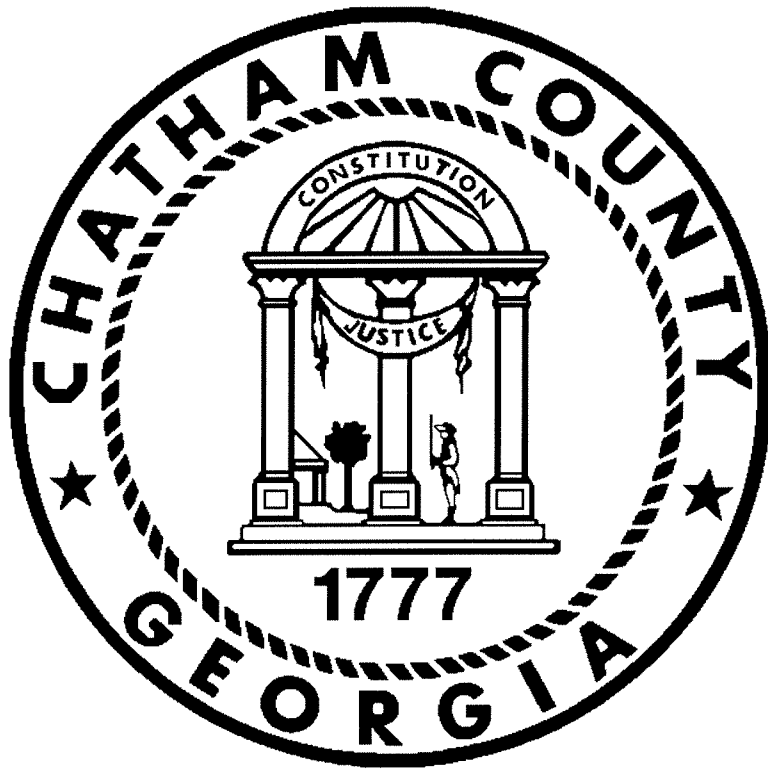


GOVERNMENT-WIDE FINANCIAL STATEMENTS



CHATHAM COUNTY, GEORGIA
STATEMENT OF NET ASSETS
JUNE 30, 2008

| | Primary Government | | | Component Units | |
|---|----------------------------|-----------------------------|-------------------------|-----------------------------------|------------------------------|
| | Governmental Activities | Business-type Activities | Total | Chatham County Board of Health | Live Oak Public Libraries |
| ASSETS | | | | | |
| Cash and investments | \$ 266,595,769 | \$ 7,808,253 | \$ 274,404,022 | \$ 445,528 | \$ 2,156,279 |
| Receivables | 30,049,491 | 4,370,710 | 34,420,201 | 933,452 | 1,391,146 |
| Internal balances | 582,197 | (582,197) | - | - | - |
| Pension asset | 233,695 | - | 233,695 | - | - |
| Prepaid items | 202,573 | 199,744 | 402,317 | 31,638 | - |
| Inventories | 190,181 | 227,342 | 417,523 | - | - |
| Deferred charges | 565,655 | - | 565,655 | - | - |
| Restricted cash and investments | 16,361 | 6,780,784 | 6,797,145 | - | - |
| Capital assets: | | | | | |
| Land, improvements, and construction in progress | 397,955,628 | 9,758,612 | 407,714,240 | - | 3,805,715 |
| Other capital assets, net of depreciation | 344,405,964 | 22,628,088 | 367,034,052 | 190,132 | 9,067,056 |
| Total assets | <u>1,040,797,514</u> | <u>51,191,336</u> | <u>1,091,988,850</u> | <u>1,600,750</u> | <u>16,420,196</u> |
| LIABILITIES | | | | | |
| Accounts payable | 12,139,149 | 3,002,107 | 15,141,256 | 467,074 | 539,372 |
| Due to fiduciary funds | - | - | - | - | - |
| Other liabilities | 402,457 | 985,519 | 1,387,976 | - | - |
| Unearned revenue | 11,654 | 75,179 | 86,833 | - | 82,574 |
| Noncurrent liabilities: | | | | | |
| Due within one year | 5,502,109 | 1,109,912 | 6,612,021 | 110,841 | 409,724 |
| Due in more than one year | 41,330,655 | 7,813,852 | 49,144,507 | 443,363 | 362,696 |
| Net OPEB Obligation | 1,723,628 | 113,943 | 1,837,571 | - | - |
| Total liabilities | <u>61,109,652</u> | <u>13,100,512</u> | <u>74,210,164</u> | <u>1,021,278</u> | <u>1,394,366</u> |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt | 713,145,139 | 27,537,903 | 740,683,042 | 190,132 | 12,872,771 |
| Restricted for: | | | | | |
| Capital projects | 205,382,379 | - | 205,382,379 | - | 1,670,042 |
| Debt service | 102,896 | - | 102,896 | - | - |
| Education and recycling | - | 3,452,123 | 3,452,123 | - | - |
| Other purposes | 1,904,925 | - | 1,904,925 | 876,374 | 380,396 |
| Unrestricted | 59,152,523 | 7,100,798 | 66,253,321 | (487,034) | 102,621 |
| Total net assets | <u>\$ 979,687,862</u> | <u>\$ 38,090,824</u> | <u>\$ 1,017,778,686</u> | <u>\$ 579,472</u> | <u>\$ 15,025,830</u> |

