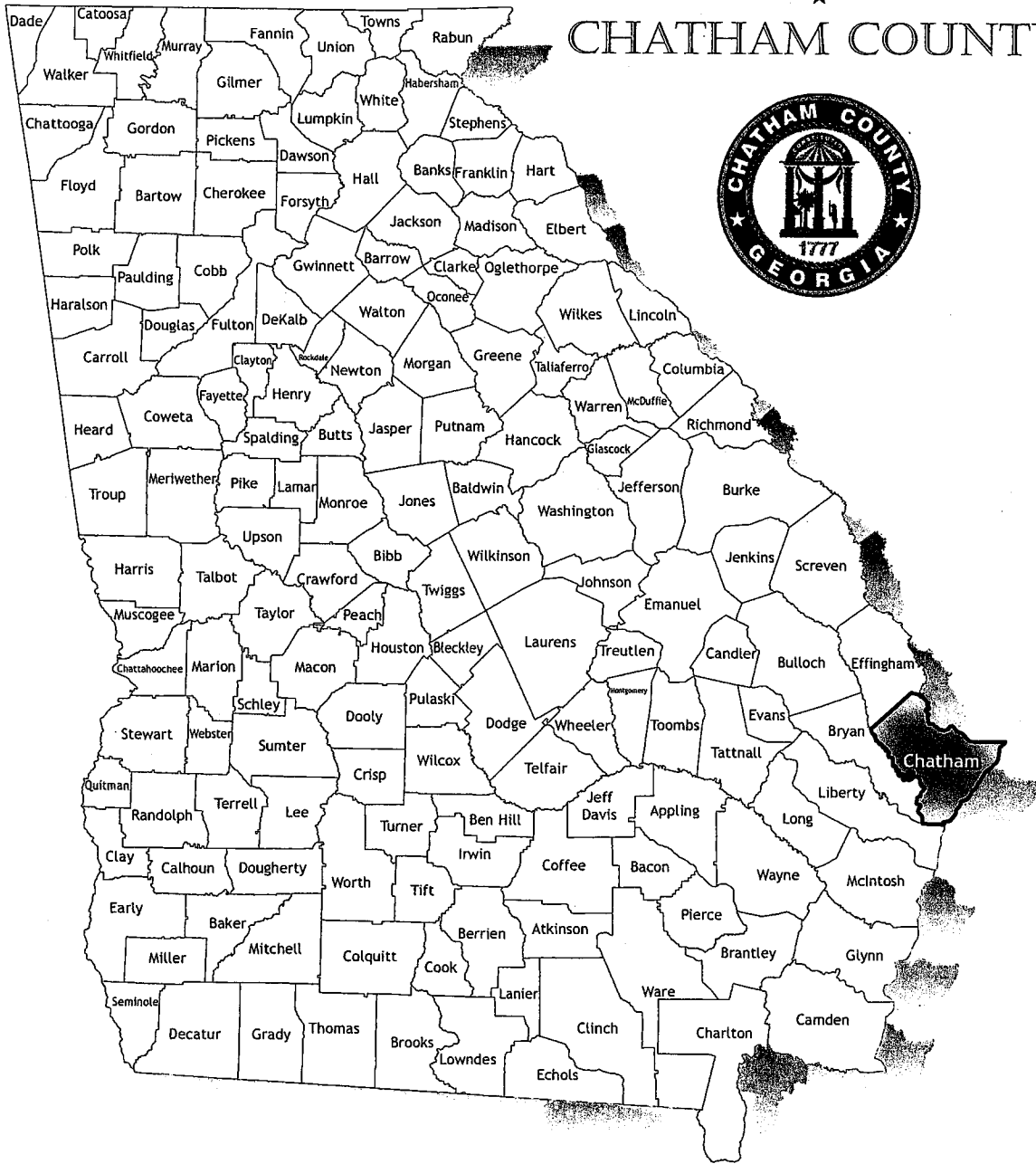
In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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Seal of Chatham County, Georgia — CONSTITUTION · JUSTICE · 1777

