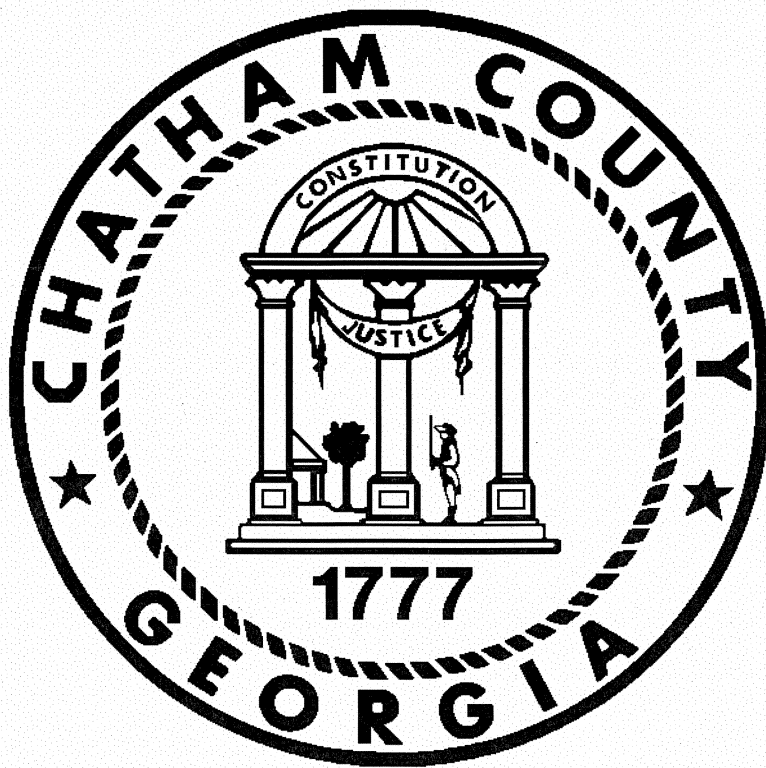


GOVERNMENT-WIDE FINANCIAL STATEMENTS



CHATHAM COUNTY, GEORGIA
STATEMENT OF NET ASSETS
JUNE 30, 2006

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Chatham County Board of Health	Live Oak Public Libraries
ASSETS					
Cash and investments	\$ 220,028,692	\$ 7,639,155	\$ 227,667,847	\$ 963,656	\$ 927,567
Receivables	23,810,186	5,276,376	29,086,562	1,275,864	319,891
Internal balances	872,136	(872,136)	-	-	-
Prepaid items	530,195	204,499	734,694	48,433	-
Inventories	135,300	160,609	295,909	-	8,774
Deferred charges	808,049	-	808,049	656,812	77,052
Restricted cash and investments	29,014	6,491,979	6,520,993	-	-
Capital assets:					
Land, improvements, and construction in progress	368,743,994	9,714,236	378,458,230	-	266,867
Other capital assets, net of depreciation	340,920,789	25,530,694	366,451,483	388,151	9,749,334
Total assets	<u>955,878,355</u>	<u>54,145,412</u>	<u>1,010,023,767</u>	<u>3,332,916</u>	<u>11,349,485</u>
LIABILITIES					
Accounts payable	12,106,145	4,073,138	16,179,283	362,539	222,482
Due to fiduciary funds	3,553	-	3,553	-	-
Other liabilities	585,939	805,996	1,391,935	-	117,515
Unearned revenue	-	-	-	-	113,219
Noncurrent liabilities:					
Due within one year	5,093,122	832,838	5,925,960	-	170,512
Due in more than one year	47,069,581	9,875,374	56,944,955	656,812	482,870
Total liabilities	<u>64,858,340</u>	<u>15,587,346</u>	<u>80,445,686</u>	<u>1,019,351</u>	<u>1,106,598</u>
NET ASSETS					
Invested in capital assets, net of related debt	678,740,933	28,911,730	707,652,663	388,151	10,016,201
Restricted for:					
Capital projects	167,519,638	-	167,519,638	-	-
Debt service	98,377	-	98,377	-	-
Education and recycling	-	3,807,712	3,807,712	-	-
Other purposes	1,833,484	-	1,833,484	54,698	310,106
Unrestricted	42,827,583	5,838,624	48,666,207	1,870,716	(83,420)
Total net assets	<u>\$ 891,020,015</u>	<u>\$ 38,558,066</u>	<u>\$ 929,578,081</u>	<u>\$ 2,313,565</u>	<u>\$ 10,242,887</u>