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

CHATHAM COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

| <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 | \$ 36,273,315 | \$ 6,894,489 | \$ 203,484 | \$ 423 |
| Judiciary | 27,166,934 | 6,107,013 | 1,266,687 | - |
| Public Safety | 69,967,038 | 4,675,567 | 3,225,589 | - |
| Public Works | 45,916,050 | 1,031,052 | - | 1,162,121 |
| Health and Welfare | 11,009,709 | 85,065 | - | - |
| Culture and Recreation | 10,893,167 | 361,362 | 23,138 | 3,159 |
| Housing and Development | 3,966,632 | 635,817 | - | - |
| Interest on Long-term debt | 1,744,059 | - | - | - |
| Total governmental activities | <u>206,936,904</u> | <u>19,790,365</u> | <u>4,718,898</u> | <u>1,165,703</u> |
| Business-type activities: | | | | |
| Environmental services - Solid waste | 2,716,415 | 662,970 | - | - |
| Transportation services - Bus system | 17,542,383 | 4,581,017 | 1,288,094 | 1,130,809 |
| Recreational services - Golf | 845,951 | 718,455 | - | - |
| Other services: | | | | |
| Water and Sewer | 2,332,897 | 1,848,202 | - | - |
| Parking | 280,300 | 256,472 | - | - |
| Building Safety and Regulatory Services | 1,659,874 | 1,196,654 | - | - |
| Total business-type activities | <u>25,377,820</u> | <u>9,263,770</u> | <u>1,288,094</u> | <u>1,130,809</u> |
| Total primary government | <u>\$ 232,314,724</u> | <u>\$ 29,054,135</u> | <u>\$ 6,006,992</u> | <u>\$ 2,296,512</u> |
| Component Units: | | | | |
| Chatham County Board of Health | \$ 12,160,842 | \$ 3,073,186 | \$ 7,577,649 | \$ - |
| Live Oak Public Libraries | 9,905,028 | 257,676 | 1,428,195 | - |
| Total component units | <u>\$ 22,065,870</u> | <u>\$ 3,330,862</u> | <u>\$ 9,005,844</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