STATE OF GEORGIA
★
CHATHAM COUNTY

CHATHAM COUNTY, GEORGIA
ADOPTED ANNUAL BUDGET - FISCAL YEAR 2013 / 2014
BOARD OF COMMISSIONERS
2013 - 2016

CHAIRMAN
Albert J. Scott

VICE-CHAIRMAN
Dr. Priscilla D. Thomas

CHAIRMAN PRO-TEM
Helen L. Stone

COMMISSIONERS

Helen L. Stone
Tony Center
James J. Holmes
Patrick K. Farrell

Yusuf K. Shabazz
Dean Kicklighter
Lori L. Brady
Dr. Priscilla D. Thomas

COUNTY MANAGER
Russell E. Abolt

ASSISTANT COUNTY MANAGERS
Michael Kaigler   Linda Cramer

COUNTY CLERK
Janice E. Bocook

COUNTY ATTORNEYS
R. Jonathan Hart   Jennifer R. Burns

COMPILED BY - CHATHAM COUNTY FINANCE STAFF
Linda Cramer, Assistant County Manager
Lesha Lanier, Interim Finance Director
Read DeHaven, Budget Officer
Estelle Brown, Assistant Budget Officer
Christopher Morris, Senior Budget & Management Analyst
Rusheda Adeshina, Senior Budget & Management Analyst
Melva Sharpe, Senior Budget & Management Analyst
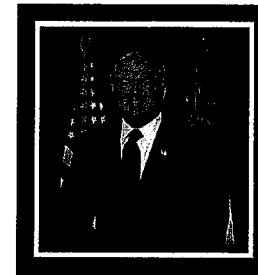Delores Stokes, Administrative Assistant IV

