

# FINANCIAL SECTION

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## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Columbia County, Georgia  
Evans, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and aggregate remaining fund information of Columbia County, Georgia, as of and for the year ended June 30, 2008, which collectively comprise Columbia County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Columbia County, Georgia'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 of Columbia County, Georgia, as of June 30, 2007, and the respective changes in financial position and, cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund 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 18, 2008, on our consideration of Columbia County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 important for assessing the results of our audit.

To the Board of Commissioners  
Columbia County, Georgia  
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The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. 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 Columbia County, Georgia, basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budget and actual, special revenue fund statements, capital assets used in the operation of governmental funds statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, budget and actual, special revenue fund statements, and capital assets used in the operation of governmental funds statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section 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.

*Baird + Company, CPAs, LLC*

BAIRD & COMPANY, CPAS, LLC  
Certified Public Accountants

December 18, 2008  
Augusta, Georgia

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## Management's Discussion & Analysis

The Management's Discussion and Analysis of the Comprehensive Annual Financial Report (CAFR) of Columbia County, Georgia (the Government) provides an overall narrative and analysis of the Government's financial statements for the fiscal year ended June 30, 2008. This discussion and analysis is designed to look at the Government's financial performance as a whole. Readers should also review the additional information provided in the transmittal letter, which can be found preceding this narrative, and the complete financial statements, with notes, which follow this narrative, to enhance their understanding of the Government's financial performance.

### Financial Highlights

Key financial highlights of the Primary Government for the year ended June 30, 2008, are as follows:

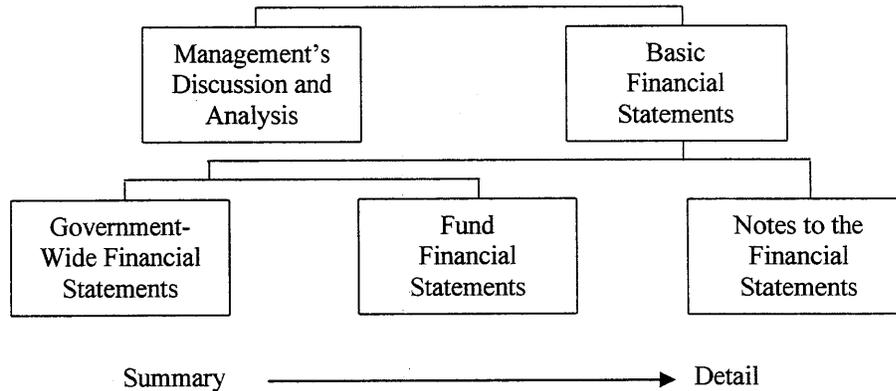
- The Government's combined net assets totaled \$363.9 million.
- The Government's total net assets increased by \$42.6 million, primarily due to increased revenue from capital grants and contributions of \$2.8 million, property taxes of \$5.3 million, and sales taxes of \$1 million.
- As of the close of the current fiscal year, the Government's governmental funds reported combined ending fund balances of \$108.1 million, a decrease of approximately \$671,000 from the prior year, primarily due to the completion of capital projects during the fiscal year. Approximately 92% of this total amount, or \$99.3 million, is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$26.7 million, or 52.8% of total General Fund expenditures for the fiscal year. Of this amount, \$16.2 million has been designated for other purposes, leaving \$10.5 million, or 20.7% of total General Fund expenditures, as undesignated.
- Combined Revenue totaled \$146.7 million of which governmental activities totaled \$106.6 million and business-type activities totaled \$40.1 million.
- Overall expenses totaled \$104.1 million of which governmental activities totaled \$79.6 million and business-type activities totaled \$24.5 million.
- Expenses of governmental activities exceeded program revenue, resulting in the use of \$54.8 million in general revenues (mostly taxes).
- Total Outstanding Long-Term Debt, excluding compensated absences and the liability for landfill closure/postclosure care costs, decreased approximately \$10.8 million primarily due to the continuing reduction in outstanding principal on existing debt.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Government's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Government through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Government.

### Required Components of Annual Financial Report

Figure 1



### Basic Financial Statements

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Government's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of Columbia County, Georgia's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Government's non-major governmental funds and internal service funds, all of which are added together in one column on the appropriate basic financial statements.

## **Government-wide Financial Statements**

The Government-wide financial statements provide a broad view of the Government's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Government's financial position, which assists in assessing the economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This means the statements take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include the following two statements:

The **Statement of Net Assets** presents information on all of the Government'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 financial position of the Government is improving or deteriorating.

The **Statement of Activities** presents information showing how the Government's net assets changed during the most recent 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 this statement for some items that will not result in cash flows until future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expense and program revenues for each function of the Government.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities and 3) component units. The governmental activities include most of the Government's basic services such as general administration, judicial services, public safety, public works, health and welfare, culture and recreation, and housing and development. Property taxes, local option sales taxes and state and federal grant funds finance most of these activities. The business-type activities are those services that the Government charges a fee to customers in order to provide. These include solid waste management, water and sewer, and storm water. The final category is component units. The Development Authority of Columbia County serves to promote, pursue and implement economic development in the County. The Columbia County Board of Health is a public health department. The Columbia County Convention and Visitors Bureau (CCCVB) provides convention and tourist promotion services for the benefit of the County, local businesses, and neighboring counties. The Bartram Trail, CDC, Inc. is a community development corporation created to develop, construct, and operate a public golf course in Columbia County. Although legally separate from the Government, the Government appoints a voting majority of the boards for the Development Authority, the Board of Health, the CCCVB, and the Bartram Trail, CDC, Inc.

## **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 Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the Government, reporting the Government's operations in more detail than the government-wide statements. All of the funds of the Government can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. These fund categories use different accounting approaches and should be interpreted differently.

## *Governmental Funds*

Most of the basic services provided by the Government are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide statements, these funds focus on how assets can readily be converted into cash and the amount of funds left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which focuses on current financial resources. Such information may be useful in evaluating the government's short-term financing requirements. These statements provide a detailed short-term view of the Government's finances that assists in determining whether there will be adequate financial resources available to meet the Government's current needs. The relationship between government activities in the government-wide financial statements and the governmental funds financial statements is described in a reconciliation that is a part of the fund financial statements.

The Government has four governmental fund types: the General Fund, Special Revenue Funds, Debt Service Funds and the Capital Projects Funds. Only three individual funds are being considered major funds – the General Fund, the 2006-2010 Special Purpose Local Option Sales Tax Fund (SPLOST) and the 2006 Capital Improvements Projects Fund.