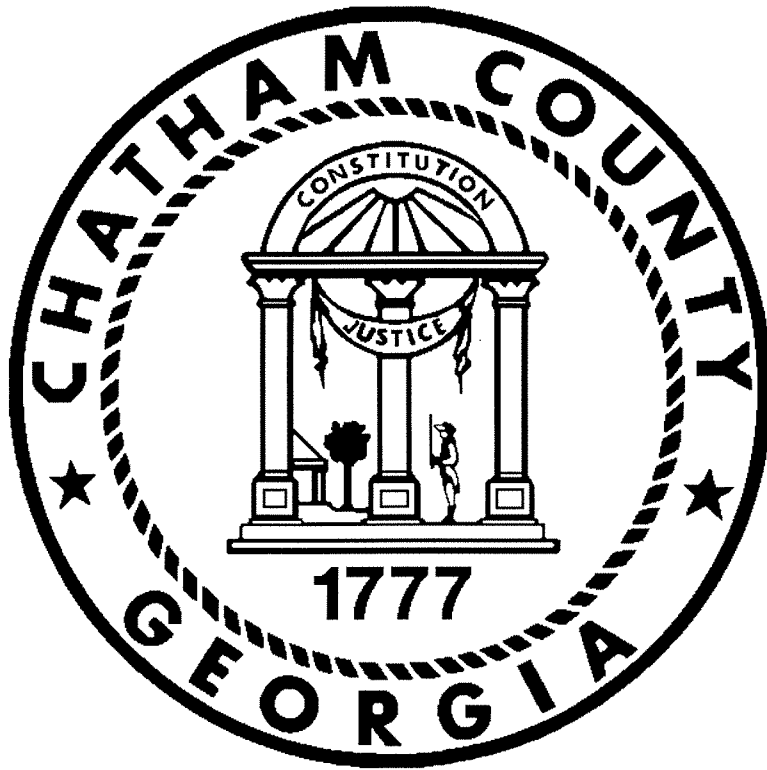
Net assets - beginning

Net assets - ending

CHATHAM COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

| 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 |
| \$ (29,174,919) | | \$ (29,174,919) | | |
| (19,793,234) | | (19,793,234) | | |
| (62,065,882) | | (62,065,882) | | |
| (43,722,877) | | (43,722,877) | | |
| (10,924,644) | | (10,924,644) | | |
| (10,505,508) | | (10,505,508) | | |
| (3,330,815) | | (3,330,815) | | |
| (1,744,059) | | (1,744,059) | | |
| <u>(181,261,938)</u> | | <u>(181,261,938)</u> | | |
| | \$ (2,053,445) | (2,053,445) | | |
| | (10,542,463) | (10,542,463) | | |
| | (127,496) | (127,496) | | |
| | (484,695) | (484,695) | | |
| | (23,828) | (23,828) | | |
| | (463,220) | (463,220) | | |
| | <u>(13,695,147)</u> | <u>(13,695,147)</u> | | |
| <u>(181,261,938)</u> | <u>(13,695,147)</u> | <u>(194,957,085)</u> | | |
| | | | \$ (1,510,007) | |
| | | | <u>-</u> | \$ (8,219,157) |
| | | | <u>(1,510,007)</u> | <u>(8,219,157)</u> |
| 113,395,199 | - | 113,395,199 | - | - |
| 15,146,449 | - | 15,146,449 | - | - |
| - | 7,239,064 | 7,239,064 | - | - |
| 11,320,293 | - | 11,320,293 | - | - |
| 63,927,742 | - | 63,927,742 | - | - |
| 8,678,131 | - | 8,678,131 | - | - |
| 4,000,200 | - | 4,000,200 | - | 9,246,631 |
| 10,373,448 | 560,859 | 10,934,307 | - | 101,615 |
| 3,412,435 | - | 3,412,435 | 1,304,695 | 9,509 |
| (4,477,453) | 4,477,453 | - | - | - |
| <u>225,776,444</u> | <u>12,277,376</u> | <u>238,053,820</u> | <u>1,304,695</u> | <u>9,357,755</u> |
| 44,514,506 | (1,417,771) | 43,096,735 | (205,312) | 1,138,598 |
| 935,173,356 | 39,508,595 | 974,681,951 | 784,784 | 13,887,232 |
| <u>\$ 979,687,862</u> | <u>\$ 38,090,824</u> | <u>\$ 1,017,778,686</u> | <u>\$ 579,472</u> | <u>\$ 15,025,830</u> |

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



FUND FINANCIAL STATEMENTS

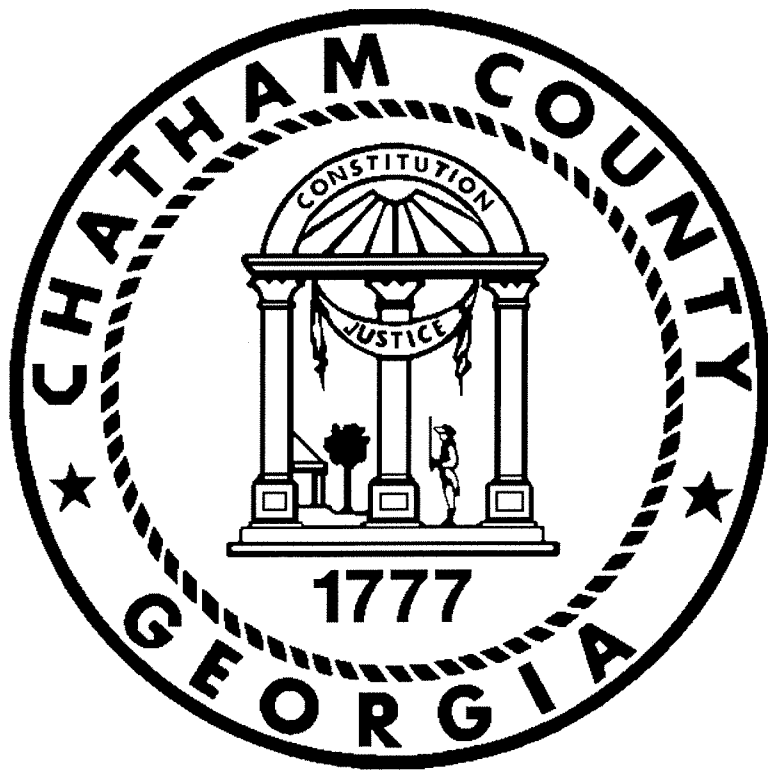
CHATHAM COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2008