CHATHAM COUNTY COMMISSIONERS

Commissioner Helen L. Stone
Chairman Pro Tem
1st District

Commissioner James J. Holmes
2nd District

Commissioner Tony Center
3rd District

Commissioner Patrick K. Farrell
4th District

Albert J. Scott
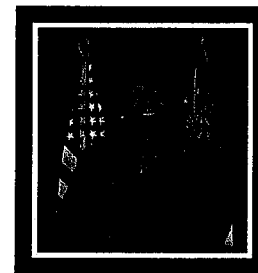Commission Chairman

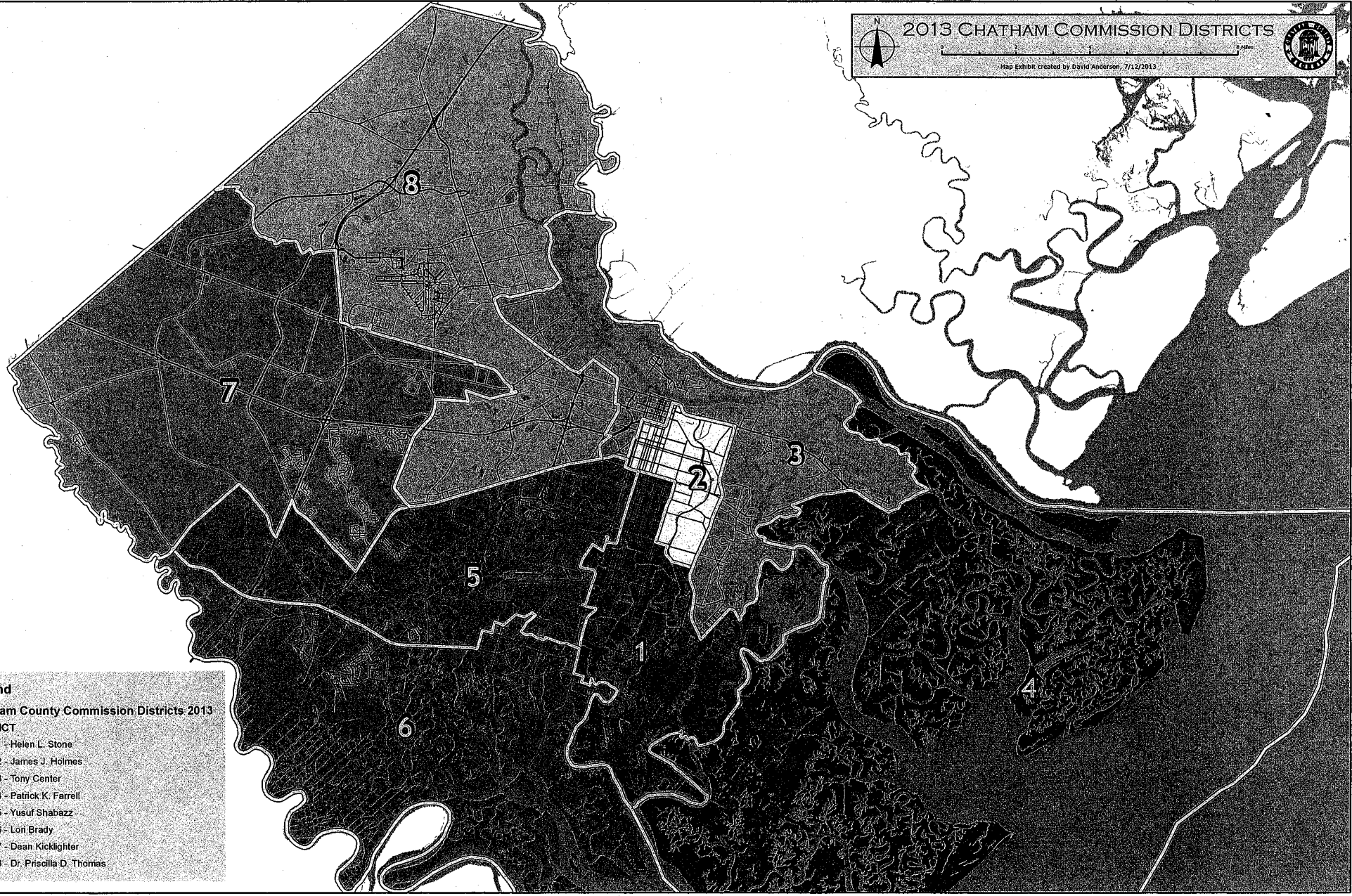

Commissioner Yusuf K. Shabazz
5th District

Commissioner Lori L. Brady
6th District

Commissioner Dean Kicklighter
7th District

Commissioner Priscilla D. Thomas
Vice Chairman
9th District

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2013 CHATHAM COMMISSION DISTRICTS

Map Exhibit created by David Anderson, 7/12/2013

Legend

Chatham County Commission Districts 2013
DISTRICT
- 1 - Helen L. Stone
- 2 - James J. Holmes
- 3 - Tony Center
- 4 - Patrick K. Farrell
- 5 - Yusuf Shabazz
- 6 - Lori Brady
- 7 - Dean Kicklighter
- 8 - Dr. Priscilla D. Thomas

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Chatham County's unique history as well as its coastal location provide economic benefits to the region. Data on the County is presented herein:

History of Chatham County

Old Chatham County Courthouse

Chatham County is the nucleus from which the present great State of Georgia has grown. Savannah was the first settlement recognized by the English government in colonial days. At Savannah, on February 12, 1733, with 116 settlers, the colony of Georgia was founded by James Edward Oglethorpe, a member of the English Parliament. In 1741, the Trustees divided the new colony into two colonies - the Savannah Colony and the Frederica Colony. In 1743, Oglethorpe departed for England leaving William Stephens, the first President of Georgia, over the government made up of the two colonies.

In 1758, the province was divided into eight parishes, one being Christ Church, which later formed most of the territory of Chatham County. In 1777, the first regular Constitution of the State was promulgated and at this time, parishes were abolished and counties named in their place. The County is named for William Pitt, the Earl of Chatham, an English nobleman. In 1786, the Chatham Artillery, the nation's oldest active military organization, was organized.