CHATHAM COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental Activities:				
General Government	\$ 26,628,117	\$ 6,149,689	\$ 146,060	\$ 4,613
Judiciary	22,706,196	6,449,303	1,576,858	-
Public Safety	58,527,308	4,424,964	3,185,445	639,579
Public Works	47,283,087	581,059	-	559,546
Health and Welfare	12,715,744	65,469	-	29,972
Culture and Recreation	13,069,470	523,365	22,364	-
Housing and Development	2,888,091	316,181	-	-
Interest on Long-term debt	2,391,033	-	-	-
Total governmental activities	<u>186,209,046</u>	<u>18,510,030</u>	<u>4,930,727</u>	<u>1,233,710</u>
Business-type activities:				
Environmental services - Solid waste	3,013,304	1,020,546	-	-
Transportation services - Bus system	15,820,334	4,134,209	1,410,159	4,015,642
Recreational services - Golf	859,989	787,505	-	-
Other services:				
Water and Sewer	1,829,210	1,658,568	-	-
Parking	220,922	266,228	-	-
Building Safety and Regulatory Services	1,460,642	1,239,797	-	-
Total business-type activities	<u>23,204,401</u>	<u>9,106,853</u>	<u>1,410,159</u>	<u>4,015,642</u>
Total primary government	<u>\$ 209,413,447</u>	<u>\$ 27,616,883</u>	<u>\$ 6,340,886</u>	<u>\$ 5,249,352</u>
Component Units:				
Chatham County Board of Health	\$ 12,594,890	\$ 2,363,310	\$ 8,905,714	\$ -
Live Oak Public Libraries	8,747,855	243,018	1,078,953	-
Total component units	<u>\$ 21,342,745</u>	<u>\$ 2,606,328</u>	<u>\$ 9,984,667</u>	<u>\$ -</u>

General revenues:

Taxes:

- Property taxes, levied for general purposes
- Property taxes, levied for unincorporated area
- Property taxes, levied for transportation purposes
- Sales taxes for general purposes
- Special purpose local option sales taxes
- Other taxes