## *Proprietary Funds*

The Government has two types of proprietary funds used to account for activities that operate similar to commercial enterprises found in the private sector. Funds that charge fees for services provided to outside customers including other local governments are known as Enterprise Funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Funds that charge fees for services provided to departments within the reporting government are known as Internal Service Funds. Proprietary funds use the accrual basis of accounting, thus the only reconciling items needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements relate to the elimination of internal service fund activity and interfund indirect cost allocations.

The Government has four enterprise funds: Water and Sewerage Fund, Solid Waste Authority Fund, Solid Waste Management Fund and the Storm Water Utility Fund. The Government has four internal service funds: Employee Medical Fund, Risk Management Fund, Customer Service Information Center, and Fleet Replacement Fund. The Water and Sewerage Fund, Storm Water Utility Fund, and Solid Waste Authority Fund are the only funds being considered major funds for presentation purposes.

## *Fiduciary Funds*

The Fiduciary Funds are used to account for assets held by the Government as an agent for individuals, private organizations, other governments and other Columbia County departments. The Government is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and only by those to whom the assets belong. These funds are not reflected in the government-wide financial statements because the resources are not available to support the Government's operations or programs.

## Government-wide Financial Analysis

### Net Assets

Net assets may serve over time as one useful indicator of a government's financial condition. The assets of the Government exceeded liabilities by \$363.9 million as of June 30, 2008.

The largest portion of the Government's net assets, \$258.1 million or 71%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (road, bridges, sidewalks, water lines and sewer lines) less any related debt used to acquire those assets that is still outstanding. The Government uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending. Although the Government's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Government's net assets, \$17.4 million or 5%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$88.4 million or 24%, may be used to meet the Government's ongoing obligations to citizens and creditors.

Several particular aspects of the Government's financial operations positively influenced the total *unrestricted governmental net assets*:

- Continued diligence in the collection of property taxes by maintaining a collection percentage of 99% for real and personal property.
- Continued low cost of debt due to the County's high bond rating.
- Continued diligence in the maintenance of a 75 – 100 day (25% of operating expenditures) unreserved fund balance designated for operations in the General Fund.

**The Government's Net Assets**  
**June 30**  
**Figure 2**

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Current and other assets	\$ 113,302,882	\$ 113,007,725	\$ 66,711,557	\$ 68,034,499	\$ 180,014,439	\$ 181,042,224
Capital assets	185,792,116	165,415,108	178,187,468	162,393,169	\$ 363,979,584	\$ 327,808,277
Total assets	<u>299,094,998</u>	<u>278,422,833</u>	<u>244,899,025</u>	<u>230,427,668</u>	<u>\$ 543,994,023</u>	<u>\$ 508,850,501</u>
Long-term liabilities outstanding	86,717,331	92,863,053	83,046,843	85,762,238	\$ 169,764,174	\$ 178,625,291
Other liabilities	6,772,876	6,996,048	3,572,876	1,940,218	\$ 10,345,752	\$ 8,936,266
Total liabilities	<u>93,490,207</u>	<u>99,859,101</u>	<u>86,619,719</u>	<u>87,702,456</u>	<u>\$ 180,109,926</u>	<u>\$ 187,561,557</u>
Net assets:						
Invested in capital assets, net of related debt	134,833,356	122,870,737	123,239,678	111,733,508	\$ 258,073,034	\$ 234,604,245
Restricted	12,595,944	9,213,883	4,784,737	4,428,616	\$ 17,380,681	\$ 13,642,499
Unrestricted	58,175,491	46,479,112	30,254,891	26,563,088	\$ 88,430,382	\$ 73,042,200
Total net assets	<u>\$ 205,604,791</u>	<u>\$ 178,563,732</u>	<u>\$ 158,279,306</u>	<u>\$ 142,725,212</u>	<u>\$ 363,884,097</u>	<u>\$ 321,288,944</u>

## **Changes in Net Assets**

**Governmental Activities.** Governmental activities increased the Government's net assets by \$27 million, thereby accounting for 63.5% of the total growth in the net assets of the Government. Key elements of this increase are as follows:

**Governmental Revenues.** Property tax and sales/other taxes continue as the main source of revenue for governmental activities of the Primary Government amounting to 83% of total governmental revenues for the year ended June 30, 2008. Increases in property tax and sales tax revenues contributed approximately \$5.3 million and \$1 million, respectively, to the increase in net assets due to growth in the County, not increases in tax rates. Also, revenues from capital grants and contributions increased by \$2.8 million due to the effective use of resources.

**Governmental Functional Expenses:** As reflected in the summary of Changes in Net Assets, the Government expended 49% of the governmental appropriations for judicial and public safety expenditures, which is comparable to the 50% expended in the prior year. Thus, the Government continues to commit substantial financial resources for the safety of its citizens.

**Business-type activities:** Business-type activities increased the Government's net assets by approximately \$15.6 million, accounting for 36.5% of the total growth in the government's net assets. Key elements of this increase are as follows:

- The Water and Sewerage Fund reported an increase in net assets of \$11.5 million due to continued operating efficiency of the fund. As the system continues to expand, management is able to control operating costs in connection with establishing rates sufficient to ensure an increase in net assets. 2,066 customers were added to the system during the fiscal year, representing a 4% increase in customers.
- The Solid Waste Authority Fund reported a decrease in net assets of \$668,544. Because the revenue bonds outstanding were paid in full as of July 1, 2005, no further revenues were received from landfill operations in compliance with the bond resolution. The landfill D cell reached 100% capacity as of June 30, 2006, and was closed during the fiscal year ended June 30, 2007. Due to revised estimates and costs associated with the start of the closure process, the liability for closure and postclosure care costs of the D cell increased by \$318,541. Once closure of the D cell is complete, the future of the Solid Waste Authority will be determined.
- The Storm Water Utility Fund reported an increase in net assets of \$3.9 million primarily due to capital contributions of \$4.1 million.