Chatham County is the sixth largest of the State's 159 counties. The County encompasses 438 square miles and still has its early boundaries as laid down in the Revolution. The County is bounded on the north by the Savannah River and South Carolina, on the east by the Atlantic Ocean, the south by the Ogeechee River and Bryan County, and on the west by Effingham County. It is the most easterly county in the State, and has many winding estuaries, rivers, and sea islands. It has as its county seat the main port of the State, the historic City of Savannah.

Economic and Financial Condition

Fountain located downtown Savannah in
beautiful Forsyth Park

Chatham County represents the major metropolitan area in the Southeast Georgia region; ranks fifth in population in the state and is noted for having a stable economy.

The County's dual personality - that of a major tourist attraction and an extraordinarily successful port - gives it a vibrancy that few other places can match. The city of Savannah also is a premier destination for national conventions and trade shows.

Population

The County's population together with the population trends for the Savannah Metropolitan Area Counties are presented below. The population of the County has grown approximately 22% during a 20 year period from 1990 to 2010, from 216,774 residents in 1990 to 265,128 residents in 2010. This compares with the State's total population growth of 14% during the same 20 year period.

POPULATION - CHATHAM COUNTY AND SAVANNAH METROPOLITAN AREA

Year	City of Savannah	Chatham County	Effingham County	Bryan County	Total Metro Area
1970	118,349	187,816	13,632	6,539	207,387
1980	141,651	202,226	18,727	10,175	231,128
1990	137,560	216,774	25,687	15,438	257,899
2000	132,985	232,347	37,535	23,417	293,299
2010	136,286	265,128	52,250	30,233	347,611

SOURCES: U.S. Department of Commerce, Bureau of the Census

Labor Force / Employment

Chatham County's unemployment rate has historically trended below the United State's unemployment rate. However, the last 3 years have seen the opposite. The following table presents data for employment and unemployment in Chatham County, Georgia, and the United States.

EMPLOYMENT DATA - CHATHAM COUNTY, GEORGIA

Year	Total Labor Force	Employed Civilian Labor Force	Chatham County % Rate Unemployment	State of GA % Rate Unemployment	United States % Rate Unemployment
2004	120,261	114,535	4.8	5.0	5.6
2005	126,300	113,898	4.2	4.6	5.5
2006	130,060	124,828	4.6	5.0	4.8
2007	134,471	128,818	4.2	4.7	4.7
2008	134,283	128,047	6.2	8.1	7.2
2009	132,383	120,805	8.7	10.1	9.5
2010	130,791	119,049	9.0	9.5	10.0
2011	134,452	121,160	9.9	10.3	9.3
2012	134,539	121,927	9.4	9.6	8.4
2013	136,383	124,381	8.8	8.6	7.6

SOURCES: State of Georgia Departments of Labor, Labor Information Systems
US Department of Labor, Bureau of Labor Statistics

Income

Throughout the last five years, per capita income in Chatham County has held steady. Trends in per capita income are shown in the table that follows:

PER CAPITA INCOME

Year	Chatham County	Georgia	United States	Chatham County as a % of US
2008	$40,799	$35,857	$39,461	103.39%
2009	$38,439	$33,887	$40,674	94.51%
2010	$39,852	$34,531	$40,584	98.20%
2011	$41,480	$35,979	$37,981	109.21%
2012	$41,687 est	$36,869	$39,727	104.93%

SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Accounts Data.

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Manufacturing

The Savannah MSA's manufacturing firms created approximately 17.5% of the area's economic output as measured by GDP, accounting for $1.8 billion of output in 2010. The number of manufacturing establishments in the Savannah CMSA was 281 firms employing 15,954 workers in 2011.
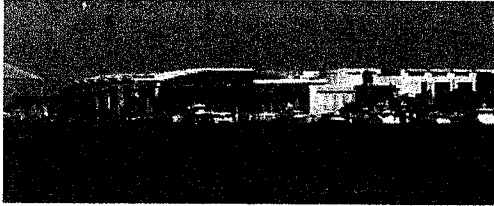
MAJOR MANUFACTURING EMPLOYERS IN THE CHATHAM COUNTY AREA