Grants and contributions not restricted to specific programs

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

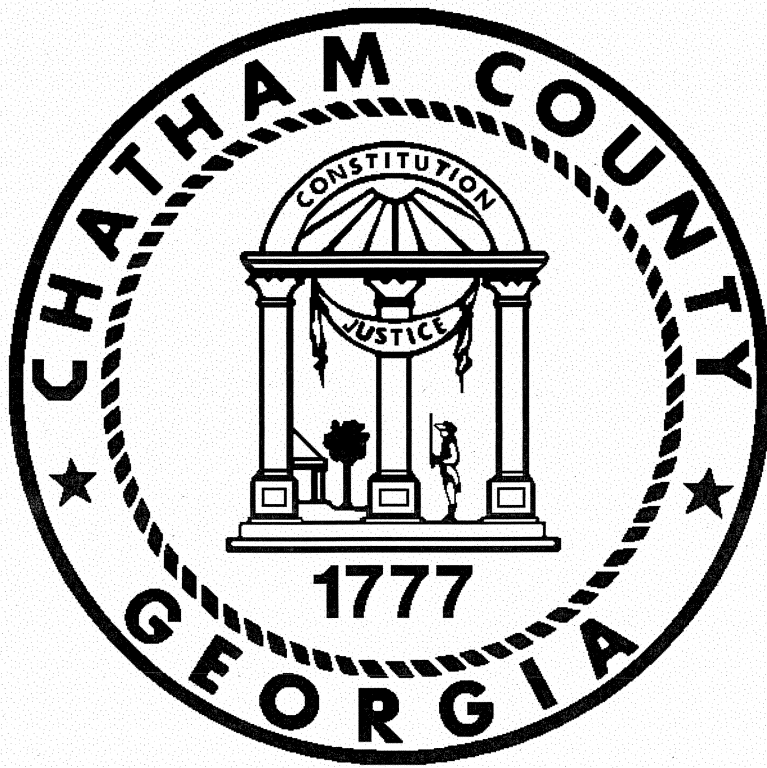
Change in net assets

Net assets - beginning

Net assets - ending

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Chatham County Board of Health	Live Oak Public Libraries
\$ (20,327,755)		\$ (20,327,755)		
(14,680,035)		(14,680,035)		
(50,277,320)		(50,277,320)		
(46,142,482)		(46,142,482)		
(12,620,303)		(12,620,303)		
(12,523,741)		(12,523,741)		
(2,571,910)		(2,571,910)		
(2,391,033)		(2,391,033)		
<u>(161,534,579)</u>		<u>(161,534,579)</u>		
-	\$ (1,992,758)	(1,992,758)		
-	(6,260,324)	(6,260,324)		
-	(72,484)	(72,484)		
-	(170,642)	(170,642)		
-	45,306	45,306		
-	(220,845)	(220,845)		
-	(8,671,747)	(8,671,747)		
<u>(161,534,579)</u>	<u>(8,671,747)</u>	<u>(170,206,326)</u>		
			\$ (1,325,866)	
			-	\$ (7,425,884)
			<u>(1,325,866)</u>	<u>(7,425,884)</u>
91,996,601	-	91,996,601	-	-
12,168,829	-	12,168,829	-	-
-	5,608,939	5,608,939	-	-
10,757,985	-	10,757,985	-	-
60,501,173	-	60,501,173	-	-
7,551,652	-	7,551,652	-	-
3,931,963	-	3,931,963	-	6,847,047
7,520,599	648,245	8,168,844	68,652	45,659
2,691,205	18,731	2,709,936	-	15,300
(3,280,940)	3,280,940	-	(53,960)	-
<u>193,839,067</u>	<u>9,556,855</u>	<u>203,395,922</u>	<u>14,692</u>	<u>6,908,006</u>
32,304,488	885,108	33,189,596	(1,311,174)	(517,878)
858,715,527	37,672,958	896,388,485	3,624,739	10,760,765
<u>\$ 891,020,015</u>	<u>\$ 38,558,066</u>	<u>\$ 929,578,081</u>	<u>\$ 2,313,565</u>	<u>\$ 10,242,887</u>



FUND FINANCIAL STATEMENTS

CHATHAM COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2006

	<u>General Fund</u>	<u>Special Service District</u>	<u>Sales Tax I</u>	<u>Sales Tax II</u>
ASSETS				
Cash and investments	\$ 15,016,796	\$ 8,801,185	\$ 23,493,979	\$ 9,260,616
Receivables	11,069,228	1,560,300	108,753	1,268,645
Due from other funds	2,183,803	181,863	-	-
Inventories	135,300	-	-	-
Prepaid items	500,727	8,941	-	-
Restricted cash	-	-	-	-
Total assets	<u>\$ 28,905,854</u>	<u>\$ 10,552,289</u>	<u>\$ 23,602,732</u>	<u>\$ 10,529,261</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,875,740	\$ 342,638	\$ 25,884	\$ 77,925
Taxes withheld and accrued	8,547	-	-	-
Due to fiduciary funds	-	-	1,609	550
Due to other funds	1,399,536	47,000	77,908	65,195
Other payables	25,937	-	-	-
Deferred revenue	7,893,134	1,358,172	-	-
Total liabilities	<u>12,202,894</u>	<u>1,747,810</u>	<u>105,401</u>	<u>143,670</u>
Fund balances:				
Reserved for:				
Inventories and prepaid items	636,027	8,941	-	-
Encumbrances	828,177	206,860	-	-
Restricted fees	737,923	-	-	-
Debt service	-	-	-	-
Public safety	-	-	-	-
Unreserved:				
Designated, reported in:				
General fund	3,765,094	-	-	-
Special revenue funds	-	2,730,148	-	-
Undesignated, reported in:				
General fund	10,735,739	-	-	-
Special revenue funds	-	5,858,530	-	-
Capital projects funds	-	-	23,497,331	10,385,591
Total fund balances	<u>16,702,960</u>	<u>8,804,479</u>	<u>23,497,331</u>	<u>10,385,591</u>
Total liabilities and fund balances	<u>\$ 28,905,854</u>	<u>\$ 10,552,289</u>	<u>\$ 23,602,732</u>	<u>\$ 10,529,261</u>