**For the Year Ended June 30**

**Figure 3**

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:						
Program revenues:						
Charges for services	\$ 11,376,064	\$ 11,072,458	\$ 26,589,175	\$ 25,910,568	\$ 37,965,239	\$ 36,983,026
Operating grants and contributions	1,311,425	1,049,960	-	5,685	1,311,425	1,055,645
Capital grants and contributions	12,084,681	8,572,725	11,261,507	11,934,565	23,346,188	20,507,290
General revenues:						
Property taxes	36,858,862	31,607,726	-	-	36,858,862	31,607,726
Sales/other taxes	40,577,221	39,553,222	-	-	40,577,221	39,553,222
Revenues from use of money	3,912,621	3,757,809	2,001,218	1,640,744	5,913,839	5,398,553
Gain on sale of assets	67,036	517,264	212,484	-	279,520	517,264
Miscellaneous	442,301	340,422	13,140	121,614	455,441	462,036
<b>Total revenues</b>	<b>106,630,211</b>	<b>96,471,586</b>	<b>40,077,524</b>	<b>39,613,176</b>	<b>146,707,735</b>	<b>136,084,762</b>
Expenses:						
General government	12,648,833	11,940,833	-	-	12,648,833	11,940,833
Judicial system	5,651,988	4,672,983	-	-	5,651,988	4,672,983
Public safety	34,319,118	31,753,164	-	-	34,319,118	31,753,164
Public works	13,651,459	11,699,587	-	-	13,651,459	11,699,587
Health and welfare	1,827,733	1,731,268	-	-	1,827,733	1,731,268
Culture and recreation	4,900,955	4,113,533	-	-	4,900,955	4,113,533
Housing and development	3,177,152	3,414,562	-	-	3,177,152	3,414,562
Interest on long-term debt	3,411,914	3,440,446	-	-	3,411,914	3,440,446
Water and sewerage	-	-	21,059,974	19,484,553	21,059,974	19,484,553
Storm water utility	-	-	2,412,779	2,264,348	2,412,779	2,264,348
Solid waste authority	-	-	490,702	491,700	490,702	491,700
Solid waste management	-	-	559,975	595,462	559,975	595,462
<b>Total expenses</b>	<b>79,589,152</b>	<b>72,766,376</b>	<b>24,523,430</b>	<b>22,836,063</b>	<b>104,112,582</b>	<b>95,602,439</b>
Increase in net assets	27,041,059	23,705,210	15,554,094	16,777,113	42,595,153	40,482,323
Net assets, beginning	178,563,732	154,858,522	142,725,212	125,948,099	321,288,944	280,806,621
<b>Net assets, ending</b>	<b>\$ 205,604,791</b>	<b>\$ 178,563,732</b>	<b>\$ 158,279,306</b>	<b>\$ 142,725,212</b>	<b>\$ 363,884,097</b>	<b>\$ 321,288,944</b>

## **Financial Analysis of the Government's Individual Funds**

Columbia County uses fund accounting to demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the Government's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Government's financial requirements. In particular, the 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. The combined fund balance of all the governmental funds is \$108.1 million, of which \$99.3 million, or 91.8%, is unreserved.

### **General Fund**

The General Fund is the primary operating fund of the Government. At the end of the current fiscal year, total fund balance of the General Fund was \$27 million, of which \$26.7 million, or 99.1%, was unreserved. A portion of the unreserved fund balance in the General Fund is designated for operations and extraordinary losses, in the amounts of \$15.2 million and \$1 million, respectively, as required by financial management policies of the Government. As a measure of the General Fund's liquidity, it may be useful to compare both undesignated and designated fund balance to total fund expenditures. As of June 30, 2008, total unreserved fund balance, both undesignated and designated, represents 52.8% of total general fund expenditures.

The total fund balance of the General Fund increased by \$1.4 million (5.3%) during the current fiscal year. Key factors contributing to this increase are as follows:

- ◆ Total revenue exceeded prior year revenue by \$2.8 million, or 5.4%, primarily due to the increase of \$2.4 million in taxes. This increase includes additional sales tax revenues of \$611,688 and additional property taxes of \$2 million.
- ◆ Although expenditures increased in fiscal year 2008 by \$4.2 million, or 9%, revenues exceeded expenditures by \$3.5 million.

### **General Fund Budgetary Highlights**

During the year ended June 30, 2008, the Government's financial picture remains impressive. The fiscal year 2008 budget was balanced with no millage rate increase and no reduction in services provided to the citizens.

During the year, the Government revised the budget on several occasions. Generally, budget amendments fall into one of five categories: 1) amendments to appropriate fund balance for encumbrances from the prior year; 2) amendments made to adjust the estimates that are used to prepare the original budget resolution once exact information is available; 3) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 4) increases in appropriations that become necessary to maintain services; and 5) amendments to transfer appropriations between departments. The fifth category has no effect on the final budget and, therefore, is not addressed in this narrative. For example, included in the original budget for the general government function was a contingency in the amount of \$957,747. During the year, the Government transferred these funds to other functions as needed, but this had no impact on the total budget.

Amendments to the General Fund budget increased revenues by \$99,053, increased expenditures by \$245,875, and decreased other financing uses by \$146,822. Amendments consisted of the following:

- An increase in grant revenues and expenditures of \$10,753 to fund various emergency services programs;
- A donation to the library in the amount of \$18,300 for the purchase of books;
- The use of fund balance in the amount of \$70,000 to purchase vehicles budgeted in the previous fiscal year but purchased in the current fiscal year.

The actual operating revenues for the General Fund were less than the final budgeted amount by \$1.2 million due to the use of fund balance, included in the other category, as an interfund transfer to reduce deficits in other funds. The individual sources within the revenues fluctuated both positively and negatively. Except for the other category as previously mentioned, no individual source materially varied from the final budget. In order to balance revenues with expenditures, the Government budgeted as a revenue \$2.9 million of undesignated fund balance to be used for interfund transfers.

As a result of superior budget management by all departments of the Government, actual operating expenditures were less than the budgeted amount by \$2.6 million. For the year, actual revenues and other financing sources exceeded actual expenditures and other financing uses by \$1.4 million.

### **Capital Projects Funds**

The Government uses Capital Projects Funds to account for the acquisition and construction of major capital facilities that are not financed by Proprietary Funds. Two major funds included in the fund financial statements are the 2006-2010 SPLOST Fund and the 2006 Capital Improvements Projects (CIP) Fund. The proceeds of the special purpose 1% sales tax and the 2007B general obligation bond issue are accounted for in these capital projects funds until improvement projects are completed. The fund balances as of June 30, 2008, for the SPLOST Fund and the CIP Fund total \$19.2 million and \$31.2 million, respectively, all of which is held for specific construction and improvement projects and capital acquisitions. The increase in fund balance in the SPLOST Fund and the decrease in fund balance in the CIP Fund is due to the timing of the collection of revenues as compared to project expenditures. The fund balances in these funds will continue to decrease each year as the capital projects are completed.