Firm	Product	Employment
Gulfstream Aerospace	Jet aircraft, aerospace equipment	5,000-9,999
Georgia Pacific Corporation	Paper products	1,000-4,999
SNF Holding Company	Chemicals	500-999
International Paper Corporation	Paper , chemicals, corrugated	500-999
JCB Inc.	Skid-steer loaders	250-499
Imperial Sugar	Refined sugar	250-499
Weyerhaeuser	Bleached pulp	250-499
Derst Baking Company	Breads, rolls, cakes	250-499
Diamond Crystal Brands Inc.	Refined sugar	250-499
Interstate Paper LLC	Kraft linerboard	100-249
Roger Wood Foods	Smoked sausage and meats	100-249
Savannah Morning News	Newspaper publishing	100-249
Arizona Chemical Company	Chemicals	100-249
Brasseler USA	Dental instruments	100-249
EMD Chemicals	Industrial pigments	100-249
International Greetings USA	Gift wrap, bags, bows	100-249
R.B. Baker Construction	Land clearing and preparation	100-249

SOURCE: Savannah Area Chamber of Commerce, *Savannah 2013 Economic Trends*

<u>Tourism</u>

View of Savannah International Trade &
Convention Center from the Savannah River

The preservation and restoration of Savannah's downtown historic district and the riverfront has served as the anchor for tourism in the area. Complementing the tourism sector is convention trade. Savannah's Civic Center includes a 2,566 seat theater, an arena with a capacity of 9,600, a ballroom with a capacity of 550 and over 25,000 square feet of exhibit space. In addition, the Savannah International Trade & Convention Center has allowed Savannah to compete for larger conventions, meetings and events.

Chatham County has over 15,000 hotel/motel rooms and a variety of restaurants in the downtown area and throughout the Metropolitan Area. During the past ten years, the growth in retail trade and service sectors is attributable to increased tourism and reflects its importance to the County's income.

The Savannah tourism sector has experienced strong growth in 2011. In 2011, over 12 million visitors came to Savannah, including 6.8 million overnight visitors and 5.3 million day-trippers. The demand for rooms increased 3% in 2011, with visitor spending increasing 14% to approximately $1.94 billion. Room tax revenue hit a record of $15.5 million, passing 2010 record level $14.4 million.

Year	Number of Hotel rooms	Person-stays Overnight	Room Taxes - 6% City of Savannah & Unincorporated Area	Total Direct Visitor Spending
2007	13,110	6,600,000	$14,370,000	$1,980,000,000
2008	13,898	6,100,000	$14,040,000	$1,940,000,000
2009	14,745	6,100,000	$12,990,000	$1,630,000,000
2010	14,893	6,300,000	$14,400,000	$1,700,000,000
2011	15,026	6,800,000	$15,500,000	$1,940,000,000

SOURCES: Savannah Area Chamber of Commerce, *Savannah 2013 Economic Trends*
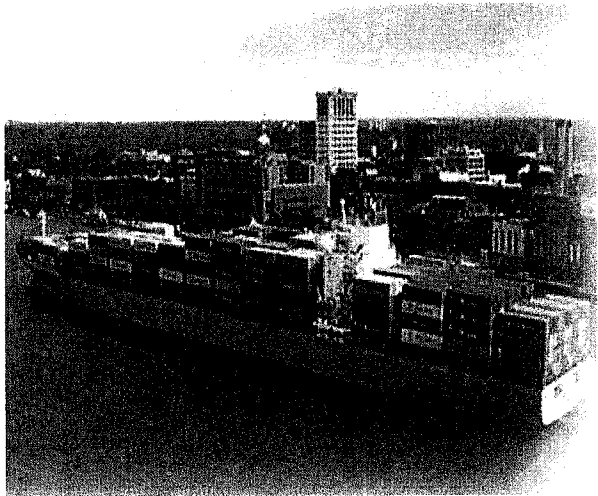
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Transportation

Logistics Today has rated this area "the most logistics friendly city in the nation" - recognizing the area as a superior transportation hub. Here are some of the reasons for the honor:

- Savannah is only a few miles from Interstate 95, as well as at the eastern terminus of Interstate 16 - which gives the residents speedy access to Atlanta.