Sales Tax III	Sales Tax IV	Other Governmental Funds	Total
\$ 80,727,675	\$ 49,259,070	\$ 26,987,422	\$ 213,546,743
246,087	7,973,020	1,463,429	23,689,462
-	202,459	1,584,433	4,152,558
-	-	-	135,300
-	-	-	509,668
-	-	29,014	29,014
<u>\$ 80,973,762</u>	<u>\$ 57,434,549</u>	<u>\$ 30,064,298</u>	<u>\$ 242,062,745</u>

\$ 284,213	\$ 3,926,571	\$ 1,006,239	\$ 8,539,210
-	-	-	8,547
1,394	-	-	3,553
95,861	297,990	1,300,697	3,284,187
-	-	-	25,937
-	2,813,589	7,958	12,072,853
<u>381,468</u>	<u>7,038,150</u>	<u>2,314,894</u>	<u>23,934,287</u>

-	-	-	644,968
-	-	-	1,035,037
-	-	-	737,923
-	-	98,377	98,377
-	-	1,095,560	1,095,560
-	-	-	3,765,094
-	-	-	2,730,148
-	-	-	10,735,739
-	-	590,083	6,448,613
80,592,294	50,396,399	25,965,384	190,836,999
<u>80,592,294</u>	<u>50,396,399</u>	<u>27,749,404</u>	<u>218,128,458</u>
<u>\$ 80,973,762</u>	<u>\$ 57,434,549</u>	<u>\$ 30,064,298</u>	<u>\$ 242,062,745</u>

CHATHAM COUNTY, GEORGIA
 GOVERNMENTAL FUNDS
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
 TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
 JUNE 30, 2006

Total fund balances, governmental funds \$ 218,128,458

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets. 709,664,783

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. 12,072,697

Bond issuance costs and losses on early retirement are reported as expenditures in the governmental funds. 808,049

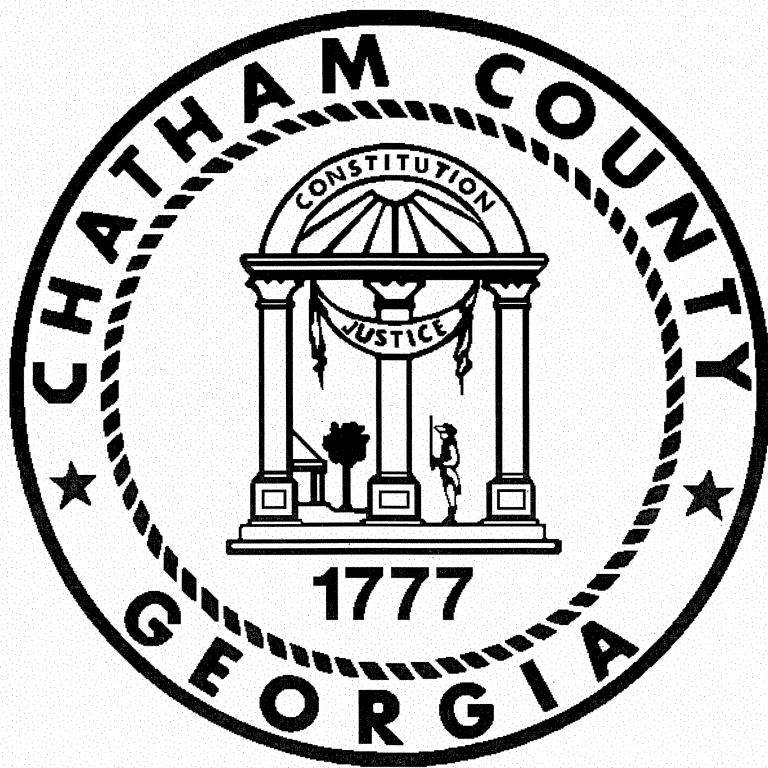
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets:

Capital leases	(2,179,520)	
Contractual Obligations	(40,532,291)	
Pollution Control Facilities	(119,736)	
Compensated Absences	(8,941,156)	
Claims and Judgements	(390,000)	(52,162,703)