### **Proprietary Funds**

The activities of the Government that render services to the general public on a user charge basis, or that require periodic determination of revenues for public policy, are accounted for as Enterprise Funds. The Government's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets of major proprietary funds at the end of the year were as follows: Water and Sewerage Fund, \$24 million; Solid Waste Authority Fund, \$(633,700); Storm Water Utility Fund, \$3.2 million. The total growth (reduction) in net assets for previously mentioned funds was \$11.5 million, \$(668,544), and \$3.9 million, respectively. Factors concerning the finances of these funds have already been addressed in the discussion of the Government's business-type activities.

## Capital Assets and Debt Administration

### Capital Assets

The Government's investment in capital assets for its governmental and business-type activities as of June 30, 2008, amounts to \$364 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the Government, such as roads, bridges, streets and sidewalks, drainage systems and other similar items.

Major capital asset transactions during the year include:

- Completion of \$15.8 million of infrastructure and other public works projects.
- Addition of water and sewer systems of \$7 million and storm water systems of \$4.2 million.
- Net increase in construction in progress for business-type activities of \$10.7 million.
- Net decrease in construction in progress for governmental activities of \$9 million .

Additional information on the Government's capital assets can be found in Note 6 of the notes to the financial statements of this report.

**The Government's Capital Assets**  
(net of depreciation)  
June 30  
Figure 4

	Governmental Activities		Business-type Activities		Total	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 33,432,000	\$ 32,846,944	\$ 1,470,680	\$ 1,470,680	\$ 34,902,680	\$ 34,317,624
Buildings	50,005,259	39,970,291	888,280	927,361	50,893,539	40,897,652
Improvements other than buildings	16,230,049	8,366,340	751,608	794,600	16,981,657	9,160,940
Utility plant and distribution systems	-	-	84,031,070	87,056,282	84,031,070	87,056,282
Donated subdivisions	-	-	52,676,325	47,194,508	52,676,325	47,194,508
Storm water systems	-	-	18,656,739	15,663,379	18,656,739	15,663,379
Infrastructure	54,040,054	43,644,027	-	-	54,040,054	43,644,027
Vehicles, machinery and equipment	6,204,044	5,746,226	1,141,795	1,412,346	7,345,839	7,158,572
Construction in progress	25,880,710	34,841,280	18,570,971	7,874,013	44,451,681	42,715,293
<b>Total</b>	<b>\$ 185,792,116</b>	<b>\$ 165,415,108</b>	<b>\$ 178,187,468</b>	<b>\$ 162,393,169</b>	<b>\$ 363,979,584</b>	<b>\$ 327,808,277</b>

Additional information regarding the Government's long-term debt can be found in Note 7 of the notes to the financial statements of this report.

### **Economic Factors**

The Board of Commissioners (BOC) have continued to aggressively address the current and future needs of the Government by focusing on sound financial management, the reserve policy, the use of current resources for capital expenditures and the development of capital improvement plans. With a growing, diverse population, the challenge is to continue to improve the quality of life by concentrating on the demands placed on the public infrastructure such as transportation, water supply, wastewater treatment, the demands of revitalization of many business areas and the demands of greenspace conservation. Although the nation and surrounding counties are facing financial difficulties, Columbia County is able to maintain low property tax rates and low debt levels and has increased the reserves so that we can remain a leader and provide the best place to live, work and play.

### **Budget Highlights for the Fiscal Year Ending June 30, 2009**

Every year, the County's overall goal is to provide essential services to our citizens as cost effectively and professionally as possible. The BOC works diligently to plan for the future while ensuring that current programs and processes are working as smoothly as possible. We continually seek to improve. We are pleased that through our fiscal responsibility we are able to make some dreams come into reality this year. Here are a few of our top goals:

1. Prepare a balanced budget with no millage rate increase and millage rollback – For over nine (9) years, we have had a balanced budget with no millage rate increase. Because of increased sales taxes in the past year, we were able to have a millage rollback.
2. Complete master plans for Wildwood Park, Evans Town Center Park, and the Government Center and greenway - Protecting the beauty and natural resources of the County is vital to our quality of life. Proper planning and adherence to those plans is essential.
3. Continue cost-effective use of County forces for capital projects – The County now has two sources of funding for large projects, the 2007B General Obligation Bond and the Special Purpose Local Option Sales Tax (SPLOST), which brings in \$1 to \$1.5 million a month.
4. Complete GO Bond projects in three years – The 42 projects included in the 2007B general obligation bond issue have been initiated. Because we have all the money “up front,” there should be no lag in projects due to funding, as can be the case with the SPLOST.
5. Improve plan review turnaround time to ten work days or less – Due to our new advanced technology, inspectors in the field, reviewers in the office and the builder/developer can view plans simultaneously on their computers, consult with each other, and make needed changes.
6. Layout and design overlays for emerging nodes of development – So much time is spent on planning and zoning in such a rapidly growing county. Our “nodal” concept of areas or retail/commercial at large intersections surrounded by housing has been established in the County is expected to be adopted in several more areas.

Below are additional budget highlights of the General Fund:



### **Requests for Information**

This report is designed to provide an overview of the Government's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Columbia County, Georgia, 630 Ronald Reagan Drive, Evans, Georgia 30809.