| | <u>General Fund</u> | <u>Special Service District</u> | <u>Sales Tax I</u> | <u>Sales Tax II</u> |
|--------------------------------------|----------------------|-------------------------------------|----------------------|---------------------|
| ASSETS | | | | |
| Cash and investments | \$ 23,103,423 | \$ 11,387,024 | \$ 13,266,785 | \$ 8,185,153 |
| Receivables | 15,497,947 | 1,692,125 | 111,904 | 46,100 |
| Due from other funds | 1,130,777 | 239,465 | - | - |
| Inventories | 190,181 | - | - | - |
| Prepaid items | 181,940 | 22,921 | - | - |
| Restricted cash | - | - | - | - |
| Total assets | <u>\$ 40,104,268</u> | <u>\$ 13,341,535</u> | <u>\$ 13,378,689</u> | <u>\$ 8,231,253</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable | \$ 3,634,006 | \$ 1,549,807 | \$ 32,147 | \$ 30,169 |
| Taxes withheld and accrued | 127,156 | 984 | - | - |
| Due to other funds | - | - | - | - |
| Other payables | 307,033 | 13,397 | - | - |
| Deferred revenue | 12,180,703 | 1,047,560 | - | - |
| Total liabilities | <u>16,248,898</u> | <u>2,611,748</u> | <u>32,147</u> | <u>30,169</u> |
| Fund balances: | | | | |
| Reserved for: | | | | |
| Inventories and prepaid items | 372,122 | 22,921 | - | - |
| Encumbrances | 1,919,644 | 65,821 | - | - |
| Restricted fees | 919,848 | - | - | - |
| Debt service | - | - | - | - |
| Public safety | - | 546,960 | - | - |
| Unreserved: | | | | |
| Designated, reported in: | | | | |
| General fund | 8,197,515 | - | - | - |
| Special revenue funds | - | 262,797 | - | - |
| Undesignated, reported in: | | | | |
| General fund | 12,446,241 | - | - | - |
| Special revenue funds | - | 9,831,288 | - | - |
| Capital projects funds | - | - | 13,346,542 | 8,201,084 |
| Total fund balances | <u>23,855,370</u> | <u>10,729,787</u> | <u>13,346,542</u> | <u>8,201,084</u> |
| Total liabilities and fund balances | <u>\$ 40,104,268</u> | <u>\$ 13,341,535</u> | <u>\$ 13,378,689</u> | <u>\$ 8,231,253</u> |

| <u>Sales Tax III</u> | <u>Sales Tax IV</u> | <u>Other Governmental Funds</u> | <u>Total</u> |
|----------------------|-----------------------|---|-----------------------|
| \$ 74,799,144 | \$ 94,144,342 | \$ 32,214,894 | \$ 257,100,765 |
| 243,540 | 11,091,097 | 1,234,435 | 29,917,148 |
| - | - | - | 1,370,242 |
| - | - | - | 190,181 |
| - | - | - | 204,861 |
| - | - | 16,361 | 16,361 |
| <u>\$ 75,042,684</u> | <u>\$ 105,235,439</u> | <u>\$ 33,465,690</u> | <u>\$ 288,799,558</u> |
| | | | |
| \$ 371,444 | \$ 1,503,670 | \$ 805,774 | \$ 7,927,017 |
| - | - | - | 128,140 |
| - | - | 788,045 | 788,045 |
| - | - | - | 320,430 |
| - | 4,459,804 | 15,906 | 17,703,973 |
| <u>371,444</u> | <u>5,963,474</u> | <u>1,609,725</u> | <u>26,867,605</u> |
| | | | |
| - | - | - | 395,043 |
| - | - | - | 1,985,465 |
| - | - | - | 919,848 |
| - | - | 102,896 | 102,896 |
| - | - | 985,077 | 1,532,037 |
| | | | |
| - | - | - | 8,197,515 |
| - | - | - | 262,797 |
| | | | |
| - | - | - | 12,446,241 |
| - | - | 918,602 | 10,749,890 |
| 74,671,240 | 99,271,965 | 29,849,390 | 225,340,221 |
| <u>74,671,240</u> | <u>99,271,965</u> | <u>31,855,965</u> | <u>261,931,953</u> |
| <u>\$ 75,042,684</u> | <u>\$ 105,235,439</u> | <u>\$ 33,465,690</u> | <u>\$ 288,799,558</u> |

CHATHAM COUNTY, GEORGIA
 GOVERNMENTAL FUNDS
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
 TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
 JUNE 30, 2008

| | | | |
|---|----|--------------|-------------|
| Total fund balances, governmental funds | | \$ | 261,931,953 |
| <p>Amounts reported for governmental activities in the Statement of Net Assets are different because:</p> | | | |
| <p>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.</p> | | | 742,361,592 |
| <p>Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.</p> | | | 17,926,014 |
| <p>Bond issuance costs and losses on early retirement are reported as expenditures in the governmental funds.</p> | | | 565,655 |
| <p>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:</p> | | | |
| Capital leases | \$ | (2,518,310) | |
| Contractual Obligations | | (33,645,755) | |
| Pollution Control Facilities | | (99,780) | |
| Compensated Absences | | (10,253,919) | |
| Claims and Judgements | | (315,000) | |
| | | (46,832,764) | |
| Net OPEB liability not reported in fund statements | | | (1,723,628) |
| <p>Interest payable on long-term obligations is not due and payable in the current period and therefore is not reported in the governmental funds.</p> | | | (697,146) |
| <p>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.</p> | | | 6,156,186 |
| Net Assets of Governmental Activities in the Statement of Net Assets | | \$ | 979,687,862 |