Interest payable on long-term obligations is not due and payable in the current period and therefore is not reported in the governmental funds. (811,919)

Internal service funds are used by management to charge the cost of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 3,320,650

Net Assets of Governmental Activities in the Statement of Net Assets \$ 891,020,015



CHATHAM COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2006

	General Fund	Special Service District	Sales Tax I	Sales Tax II
REVENUES				
Property taxes	\$ 92,076,708	\$ 12,276,029	\$ -	\$ -
Local option sales tax	10,582,405	-	-	-
Other taxes	255,022	5,959,213	-	-
Penalties and interest	1,511,383	29,119	-	-
Licenses and permits	906,367	-	-	-
Homeowners tax relief grant	3,426,445	505,518	-	-
Intergovernmental	1,696,436	1,102,578	79,593	432,206
Charges for services	9,181,115	399,934	-	-
Fees and fines	3,630,257	1,611,313	-	-
Investment income	455,603	459,246	866,649	333,326
Other revenue	532,861	98,044	100,806	-
Total revenues	<u>124,254,602</u>	<u>22,440,994</u>	<u>1,047,048</u>	<u>765,532</u>
EXPENDITURES				
Current:				
General government	22,818,054	2,935,988	-	-
Judicial	20,687,113	668,837	-	-
Public safety	38,863,104	10,014,869	-	-
Public works	1,066,379	4,375,655	-	-
Health and welfare	9,274,247	-	-	-
Culture and recreation	8,880,539	-	-	-
Housing and development	297,423	1,235,436	-	-
Debt service:				
Principal	3,975,760	48,821	-	-
Interest and other charges	1,473,150	13,295	-	-
Capital outlay	-	-	2,444,007	(142,027)
Total expenditures	<u>107,335,769</u>	<u>19,292,901</u>	<u>2,444,007</u>	<u>(142,027)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>16,918,833</u>	<u>3,148,093</u>	<u>(1,396,959)</u>	<u>907,559</u>
OTHER FINANCING SOURCES (USES)				
Premium on bond issuance	-	-	-	-
Capital leases	-	-	-	-
Refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Transfers in	360,267	782,708	-	-
Transfers out	(14,519,778)	(6,963,419)	-	-
Total other financing sources (uses)	<u>(14,159,511)</u>	<u>(6,180,711)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	2,759,322	(3,032,618)	(1,396,959)	907,559
Fund balances - beginning	13,943,638	11,837,097	24,894,290	9,478,032
Fund balances - ending	<u>\$ 16,702,960</u>	<u>\$ 8,804,479</u>	<u>\$ 23,497,331</u>	<u>\$ 10,385,591</u>

Sales Tax III	Sales Tax IV	Other Governmental Funds	Total
\$ -	\$ -	\$ -	\$ 104,352,737
-	-	-	10,582,405
-	60,015,700	1,337,417	67,567,352
-	-	-	1,540,502
-	-	316,181	1,222,548
-	-	-	3,931,963
-	-	4,702,325	8,013,138
-	-	1,905,659	11,486,708
-	-	163,195	5,404,765
2,453,273	1,391,885	845,354	6,805,336
48,388	-	973,319	1,753,418
<u>2,501,661</u>	<u>61,407,585</u>	<u>10,243,450</u>	<u>222,660,872</u>
-	-	4,613	25,758,655
-	-	395,387	21,751,337
-	-	6,931,643	55,809,616
-	-	533,522	5,975,556
-	-	29,972	9,304,219
-	-	275,000	9,155,539
-	-	1,312,839	2,845,698
-	-	115,000	4,139,581
-	-	74,297	1,560,742
4,121,988	40,503,496	7,149,891	54,077,355
<u>4,121,988</u>	<u>40,503,496</u>	<u>16,822,164</u>	<u>190,378,298</u>
(1,620,327)	20,904,089	(6,578,714)	32,282,574
-	-	221,126	221,126
-	-	265,000	265,000
-	-	6,075,000	6,075,000
-	-	(6,291,317)	(6,291,317)
-	-	14,979,420	16,122,395
-	-	(824,800)	(22,307,997)
-	-	14,424,429	(5,915,793)
(1,620,327)	20,904,089	7,845,715	26,366,781
82,212,621	29,492,310	19,903,689	191,761,677
<u>\$ 80,592,294</u>	<u>\$ 50,396,399</u>	<u>\$ 27,749,404</u>	<u>\$ 218,128,458</u>