# BASIC FINANCIAL STATEMENTS

# GOVERNMENT-WIDE FINANCIAL STATEMENTS

Columbia County, Georgia  
Statement of Net Assets  
June 30, 2008

	Primary Government			Component Units			
	Governmental Activities	Business-type Activities	Total	Bartram Trail CDC, Inc.	Convention and Visitors Bureau	Development Authority	Board of Health
<b>Assets</b>							
Cash and cash equivalents	\$ 81,963,682	\$ 17,564,671	\$ 99,528,353	\$ 38,539	\$ -	\$ 523,507	\$ -
Investments	23,279,827	9,477,878	32,757,705	-	-	-	-
Taxes receivable	1,106,187	-	1,106,187	-	-	-	-
Accounts receivable	1,534,380	4,456,016	5,990,396	39,233	-	-	74,506
Intergovernmental receivable	5,638,122	-	5,638,122	-	167,613	-	-
Investment in Spec Building	-	-	-	-	-	590,000	-
Internal balances	(1,435,883)	1,435,883	-	-	-	-	-
Due from component units	113,223	-	113,223	-	-	-	-
Inventories	17,316	314,063	331,379	20,740	-	-	-
Prepaid items	140,219	32,736	172,955	-	197	-	-
Deferred charges	945,809	3,008,542	3,954,351	814,773	-	-	-
Restricted cash	-	16,435,250	16,435,250	675,270	-	-	210,259
Restricted investments	-	13,986,518	13,986,518	-	-	-	-
Land and construction in progress	59,312,710	20,041,651	79,354,361	1,500,000	-	140,641	-
Other capital assets, net of acc dep	126,479,406	158,145,817	284,625,223	5,645,711	-	-	-
<b>Total assets</b>	<b>299,094,998</b>	<b>244,899,025</b>	<b>543,994,023</b>	<b>8,736,278</b>	<b>167,810</b>	<b>1,254,148</b>	<b>284,765</b>
<b>Liabilities</b>							
Accounts payable	3,388,889	3,227,483	6,616,372	193,069	3,708	28,178	10
Accrued payroll	920,241	-	920,241	16,888	-	1,437	-
Unearned revenue	143,654	-	143,654	31,185	-	-	-
Due to component units	167,613	-	167,613	-	-	-	-
Intergovernmental payable	369,973	-	369,973	113,223	-	-	-
Accrued interest payable	1,782,506	278,449	2,060,955	-	-	3,069	-
Customer deposits	-	66,944	66,944	-	-	-	-
Long-term liabilities:							
Liabilities due within one year	9,340,000	7,846,278	17,186,278	147,000	-	826,250	102,187
Liabilities due in greater than one year	77,377,331	75,200,565	152,577,896	9,882,500	-	934,062	-
<b>Total liabilities</b>	<b>93,490,207</b>	<b>86,619,719</b>	<b>180,109,926</b>	<b>10,383,865</b>	<b>3,708</b>	<b>1,792,996</b>	<b>102,197</b>
<b>Net Assets</b>							
Invested in capital assets, net of related debt	134,833,356	123,239,678	258,073,034	(2,883,789)	-	140,641	-
Restricted for debt service	12,595,944	1,392,272	13,988,216	675,270	-	-	-
Restricted for landfill	-	3,392,465	3,392,465	-	-	-	-
Unrestricted	58,175,491	30,254,891	88,430,382	560,932	164,102	(679,489)	182,568
<b>Total net assets</b>	<b>\$ 205,604,791</b>	<b>\$ 158,279,306</b>	<b>\$ 363,884,097</b>	<b>\$ (1,647,587)</b>	<b>\$ 164,102</b>	<b>\$ (538,848)</b>	<b>\$ 182,568</b>

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

Columbia County, Georgia  
Statement of Activities  
For the Year Ended June 30, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 12,648,833	\$ 1,797,038	\$ (299,998)	\$ -
Judicial	5,651,988	2,855,485	53,743	-
Public safety	34,319,118	2,728,632	36,991	-
Public works	13,651,459	1,178,692	1,155,130	12,084,681
Health and welfare	1,827,733	494,700	198,564	-
Culture and recreation	4,900,955	618,317	80,188	-
Housing and development	3,177,152	1,703,200	86,807	-
Debt service - interest and fees	3,411,914	-	-	-
<b>Total governmental activities</b>	<b>79,589,152</b>	<b>11,376,064</b>	<b>1,311,425</b>	<b>12,084,681</b>
Business-type Activities:				
Water and sewerage	21,059,974	24,154,417	-	7,176,662
Storm water utility	2,412,779	2,434,193	-	4,084,845
Solid waste authority	490,702	-	-	-
Sold waste management	559,975	565	-	-
<b>Total business-type</b>	<b>24,523,430</b>	<b>26,589,175</b>	<b>-</b>	<b>11,261,507</b>
<b>Total primary government</b>	<b>\$ 104,112,582</b>	<b>\$ 37,965,239</b>	<b>\$ 1,311,425</b>	<b>\$ 23,346,188</b>
<b>Component units:</b>				
Bartram Trail CDC, Inc.	\$ 2,355,113	\$ 1,697,711	\$ -	\$ 100,000
Convention and Visitors Bureau	167,300	-	220,853	-
Development Authority	357,140	22,406	44,849	-
Board of Health	1,575,082	285,981	1,207,245	-
<b>Total component units</b>	<b>\$ 4,454,635</b>	<b>\$ 2,006,098</b>	<b>\$ 1,472,947</b>	<b>\$ 100,000</b>

General revenues:  
Taxes, general property  
Taxes, sales  
Taxes, franchise  
Taxes, business  
Taxes, real estate transfer and intangibles  
Taxes, lodging and alcohol  
Revenues from use of money and property  
Gain on sale of capital assets  
Miscellaneous  
Total general revenues  
Change in net assets  
Net assets - beginning  
Net assets - ending

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

**Net( Expense) Revenue and  
Changes in Net Assets**

Primary Government			Component Units			
Governmental Activities	Business-type Activities	Total	Bartram Trail CDC, Inc.	Convention and Visitors Bureau	Development Authority	Board of Health
\$ (11,151,793)	\$ -	\$ (11,151,793)				
(2,742,760)	-	(2,742,760)				
(31,553,495)	-	(31,553,495)				
767,044	-	767,044				
(1,134,469)	-	(1,134,469)				
(4,202,450)	-	(4,202,450)				
(1,387,145)	-	(1,387,145)				
(3,411,914)	-	(3,411,914)				
<u>(54,816,982)</u>	<u>-</u>	<u>(54,816,982)</u>				
-	10,271,105	10,271,105				
-	4,106,259	4,106,259				
-	(490,702)	(490,702)				
-	(559,410)	(559,410)				
<u>-</u>	<u>13,327,252</u>	<u>13,327,252</u>				
<u>(54,816,982)</u>	<u>13,327,252</u>	<u>(41,489,730)</u>				
			\$ (557,402)	\$ -	\$ -	\$ -
			-	53,553	-	-
			-	-	(289,885)	-
			-	-	-	(81,856)
			<u>(557,402)</u>	<u>53,553</u>	<u>(289,885)</u>	<u>(81,856)</u>
36,858,862	-	36,858,862	-	-	-	-
32,360,023	-	32,360,023	-	-	-	-
645,926	-	645,926	-	-	-	-
4,825,378	-	4,825,378	-	-	-	-
1,158,654	-	1,158,654	-	-	-	-
1,587,240	-	1,587,240	-	-	-	-
3,912,621	2,001,218	5,913,839	9,306	-	39,873	7,631
67,036	212,484	279,520	-	-	-	-
442,301	13,140	455,441	69,834	-	-	45,184
<u>81,858,041</u>	<u>2,226,842</u>	<u>84,084,883</u>	<u>79,140</u>	<u>-</u>	<u>39,873</u>	<u>52,815</u>
27,041,059	15,554,094	42,595,153	(478,262)	53,553	(250,012)	(29,041)
178,563,732	142,725,212	321,288,944	(1,169,325)	110,549	(288,836)	211,609
<u>\$ 205,604,791</u>	<u>\$ 158,279,306</u>	<u>\$ 363,884,097</u>	<u>\$ (1,647,587)</u>	<u>\$ 164,102</u>	<u>\$ (538,848)</u>	<u>\$ 182,568</u>