CHATHAM COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2008

| | General Fund | Special Service District | Sales Tax I | Sales Tax II |
|--|----------------------|-----------------------------|----------------------|---------------------|
| REVENUES | | | | |
| Property taxes | \$ 110,666,133 | \$ 14,855,186 | \$ - | \$ - |
| Local option sales tax | 11,264,839 | - | - | - |
| Other taxes | 379,296 | 6,887,468 | - | - |
| Penalties and interest | 1,343,445 | 29,317 | - | - |
| Licenses and permits | 970,145 | - | - | - |
| Homeowners tax relief grant | 3,463,372 | 536,828 | - | - |
| Intergovernmental | 2,470,125 | 879,501 | 4,821 | 67,140 |
| Charges for services | 9,716,535 | 295,112 | - | - |
| Fees and fines | 3,327,736 | 1,502,839 | - | - |
| Investment income | 2,037,808 | 404,097 | 778,642 | 310,976 |
| Other revenue | 723,064 | 16,637 | 40,072 | - |
| Total revenues | <u>146,362,498</u> | <u>25,406,985</u> | <u>823,535</u> | <u>378,116</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 30,102,487 | 3,179,976 | - | - |
| Judicial | 24,630,274 | 1,156,519 | - | - |
| Public safety | 47,432,741 | 12,357,209 | - | - |
| Public works | 1,471,578 | 5,081,865 | - | - |
| Health and welfare | 10,185,649 | - | - | - |
| Culture and recreation | 10,158,944 | - | - | - |
| Housing and development | 549,776 | 1,729,951 | - | - |
| Debt service: | | | | |
| Principal | 3,811,615 | 52,933 | - | - |
| Interest and other charges | 1,746,718 | 9,183 | - | - |
| Capital outlay | - | - | 9,198,524 | 680,786 |
| Total expenditures | <u>130,089,782</u> | <u>23,567,636</u> | <u>9,198,524</u> | <u>680,786</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>16,272,716</u> | <u>1,839,349</u> | <u>(8,374,989)</u> | <u>(302,670)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Capital leases | - | - | - | - |
| Transfers in | 453,443 | 937,495 | - | - |
| Transfers out | (15,858,436) | (2,626,403) | - | - |
| Total other financing sources (uses) | <u>(15,404,993)</u> | <u>(1,688,908)</u> | <u>-</u> | <u>-</u> |
| Net change in fund balances | 867,723 | 150,441 | (8,374,989) | (302,670) |
| Fund balances - beginning | 22,987,647 | 10,579,346 | 21,721,531 | 8,503,754 |
| Fund balances - ending | <u>\$ 23,855,370</u> | <u>\$ 10,729,787</u> | <u>\$ 13,346,542</u> | <u>\$ 8,201,084</u> |

| <u>Sales Tax III</u> | <u>Sales Tax IV</u> | <u>Other Governmental Funds</u> | <u>Total</u> |
|----------------------|----------------------|---|-----------------------|
| \$ - | \$ - | \$ - | \$ 125,521,319 |
| - | - | - | 11,264,839 |
| - | 63,699,624 | 1,411,367 | 72,377,755 |
| - | - | - | 1,372,762 |
| - | - | 635,817 | 1,605,962 |
| - | - | - | 4,000,200 |
| 200,000 | - | 3,599,222 | 7,220,809 |
| - | - | 2,679,043 | 12,690,690 |
| - | - | 260,099 | 5,090,674 |
| 3,692,600 | 3,157,604 | 902,813 | 11,284,540 |
| 55,350 | 6,744 | 1,633,711 | 2,475,578 |
| <u>3,947,950</u> | <u>66,863,972</u> | <u>11,122,072</u> | <u>254,905,128</u> |
| - | - | 46,617 | 33,329,080 |
| - | - | 350,312 | 26,137,105 |
| - | - | 6,918,338 | 66,708,288 |
| - | - | 459,913 | 7,013,356 |
| - | - | - | 10,185,649 |
| - | - | - | 10,158,944 |
| - | - | 1,675,696 | 3,955,423 |
| - | - | 125,000 | 3,989,548 |
| - | - | 59,854 | 1,815,755 |
| 6,595,024 | 37,057,194 | 9,202,792 | 62,734,320 |
| <u>6,595,024</u> | <u>37,057,194</u> | <u>18,838,522</u> | <u>226,027,468</u> |
| <u>(2,647,074)</u> | <u>29,806,778</u> | <u>(7,716,450)</u> | <u>28,877,660</u> |
| - | - | 238,000 | 238,000 |
| - | - | 10,190,069 | 11,581,007 |
| - | - | (1,041,621) | (19,526,460) |
| - | - | 9,386,448 | (7,707,453) |
| <u>(2,647,074)</u> | <u>29,806,778</u> | <u>1,669,998</u> | <u>21,170,207</u> |
| 77,318,314 | 69,465,187 | 30,185,967 | 240,761,746 |
| <u>\$ 74,671,240</u> | <u>\$ 99,271,965</u> | <u>\$ 31,855,965</u> | <u>\$ 261,931,953</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, 2008