- Savannah is only two hours away from the burgeoning Florida market, yet has the cost and business advantages of a Georgia location.

- The area enjoys a strategic location on the East coast, but is far more westerly than other coastal cities; located 647 miles due south of Cleveland, Ohio.

- The taxpayers understand the importance of quality infrastructure and improvements by the continued approval of Special Purpose Local Option Sales Taxes (SPLOST).

Amtrak provides rail passenger service to the Savannah area. Freight service is provided by CSX, Georgia Central and Norfolk Southern Corporation. Trucking service is provided by over 100 motor freight carriers to the Savannah area.

Port of Savannah

The County's continued economic progress is based to a large extent on the continuing development of the Port of Savannah. The definition of the Savannah Harbor is "that it comprises the lower 21.3 miles of the Savannah River generally forming a boundary between South Carolina and Georgia and 11.0 miles of bar channel for a total length of 32.3 miles." Savannah is the farthest inland port on the East Coast. This places Savannah within a day's haul over road or rail to many major Midwestern markets, thus greatly reducing the cost of shipping, a definite advantage for the Port of Savannah. Although the Port has a large number of private businesses having docking facilities, the Georgia Ports Authority (GPA) has the largest wharfing facilities for handling cargo for both imports and exports on the East Coast.

The Port of Savannah, home to the largest single-terminal container facility of its kind on the U.S. East and Gulf coasts, is comprised of two modern, deep-water terminals: Garden City Terminal and Ocean Terminal. Together, these facilities exemplify the GPA's exacting standards of efficiency and productivity.

The Port of Savannah is the fourth largest and fastest growing container terminal in the United States. In FY2012, it handled more than 2.9 million TEUs (Twenty Foot Equivalent Units) in throughput. FY2012 held the highest volume in the Port of Savannah's history. The Port of Savannah is responsible for moving 7.9% of the U.S. containerized cargo volume and more than 18.5% of all East Coast container trade. The port handled 10.2% of all U.S. containerized exports in FY2012, a total of 1.23 million TEUs. The port serves approximately 21,000 companies in all 50 states, more than 75% of which are headquartered outside of Georgia.

The Garden City Terminal is owned and operated by the Georgia Ports Authority. The Garden City Terminal is a secured, dedicated container facility, the largest of its kind on the U.S. East and Gulf coasts. The 1,200 acre single terminal facility features 9,693 linear feet of continuous berthing and more than 1.2 million square feet of covered storage. The terminal is equipped with fifteen high-speed container cranes (4 super post-panamax and 11 post-panamax) as well as an extensive inventory of yard handling equipment.

The Ocean Terminal is a secured, dedicated breakbulk facility specializing in the rapid and efficient handling of a vast array of forest and solid wood products, steel, RoRo (Roll-on / Roll-off), project shipments and heavy-lift cargoes. The 200.4-acre general cargo terminal features 9 berths totaling 5,768 linear feet and over 1.4 million square feet of covered storage. The leading imports were iron and steel, machinery, plywood, cocoa bean, granite, lumber, aluminum, and paper products. Kaolin clay, linerboard, machinery, woodpulp, military ordinance, lumber, and foodstuff were the leading exports.

The port also includes a foreign trade zone which consists of twenty eight acres at the Savannah International Airport and twelve acres at Georgia Ports Authority facilities. It allows imports into the United States to be processed, displayed, or otherwise handled free from duties and taxes. The 2,600 acre Crossroad Business Center was recently made a part of the Zone. Only when cargo leaves the zone to be distributed in the United States is it subject to these charges. If it is exported, these costs are avoided.

SOURCES: Savannah Area Chamber of Commerce, *Savannah 2013 Economic Trends*