# FUND FINANCIAL STATEMENTS

Columbia County, Georgia  
Balance Sheet  
Governmental Funds  
June 30, 2008

	General Fund	Special Local Option Sales Tax Fund 2006-2010	2006 Capital Improvements Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Cash and cash equivalents	\$ 22,713,470	\$ 10,476,106	\$ 31,773,860	\$ 15,914,217	\$ 80,877,653
Investments	5,434,313	6,000,000	-	11,845,513	23,279,826
Taxes receivable	846,666	-	-	259,521	1,106,187
Accounts receivable	711,766	223,219	-	571,797	1,506,782
Intergovernmental receivable	2,643,005	2,995,118	-	-	5,638,123
Due from other funds	3,227,146	-	-	4,369,872	7,597,018
Due from component units	113,223	-	-	-	113,223
Inventories	17,316	-	-	-	17,316
Prepaid items	127,500	67	111	12,200	139,878
<b>Total assets</b>	<b><u>\$ 35,834,405</u></b>	<b><u>\$ 19,694,510</u></b>	<b><u>\$ 31,773,971</u></b>	<b><u>\$ 32,973,120</u></b>	<b><u>\$ 120,276,006</u></b>
<b>Liabilities and fund balances</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 1,814,179	\$ 52,632	\$ 135,591	\$ 908,460	\$ 2,910,862
Accrued payroll	920,241	-	-	-	920,241
Accrued compensated absences	211,583	-	-	16,008	227,591
Deferred revenue	525,360	-	-	288,460	813,820
Due to other funds	5,241,782	185,030	422,440	920,246	6,769,498
Due to component unit	167,613	-	-	-	167,613
Due to other governments	-	254,585	-	115,388	369,973
<b>Total liabilities</b>	<b><u>8,880,758</u></b>	<b><u>492,247</u></b>	<b><u>558,031</u></b>	<b><u>2,248,562</u></b>	<b><u>12,179,598</u></b>
<b>Fund balances:</b>					
Reserved for encumbrances	89,900	300	44,698	929,248	1,064,146
Reserved for inventories/prepays	144,816	67	111	12,200	157,194
Reserved for debt service	-	-	-	7,624,650	7,624,650
Unreserved, designated for operations	15,241,038	-	-	-	15,241,038
Unreserved, designated for extraordinary reserve	1,000,000	-	-	-	1,000,000
Unreserved, undesignated	10,477,893	-	-	-	10,477,893
Unreserved, reported in nonmajor:					
Special revenue	-	-	-	6,591,355	6,591,355
Capital projects	-	19,201,896	31,171,131	15,567,105	65,940,132
<b>Total fund balances</b>	<b><u>26,953,647</u></b>	<b><u>19,202,263</u></b>	<b><u>31,215,940</u></b>	<b><u>30,724,558</u></b>	<b><u>108,096,408</u></b>
<b>Total liabilities and fund balances</b>	<b><u>\$ 35,834,405</u></b>	<b><u>\$ 19,694,510</u></b>	<b><u>\$ 31,773,971</u></b>	<b><u>\$ 32,973,120</u></b>	<b><u>\$ 120,276,006</u></b>

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

**Columbia County, Georgia**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Assets**  
**June 30, 2008**

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

Ending fund balances - governmental funds	\$	108,096,408
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		185,792,116
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		670,166
Bond issuance costs, net of amortization, are not financial resources and, therefore, are not reported in the funds.		945,809
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Total long-term debt, governmental activities		(86,717,331)
Current portion of compensated absences reported within governmental funds		240,518
		(86,476,813)
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.		(1,782,506)
Internal service funds are used by management to charge the costs of risk management, handling citizen complaints, and employee health benefits activity to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.		1,579,524
Certain activities between funds, including indirect costs and reimbursements, are recorded as revenues and expenditures in the respective funds. These interfund transactions have been eliminated in the statement of net assets.		(3,219,913)
Net assets of governmental activities	\$	205,604,791

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

Columbia County, Georgia  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2008

	General Fund	Special Local Option Sales Tax Fund 2006-2010	2006 Capital Improvements Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Taxes - property	\$ 26,391,802	\$ -	\$ -	\$ 10,181,307	\$ 36,573,109
Taxes - sales	15,077,043	17,282,980	-	-	32,360,023
Taxes - other	3,485,638	-	-	4,719,491	8,205,129
Licenses and permits	344,737	-	-	1,003,065	1,347,802
Charges for services	3,820,127	-	-	3,904,599	7,724,726
Intergovernmental	1,884,865	-	-	693,839	2,578,704
Fines and forfeitures	1,888,374	-	-	379,818	2,268,192
Investment income	867,138	534,929	1,200,693	1,272,583	3,875,343
Contributions and donations	30,350	3,082	-	99,409	132,841
Other	344,663	-	-	97,638	442,301
<b>Total revenues</b>	<b>54,134,737</b>	<b>17,820,991</b>	<b>1,200,693</b>	<b>22,351,749</b>	<b>95,508,170</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	11,802,493	-	-	11,285	11,813,778
Judicial	4,980,785	-	-	53,608	5,034,393
Public safety	22,183,189	-	-	9,472,629	31,655,818
Public works	4,403,578	-	-	3,888,292	8,291,870
Health and welfare	1,327,334	-	-	411,633	1,738,967
Culture and recreation	3,984,980	-	-	657,040	4,642,020
Housing and development	1,905,491	-	-	1,314,603	3,220,094
Capital outlay	-	3,622,046	7,370,123	6,747,510	17,739,679
<b>Debt service:</b>					
Principal	-	-	-	6,900,000	6,900,000
Interest	-	-	-	3,529,059	3,529,059
Other	-	-	-	1,931	1,931
<b>Total expenditures</b>	<b>50,587,850</b>	<b>3,622,046</b>	<b>7,370,123</b>	<b>32,987,590</b>	<b>94,567,609</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>3,546,887</b>	<b>14,198,945</b>	<b>(6,169,430)</b>	<b>(10,635,841)</b>	<b>940,561</b>
<b>Other financing sources (uses)</b>					
Sale of property	86,741	-	-	3,070	89,811
Transfers in	190,000	119,748	-	7,354,055	7,663,803
Transfers out	(2,460,178)	(3,059,135)	(1,650,134)	(2,195,356)	(9,364,803)
<b>Total other financing sources and uses</b>	<b>(2,183,437)</b>	<b>(2,939,387)</b>	<b>(1,650,134)</b>	<b>5,161,769</b>	<b>(1,611,189)</b>
<b>Net change in fund balances</b>	<b>1,363,450</b>	<b>11,259,558</b>	<b>(7,819,564)</b>	<b>(5,474,072)</b>	<b>(670,628)</b>
<b>Fund balances -- beginning</b>	<b>25,590,197</b>	<b>7,942,705</b>	<b>39,035,504</b>	<b>36,198,630</b>	<b>108,767,036</b>
<b>Fund balances -- ending</b>	<b>\$ 26,953,647</b>	<b>\$ 19,202,263</b>	<b>\$ 31,215,940</b>	<b>\$ 30,724,558</b>	<b>\$ 108,096,408</b>