Net change in fund balances - total governmental funds: \$ 21,170,207

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 \$30,661,505 exceeded depreciation \$14,735,541 in the current period. 15,925,964

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. (663,693)

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.

| | | |
|------------------|--------------|-----------|
| Deferred revenue | \$ 4,345,659 | |
| Pension asset | 198,149 | 4,543,808 |
| | | |

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. 3,751,548

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:

| | | |
|---|-----------|--------|
| Amortization of bond issuance costs | (121,197) | |
| Amortization of bond discounts/premiums | 127,367 | |
| Interest expense - debt obligations | 65,526 | 71,696 |
| | | |

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 | (802,595) | |
| Claims and judgements | 1,000 | (801,595) |
| | | |

The current year's increase in the net OPEB liability creates a balance sheet item while increasing net expenses of the functions on the governmentwide statements (1,723,628)

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.

| | | |
|---|--|---------------|
| Change in net assets of governmental activities | | 2,240,199 |
| | | \$ 44,514,506 |

CHATHAM COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF FUND NET ASSETS
 JUNE 30, 2008

| | 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 | \$ 1,536,042 | \$ 1,922,678 | \$ 4,349,533 | \$ 7,808,253 | \$ 9,495,004 |
| Receivable, net | 3,148,404 | 59,152 | 1,163,154 | 4,370,710 | 132,343 |
| Inventories | 227,342 | - | - | 227,342 | - |
| Prepaid Expenses | 193,196 | - | 6,548 | 199,744 | - |
| Restricted cash | - | - | 232,557 | 232,557 | - |
| Total current assets | <u>5,104,984</u> | <u>1,981,830</u> | <u>5,751,792</u> | <u>12,838,606</u> | <u>9,627,347</u> |
| Non-current assets: | | | | | |
| Restricted cash | - | 6,548,227 | - | 6,548,227 | - |
| Capital assets, net of accumulated depreciation | 15,471,027 | 2,004,754 | 14,910,919 | 32,386,700 | - |
| Total non-current assets | <u>15,471,027</u> | <u>8,552,981</u> | <u>14,910,919</u> | <u>38,934,927</u> | <u>-</u> |
| Total assets | <u>20,576,011</u> | <u>10,534,811</u> | <u>20,662,711</u> | <u>51,773,533</u> | <u>9,627,347</u> |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Accounts payable | 2,433,782 | 72,852 | 495,473 | 3,002,107 | 157,101 |
| Payable from restricted assets | - | - | 232,557 | 232,557 | - |
| Due to other funds | - | - | 582,197 | 582,197 | - |
| Other accrued expenses | 745,237 | 2,868 | 4,857 | 752,962 | - |
| Unearned revenue | 66,381 | - | 8,798 | 75,179 | - |
| Current portion of long-term liabilities | 890,731 | 211,480 | 7,701 | 1,109,912 | - |
| Total current liabilities | <u>4,136,131</u> | <u>287,200</u> | <u>1,331,583</u> | <u>5,754,914</u> | <u>157,101</u> |
| Non-current liabilities: | | | | | |
| Due in more than one year | 3,958,066 | 3,471,489 | 384,297 | 7,813,852 | 3,314,060 |
| Net OPEB Obligation | 45,695 | 26,764 | 41,484 | 113,943 | - |
| Total non-current liabilities | <u>4,003,761</u> | <u>3,498,253</u> | <u>425,781</u> | <u>7,927,795</u> | <u>3,314,060</u> |
| Total liabilities | <u>8,139,892</u> | <u>3,785,453</u> | <u>1,757,364</u> | <u>13,682,709</u> | <u>3,471,161</u> |
| NET ASSETS | | | | | |
| Invested in capital assets, net of related debt | 10,622,230 | 2,004,754 | 14,910,919 | 27,537,903 | - |
| Restricted for education and recycling | - | 3,452,123 | - | 3,452,123 | - |
| Unrestricted | 1,813,889 | 1,292,481 | 3,994,428 | 7,100,798 | 6,156,186 |
| Total net assets | <u>\$ 12,436,119</u> | <u>\$ 6,749,358</u> | <u>\$ 18,905,347</u> | <u>\$ 38,090,824</u> | <u>\$ 6,156,186</u> |