CHATHAM COUNTY, 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, 2006

Net change in fund balances - total governmental funds: \$ 26,366,781

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlays \$14,514,759 exceeded depreciation \$13,059,179 in the current period. 1,455,580

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the net book value of the asset sold. (35,864)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned. 714,222

Governmental funds report debt proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of debt principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which payments exceeded proceeds. 3,644,579

Governmental funds report the effect of bond issuance costs and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences follows:

Bond issuance costs	\$ 131,796	
Premium on bonds	(221,126)	
Amortization of bond issuance costs	(118,298)	
Amortization of bond discounts/premiums	122,502	
Interest expense - debt obligations	(519,972)	
		(605,098)

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:

Compensated absences	(701,801)	
Claims and judgments	(122,000)	
Workers compensation	1,309,160	
		485,359

Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. 278,929

Change in net assets of governmental activities \$ 32,304,488

CHATHAM COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF FUND NET ASSETS
 JUNE 30, 2006

	Business-type Activities - Enterprise Funds				Governmental Activities
	Chatham Area Transit Authority	Solid Waste Fund	Other Enterprise Funds	Total	Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 1,797,207	\$ 2,053,355	\$ 3,788,593	\$ 7,639,155	\$ 6,481,949
Receivable, net	4,152,176	47,996	1,076,204	5,276,376	120,880
Due from other funds	-	-	-	-	3,765
Inventories	160,609	-	-	160,609	-
Prepaid Expenses	197,292	-	7,207	204,499	20,527
Restricted cash	-	-	212,526	212,526	-
Total current assets	<u>6,307,284</u>	<u>2,101,351</u>	<u>5,084,530</u>	<u>13,493,165</u>	<u>6,627,121</u>
Non-current assets:					
Restricted cash	-	6,279,453	-	6,279,453	-
Capital assets, net of accumulated depreciation	<u>18,085,015</u>	<u>1,314,289</u>	<u>15,845,626</u>	<u>35,244,930</u>	<u>-</u>
Total non-current assets	<u>18,085,015</u>	<u>7,593,742</u>	<u>15,845,626</u>	<u>41,524,383</u>	<u>-</u>
Total assets	<u>24,392,299</u>	<u>9,695,093</u>	<u>20,930,156</u>	<u>55,017,548</u>	<u>6,627,121</u>
LIABILITIES					
Current Liabilities:					
Accounts payable	3,521,118	69,087	482,933	4,073,138	164,458
Payable from restricted assets	-	-	212,526	212,526	-
Due to other funds	-	53,798	818,338	872,136	-
Other accrued expenses	593,470	-	-	593,470	-
Current portion of long-term debt	763,242	21,945	47,651	832,838	-
Total current liabilities	<u>4,877,830</u>	<u>144,830</u>	<u>1,561,448</u>	<u>6,584,108</u>	<u>164,458</u>
Non-current liabilities:					
Due in more than one year	<u>5,494,937</u>	<u>3,947,977</u>	<u>432,460</u>	<u>9,875,374</u>	<u>3,142,013</u>
Total non-current liabilities	<u>5,494,937</u>	<u>3,947,977</u>	<u>432,460</u>	<u>9,875,374</u>	<u>3,142,013</u>
Total liabilities	<u>10,372,767</u>	<u>4,092,807</u>	<u>1,993,908</u>	<u>16,459,482</u>	<u>3,306,471</u>
NET ASSETS					
Invested in capital assets, net of related debt	11,826,836	1,314,289	15,770,605	28,911,730	-
Restricted for education and recycling	-	3,807,712	-	3,807,712	-
Unrestricted	<u>2,192,696</u>	<u>480,285</u>	<u>3,165,643</u>	<u>5,838,624</u>	<u>3,320,650</u>
Total net assets	<u>\$ 14,019,532</u>	<u>\$ 5,602,286</u>	<u>\$ 18,936,248</u>	<u>\$ 38,558,066</u>	<u>\$ 3,320,650</u>