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

**Columbia 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**

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

Net change in fund balances - total governmental funds		\$ (670,628)
<p>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. The amount by which capital outlay exceeded</p>		
Capital expenditures	41,671,697	
Depreciation expense	(21,294,689)	
Net book value of disposals	-	
		20,377,008
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
		297,821
<p>The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, how</p>		
Current year amortization of premium	467,611	
Current year amortization of bond issuance costs	(153,688)	
Current year principal repayments	6,900,000	
Net changes in compensated absences, including amounts reported in funds	(1,541,672)	
		5,672,251
<p>In the fund financial statements, interest expense on long-term debt is reported in the period that the current financial resources are used. In the statement of activities, interest expense on long-term debt is recorded as the expense is incurred. This amount is the difference between recording interest as accrued rather than as paid.</p>		
		(194,847)
<p>The net revenue of certain activities of the internal service funds is reported with governmental activities.</p>		
		2,197,728
<p>Certain activities between funds, including indirect costs and reimbursements, are recorded as revenues and expenditures in the respective funds. These interfund transactions have been eliminated in the statement of activities.</p>		
		(638,274)
Change in net assets of governmental activities		\$ 27,041,059

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

Columbia County, Georgia  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes - property	\$ 25,276,653	\$ 25,276,653	\$ 26,391,802	\$ 1,115,149
Taxes - sales	15,400,000	15,400,000	15,077,043	(322,957)
Taxes - other	3,575,000	3,575,000	3,485,638	(89,362)
Licenses and permits	322,000	322,000	344,737	22,737
Charges for services	3,620,757	3,620,757	3,820,127	199,370
Intergovernmental	2,088,791	2,091,866	1,884,865	(207,001)
Fines and forfeitures	1,607,000	1,607,000	1,888,374	281,374
Investment income	300,000	300,000	867,138	567,138
Contributions and donations	10,000	28,300	30,350	2,050
Other	3,017,352	3,095,030	344,663	(2,750,367)
Total revenues	<u>55,217,553</u>	<u>55,316,606</u>	<u>54,134,737</u>	<u>(1,181,869)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	16,047,414	12,577,693	11,802,493	775,200
Judicial	4,265,121	5,054,860	4,980,785	74,075
Public safety	20,624,363	22,714,323	22,183,189	531,134
Public works	3,930,185	4,466,471	4,403,578	62,893
Health and welfare	1,150,746	1,387,684	1,327,334	60,350
Culture and recreation	3,788,853	4,089,328	3,984,980	104,348
Housing and development	3,175,121	2,937,319	1,905,491	1,031,828
Total expenditures	<u>52,981,803</u>	<u>53,227,678</u>	<u>50,587,850</u>	<u>2,639,828</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>2,235,750</u>	<u>2,088,928</u>	<u>3,546,887</u>	<u>1,457,959</u>
<b>Other financing sources (uses)</b>				
Sale of property	100,000	100,000	86,741	(13,259)
Transfers in	289,250	289,250	190,000	(99,250)
Transfers out	(2,625,000)	(2,478,178)	(2,460,178)	18,000
Total other financing sources (uses)	<u>(2,235,750)</u>	<u>(2,088,928)</u>	<u>(2,183,437)</u>	<u>(94,509)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,363,450</u>	<u>\$ 1,363,450</u>
Fund balance -- beginning			25,590,197	
Fund balance -- ending			<u>\$ 26,953,647</u>	

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

Columbia County, Georgia  
Statement of Net Assets  
Proprietary Funds  
June 30, 2008