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

CHATHAM COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2008

| | 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 | \$ 3,476,767 | \$ 662,970 | \$ 3,968,627 | \$ 8,108,364 | \$ 14,440,108 |
| Miscellaneous | 1,104,250 | - | 51,156 | 1,155,406 | - |
| Total operating revenues | <u>4,581,017</u> | <u>662,970</u> | <u>4,019,783</u> | <u>9,263,770</u> | <u>14,440,108</u> |
| OPERATING EXPENSES | | | | | |
| Personal services | 8,989,899 | 1,090,371 | 1,821,994 | 11,902,264 | - |
| Contractual services | 2,646,249 | 817,213 | 1,893,842 | 5,357,304 | 15,932,753 |
| Supplies | 3,851,135 | 246,874 | 368,964 | 4,466,973 | - |
| Interdepartment charges | - | 314,470 | 323,044 | 637,514 | - |
| Depreciation | 1,760,736 | 272,187 | 534,559 | 2,567,482 | - |
| Other costs | - | - | 8,574 | 8,574 | - |
| Total operating expenses | <u>17,248,019</u> | <u>2,741,115</u> | <u>4,950,977</u> | <u>24,940,111</u> | <u>15,932,753</u> |
| Operating income (loss) | <u>(12,667,002)</u> | <u>(2,078,145)</u> | <u>(931,194)</u> | <u>(15,676,341)</u> | <u>(1,492,645)</u> |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Intergovernmental | 1,288,094 | - | - | 1,288,094 | - |
| Special district tax | 7,239,064 | - | - | 7,239,064 | - |
| Interest and investment revenue | 46,147 | 349,857 | 164,855 | 560,859 | 264,844 |
| Interest expense and other | (296,064) | - | (633) | (296,697) | - |
| Gain (loss) on sale of capital assets | 1,700 | 24,700 | (167,412) | (141,012) | - |
| Total non-operating revenue (expenses) | <u>8,278,941</u> | <u>374,557</u> | <u>(3,190)</u> | <u>8,650,308</u> | <u>264,844</u> |
| Income (loss) before contributions and transfers | (4,388,061) | (1,703,588) | (934,384) | (7,026,033) | (1,227,801) |
| Capital contributions | 1,130,809 | - | - | 1,130,809 | - |
| Transfers in | 1,596,674 | 2,449,309 | 458,470 | 4,504,453 | 3,468,000 |
| Transfers out | - | - | (27,000) | (27,000) | - |
| Change in net assets | <u>(1,660,578)</u> | <u>745,721</u> | <u>(502,914)</u> | <u>(1,417,771)</u> | <u>2,240,199</u> |
| Total net assets - beginning | <u>14,096,697</u> | <u>6,003,637</u> | <u>19,408,261</u> | <u>39,508,595</u> | <u>3,915,987</u> |
| Total net assets - ending | <u>\$ 12,436,119</u> | <u>\$ 6,749,358</u> | <u>\$ 18,905,347</u> | <u>\$ 38,090,824</u> | <u>\$ 6,156,186</u> |