CHATHAM COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2006

	Business-type Activities - Enterprise Funds				Governmental Activities
	Chatham Area Transit Authority	Solid Waste Fund	Other Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
Charges for services	\$ 3,535,198	\$ 1,008,358	\$ 3,873,040	\$ 8,416,596	\$ 15,749,834
Miscellaneous	599,011	12,188	79,058	690,257	-
Total operating revenues	<u>4,134,209</u>	<u>1,020,546</u>	<u>3,952,098</u>	<u>9,106,853</u>	<u>15,749,834</u>
OPERATING EXPENSES					
Personal services	8,684,780	923,033	1,670,280	11,278,093	-
Contractual services	1,959,097	925,735	1,635,537	4,520,369	18,471,267
Supplies	3,335,632	219,998	379,080	3,934,710	-
Interdepartment charges	-	165,410	81,024	246,434	-
Depreciation	1,500,215	174,789	568,765	2,243,769	-
Other costs	-	604,339	8,418	612,757	-
Total operating expenses	<u>15,479,724</u>	<u>3,013,304</u>	<u>4,343,104</u>	<u>22,836,132</u>	<u>18,471,267</u>
Operating income (loss)	<u>(11,345,515)</u>	<u>(1,992,758)</u>	<u>(391,006)</u>	<u>(13,729,279)</u>	<u>(2,721,433)</u>
NON-OPERATING REVENUES (EXPENSES)					
Intergovernmental	1,410,159	-	-	1,410,159	-
Special district tax	5,608,939	-	-	5,608,939	-
Interest and investment revenue	78,196	378,746	191,303	648,245	95,700
Interest expense and other	(340,610)	-	(27,659)	(368,269)	-
Gain (loss) on sale of capital assets	-	18,731	-	18,731	-
Total non-operating revenue (expenses)	<u>6,756,684</u>	<u>397,477</u>	<u>163,644</u>	<u>7,317,805</u>	<u>95,700</u>
Income (loss) before contributions and transfers	(4,588,831)	(1,595,281)	(227,362)	(6,411,474)	(2,625,733)
Capital contributions	4,015,642	-	-	4,015,642	-
Transfers in	1,276,920	1,729,020	350,000	3,355,940	3,454,662
Transfers out	-	-	(75,000)	(75,000)	(550,000)
Change in net assets	<u>703,731</u>	<u>133,739</u>	<u>47,638</u>	<u>885,108</u>	<u>278,929</u>
Total net assets - beginning	13,315,801	5,468,547	18,888,610	37,672,958	3,041,721
Total net assets - ending	<u>\$ 14,019,532</u>	<u>\$ 5,602,286</u>	<u>\$ 18,936,248</u>	<u>\$ 38,558,066</u>	<u>\$ 3,320,650</u>

CHATHAM COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2006

	Business-type Activities - Enterprise Funds				Governmental Activities
	Chatham Area Transit Authority	Solid Waste Fund	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:					
Passenger fares and other revenues	\$ 4,025,526	\$ 1,077,381	\$ -	\$ 5,102,907	\$ 426,719
Cash received from customers	-	-	3,809,873	3,809,873	-
Cash payments to employees for services	(8,725,120)	(923,033)	(1,640,208)	(11,288,361)	-
Cash payments to suppliers for goods and services	(5,588,471)	(1,883,989)	(1,907,744)	(9,380,204)	(16,664,166)
Cash received from contributions	-	-	-	-	15,519,666
Net cash provided (used) by operating activities	<u>(10,288,065)</u>	<u>(1,729,641)</u>	<u>261,921</u>	<u>(11,755,785)</u>	<u>(717,781)</u>
Cash flows from noncapital financing activities:					
Special district transit tax	5,325,419	-	-	5,325,419	-
Borrowings from (repayments to) other funds	-	-	(21,965)	(21,965)	(32,340)
Transfers in	1,276,920	1,729,020	350,000	3,355,940	3,454,662
Transfers out	-	-	(75,000)	(75,000)	(550,000)
Net cash provided (used) by noncapital financing activities	<u>6,602,339</u>	<u>1,729,020</u>	<u>253,035</u>	<u>8,584,394</u>	<u>2,872,322</u>
Cash flows from capital and related financing activities:					
Capital contributed by other governments	3,830,905	-	-	3,830,905	-
Payments from developers	-	-	13,582	13,582	-
Interest payments on debt	(340,610)	-	(3,943)	(344,553)	-
Principal payments on debt	(725,262)	(317,564)	(48,047)	(1,090,873)	-
Proceeds from disposal of equipment and other	-	18,731	-	18,731	-
Acquisitions and construction of capital assets	(882,590)	(442,029)	(1,254,090)	(2,578,709)	-
Net cash (used) by capital and related financing activities	<u>1,882,443</u>	<u>(740,862)</u>	<u>(1,292,498)</u>	<u>(150,917)</u>	<u>-</u>
Cash flows from investing activities:					
Interest earned on cash and investments	78,196	378,746	191,303	648,245	128,040
Net cash provided (used) by investing activities	<u>78,196</u>	<u>378,746</u>	<u>191,303</u>	<u>648,245</u>	<u>128,040</u>
Increase (decrease) in cash and cash equivalents	(1,725,087)	(362,737)	(586,239)	(2,674,063)	2,282,581
Cash and cash equivalents, beginning of year	3,522,294	8,695,545	4,587,358	16,805,197	4,199,368
Cash and cash equivalents, end of year	<u>\$ 1,797,207</u>	<u>\$ 8,332,808</u>	<u>\$ 4,001,119</u>	<u>\$ 14,131,134</u>	<u>\$ 6,481,949</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:					
Operating income (loss)	<u>\$ (11,345,515)</u>	<u>\$ (1,992,758)</u>	<u>\$ (391,006)</u>	<u>\$ (13,729,279)</u>	<u>\$ (2,721,433)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,500,215	174,789	568,765	2,243,769	-
Change in assets and liabilities:					
(Increase) decrease in accounts receivables	(108,683)	56,835	(142,225)	(194,073)	196,551
(Increase) decrease in inventory	27,620	-	-	27,620	-
(Increase) decrease in prepaid items	940	-	(3,942)	(3,002)	(20,527)
Increase (decrease) in accounts/claims payable	(362,642)	31,493	230,329	(100,820)	1,827,628
Total adjustments	<u>1,057,450</u>	<u>263,117</u>	<u>652,927</u>	<u>1,973,494</u>	<u>2,003,652</u>
Net cash provided (used) by operating activities	<u>\$ (10,288,065)</u>	<u>\$ (1,729,641)</u>	<u>\$ 261,921</u>	<u>\$ (11,755,785)</u>	<u>\$ (717,781)</u>

The notes to the basic financial statements are an integral part of this statement.

CHATHAM COUNTY, GEORGIA
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET ASSETS
 JUNE 30, 2006

	Agency Funds	Pension Trust Fund
ASSETS		
Cash	\$ 19,207,680	\$ 2,351,636
Receivables	-	1,205,708
Due from other funds	-	3,553
Investments, at fair value:		
U.S. government and agency obligations	-	9,602,970
Asset backed securities		464,041
Mortgage backed securities		2,650,976
Corporate bonds	-	24,471,882
Domestic stocks	-	45,579,572
Real estate investment trust	-	1,676,253
International equity funds	-	10,397,835
Mutual funds	-	1,217,241
Total Investments	-	96,060,770
Total assets	19,207,680	99,621,667
LIABILITIES		
Accounts payable	-	830,466
Due to others	19,207,680	-
Total liabilities	\$ 19,207,680	830,466
NET ASSETS		
Held in trust for retirement benefits (See schedule of funding progress on page E-9)		\$ 98,791,201

CHATHAM COUNTY, GEORGIA
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2006

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 4,887,876
Plan members	1,379,304
Total contributions	6,267,180
Investment earnings:	
Net appreciation (depreciation) in fair value of investments	3,165,078
Interest	2,162,762
Dividends	1,501,668
Total	6,829,508
Less investment expense	636,877
Net investment income	6,192,631
Total additions	12,459,811
DEDUCTIONS	
Benefits	5,742,653
Refunds of contributions	174,583
Administrative expense	20,610
Total deductions	5,937,846
Change in net assets	6,521,965
Net assets - beginning	92,269,236
Net assets - ending (See schedule of funding progress on page E-9)	\$ 98,791,201