CHATHAM COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2008

| | Business-type Activities - Enterprise Funds | | | | Governmental |
|---|---|-----------------------|------------------------------|------------------------|---------------------------|
| | Chatham Area Transit Authority | Solid Waste Fund | Other Enterprise Funds | Total | Internal Service Funds |
| Cash flows from operating activities: | | | | | |
| Passenger fares and other revenues | \$ 4,477,621 | \$ 644,954 | \$ - | \$ 5,122,575 | \$ 376,255 |
| Cash received from customers | - | - | 3,987,174 | 3,987,174 | - |
| Cash payments to employees for services | (8,824,907) | (1,063,607) | (1,748,086) | (11,636,600) | - |
| Cash payments to suppliers for goods and services | (6,491,409) | (1,556,501) | (2,499,065) | (10,546,975) | (16,407,352) |
| Cash received from contributions | - | - | - | - | 14,114,263 |
| Net cash provided (used) by operating activities | <u>(10,838,695)</u> | <u>(1,975,154)</u> | <u>(259,977)</u> | <u>(13,073,826)</u> | <u>(1,916,834)</u> |
| Cash flows from noncapital financing activities: | | | | | |
| Special district transit tax | 7,070,416 | - | - | 7,070,416 | - |
| Federal and state grants | 100,013 | - | - | 100,013 | - |
| Intergovernmental loan and borrowing under line of credit | 1,025,000 | - | - | 1,025,000 | - |
| Interest paid | (25,281) | - | - | (25,281) | - |
| Borrowings from (repayments to) other funds | - | - | 2,524 | 2,524 | - |
| Transfers in | 1,742,205 | 2,449,309 | 458,470 | 4,649,984 | 3,468,000 |
| Transfers out | - | - | (27,000) | (27,000) | - |
| Net cash provided (used) by noncapital financing activities | <u>9,912,353</u> | <u>2,449,309</u> | <u>433,994</u> | <u>12,795,656</u> | <u>3,468,000</u> |
| Cash flows from capital and related financing activities: | | | | | |
| Capital contributed by other governments | 1,347,403 | - | - | 1,347,403 | - |
| Payments from developers | - | - | 8,844 | 8,844 | - |
| Proceeds from sale capital assets | - | - | 154,624 | 154,624 | - |
| Interest payments on debt | (270,783) | - | (633) | (271,416) | - |
| Principal payments on debt | (831,501) | (132,057) | (10,057) | (973,615) | - |
| Proceeds from disposal of capital assets | 1,700 | 24,700 | - | 26,400 | - |
| Acquisitions and construction of capital assets | (159,557) | (285,106) | (160,306) | (604,969) | - |
| Net cash (used) by capital and related financing activities | <u>87,262</u> | <u>(392,463)</u> | <u>(7,528)</u> | <u>(312,729)</u> | <u>-</u> |
| Cash flows from investing activities: | | | | | |
| Interest earned on cash and investments | 46,147 | 349,857 | 164,854 | 560,858 | 264,844 |
| Net cash provided (used) by investing activities | <u>46,147</u> | <u>349,857</u> | <u>164,854</u> | <u>560,858</u> | <u>264,844</u> |
| Increase (decrease) in cash and cash equivalents | (792,933) | 431,549 | 331,343 | (30,041) | 1,816,010 |
| Cash and cash equivalents, beginning of year | 2,328,975 | 8,039,356 | 4,250,747 | 14,619,078 | 7,678,994 |
| Cash and cash equivalents, end of year | <u>\$ 1,536,042</u> | <u>\$ 8,470,905</u> | <u>\$ 4,582,090</u> | <u>\$ 14,589,037</u> | <u>\$ 9,495,004</u> |
| Reconciliation of operating income to net cash provided by (used in) operating activities: | | | | | |
| Operating income (loss) | \$ (12,667,002) | \$ (2,078,145) | \$ (931,194) | \$ (15,676,341) | \$ (1,492,645) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | | | |
| Depreciation | 1,760,736 | 272,187 | 534,559 | 2,567,482 | - |
| Change in assets and liabilities: | | | | | |
| (Increase) decrease in accounts receivables | (103,396) | (18,016) | (33,075) | (154,487) | 50,410 |
| (Increase) decrease in inventory | (37,352) | - | - | (37,352) | - |
| (Increase) decrease in prepaid items | (47,401) | - | 38,412 | (8,989) | - |
| Increase (decrease) in accounts/claims payable | 210,025 | (177,944) | 89,371 | 121,452 | (474,599) |
| Increase (decrease) in unearned revenue | - | - | 466 | 466 | - |
| Increase (decrease) in OPEB obligations | 45,695 | 26,764 | 41,484 | 113,943 | - |
| Total adjustments | <u>1,828,307</u> | <u>102,991</u> | <u>671,217</u> | <u>2,602,515</u> | <u>(424,189)</u> |
| Net cash provided (used) by operating activities | <u>\$ (10,838,695)</u> | <u>\$ (1,975,154)</u> | <u>\$ (259,977)</u> | <u>\$ (13,073,826)</u> | <u>\$ (1,916,834)</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, 2008

| | Agency Funds | Pension (and Other Employee Benefit) Trust Funds |
|---|---------------------|---|
| ASSETS | | |
| Cash | \$ 27,145,082 | \$ 10,704,800 |
| Receivables: | | |
| Interest and dividend | - | 649,789 |
| Sale of investments | - | 285,766 |
| Accounts | - | 77,653 |
| Investments, at fair value: | | |
| U.S. government and agency obligations | - | 8,393,704 |
| Mortgage backed securities | - | 4,716,398 |
| Corporate bonds | - | 31,503,311 |
| Domestic stocks | - | 46,901,905 |
| Real estate investment trust | - | 629,898 |
| International equity funds | - | 16,101,370 |
| Total Investments | - | 108,246,586 |
| Total assets | 27,145,082 | 119,964,594 |
| LIABILITIES | | |
| Accounts payable | - | 1,097,528 |
| Due to others | 27,145,082 | - |
| Total liabilities | \$ 27,145,082 | 1,097,528 |
| NET ASSETS | | |
| Held in trust for pension and other employee benefits (See schedule of funding progress on page E-9 and E-10) | | \$ 118,867,066 |

CHATHAM COUNTY, GEORGIA
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2008

| | <u>Pension (and Other Employee Benefit Trust Funds)</u> |
|---|---|
| ADDITIONS | |
| Contributions: | |
| Employer | \$ 15,505,858 |
| Plan members | 2,311,382 |
| Total contributions | <u>17,817,240</u> |
| Investment earnings: | |
| Net appreciation (depreciation) in fair value of investments | (5,948,364) |
| Interest | 2,610,791 |
| Dividends | 2,179,316 |
| Total | <u>(1,158,257)</u> |
| Less investment expense | 513,660 |
| Net investment income | <u>(1,671,917)</u> |
| Total additions | <u>16,145,323</u> |
| DEDUCTIONS | |
| Benefits | 11,055,337 |
| Refunds of contributions | 220,986 |
| Administrative expense | 481,175 |
| Total deductions | <u>11,757,498</u> |
| Change in net assets | 4,387,825 |
| Net assets - beginning | 114,479,241 |
| Net assets - ending (See schedule of funding progress on page E-9 and E-10) | <u><u>\$ 118,867,066</u></u> |