Business-type Activities - Enterprise Funds

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewerage Fund	Storm Water Utility Fund	Solid Waste Authority Fund	Non-major Solid Waste Management Fund		
<b>Assets</b>						
Current assets:						
Cash and cash equivalents	\$ 12,528,684	\$ 2,948,152	\$ -	\$ 2,087,835	\$ 17,564,671	\$ 1,086,029
Investments	9,477,878	-	-	-	9,477,878	-
Accounts receivable	4,234,093	221,923	-	-	4,456,016	27,597
Due from other funds	-	317,216	-	461,538	778,754	1,013,865
Inventories	314,063	-	-	-	314,063	-
Prepaid items	27,050	4,454	-	1,232	32,736	341
Rest cash to pay current liab	16,435,250	-	-	-	16,435,250	-
<b>Total current assets</b>	<b>43,017,018</b>	<b>3,491,745</b>	<b>-</b>	<b>2,550,605</b>	<b>49,059,368</b>	<b>2,127,832</b>
Noncurrent assets:						
Restricted cash and investment	-	-	13,986,518	-	13,986,518	-
Deferred charges	3,008,542	-	-	-	3,008,542	-
Capital assets, net of acc dep	157,649,742	19,984,832	552,894	-	178,187,468	926,038
<b>Total noncurrent assets</b>	<b>160,658,284</b>	<b>19,984,832</b>	<b>14,539,412</b>	<b>-</b>	<b>195,182,528</b>	<b>926,038</b>
<b>Total assets</b>	<b>203,675,302</b>	<b>23,476,577</b>	<b>14,539,412</b>	<b>2,550,605</b>	<b>244,241,896</b>	<b>3,053,870</b>
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	3,153,849	39,978	29,867	3,789	3,227,483	478,022
Accrued compensated absences	807,126	40,734	-	55,620	903,480	8,669
Due to other funds	1,329,920	163,231	603,833	461,538	2,558,522	61,617
Revenue bonds payable	3,515,000	-	-	-	3,515,000	-
Accrued interest payable	278,449	-	-	-	278,449	-
Customer deposits	66,944	-	-	-	66,944	-
Current portion of notes payable	241,944	-	-	-	241,944	-
Current portion of est closure/post closure costs	-	-	3,030,000	155,854	3,185,854	-
<b>Total current liabilities</b>	<b>9,393,232</b>	<b>243,943</b>	<b>3,663,700</b>	<b>676,801</b>	<b>13,977,676</b>	<b>548,308</b>
Noncurrent liabilities:						
Notes payable	559,615	-	-	-	559,615	-
Estimated closure/post closure costs	-	-	7,564,053	1,402,688	8,966,741	-
Revenue bonds	65,674,209	-	-	-	65,674,209	-
<b>Total noncurrent liabilities</b>	<b>66,233,824</b>	<b>-</b>	<b>7,564,053</b>	<b>1,402,688</b>	<b>75,200,565</b>	<b>-</b>
<b>Total liabilities</b>	<b>75,627,056</b>	<b>243,943</b>	<b>11,227,753</b>	<b>2,079,489</b>	<b>89,178,241</b>	<b>548,308</b>
<b>Net assets</b>						
Invested in capital assets, net of related debt	102,701,952	19,984,832	552,894	-	123,239,678	926,038
Restricted for debt service	1,392,272	-	-	-	1,392,272	-
Restricted for landfill operations	-	-	3,392,465	-	3,392,465	-
Unrestricted net assets	23,954,022	3,247,802	(633,700)	471,116	27,039,240	1,579,524
<b>Total net assets</b>	<b>\$ 128,048,246</b>	<b>\$ 23,232,634</b>	<b>\$ 3,311,659</b>	<b>\$ 471,116</b>	<b>155,063,655</b>	<b>\$ 2,505,562</b>

Adjustment to reflect the elimination of interfund indirect cost allocations.

3,215,651

Net assets of business-type activities

\$ 158,279,306

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

Columbia County, Georgia  
Statement of Revenues, Expenses, and Changes in Fund Net Assets  
Proprietary Funds  
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewerage Fund	Storm Water Utility Fund	Solid Waste Authority Fund	Non-major Solid Waste Management Fund		
<b>Operating revenues</b>						
Charges for services	\$ 24,223,117	\$ 2,434,193	\$ -	\$ 313,779	\$ 26,971,089	\$ 5,838,127
Intergovernmental	-	-	-	-	-	1,092,642
Rental income	85,800	-	-	-	85,800	-
Other	184	13,140	-	212,300	225,624	35,185
<b>Total operating revenues</b>	<u>24,309,101</u>	<u>2,447,333</u>	<u>-</u>	<u>526,079</u>	<u>27,282,513</u>	<u>6,965,954</u>
<b>Operating expenses</b>						
Personal services	5,135,754	628,023	-	190,418	5,954,195	209,791
Purchased/contract services	2,145,387	111,876	-	161,776	2,419,039	5,244,876
Supplies and materials	4,356,399	120,438	-	99,594	4,576,431	14,310
Repairs and maintenance	642,801	-	-	-	642,801	-
Interfund charges	500,541	514,258	313,214	47,980	1,375,993	58,579
Depreciation/amortization	5,836,251	1,316,735	-	28,784	7,181,770	185,208
Other costs	9,897	74	-	35,968	45,939	397
Landfill clos/post clos costs	-	-	490,703	46,862	537,565	-
<b>Total operating expenses</b>	<u>18,627,030</u>	<u>2,691,404</u>	<u>803,917</u>	<u>611,382</u>	<u>22,733,733</u>	<u>5,713,161</u>
<b>Operating income (loss)</b>	<u>5,682,071</u>	<u>(244,071)</u>	<u>(803,917)</u>	<u>(85,303)</u>	<u>4,548,780</u>	<u>1,252,793</u>
<b>Nonoperating revenues (expenses)</b>						
Interest earned	1,734,059	95,337	135,373	36,450	2,001,219	31,278
Interest expense	(3,049,600)	-	-	-	(3,049,600)	-
<b>Total nonoperating revenue (expenses)</b>	<u>(1,315,541)</u>	<u>95,337</u>	<u>135,373</u>	<u>36,450</u>	<u>(1,048,381)</u>	<u>31,278</u>
<b>Income (loss) before contributions and transfers</b>	<u>4,366,530</u>	<u>(148,734)</u>	<u>(668,544)</u>	<u>(48,853)</u>	<u>3,500,399</u>	<u>1,284,071</u>
Transfers in	-	-	-	-	-	1,701,000
Capital contributions	7,176,662	4,084,845	-	-	11,261,507	-
<b>Change in net assets</b>	<u>11,543,192</u>	<u>3,936,111</u>	<u>(668,544)</u>	<u>(48,853)</u>	<u>14,761,906</u>	<u>2,985,071</u>
<b>Total net assets -- beginning</b>	<u>116,505,054</u>	<u>19,296,523</u>	<u>3,980,203</u>	<u>519,969</u>	<u>(479,509)</u>	<u>(479,509)</u>
<b>Total net assets -- ending</b>	<u>\$ 128,048,246</u>	<u>\$ 23,232,634</u>	<u>\$ 3,311,659</u>	<u>\$ 471,116</u>	<u>\$ 2,505,562</u>	<u>\$ 2,505,562</u>
Adjustment to reflect the consolidation of internal service fund activities related to business-type activities					153,914	
Adjustment to reflect the elimination of interfund indirect cost allocations.					638,274	
<b>Change in net assets of business-type activities</b>					<u>\$ 15,554,094</u>	

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

Columbia County, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	Water and Sewerage Fund	Storm Water Utility Fund	Solid Waste Authority Fund	Non-major Solid Waste Management Fund	Total	
<b>Operating activities</b>						
Cash received from customers	\$ 23,998,483	\$ 2,439,175	\$ 24,757	\$ 527,792	\$ 26,990,207	\$ 6,961,050
Cash paid to suppliers and others	(6,074,317)	(923,853)	(409,073)	(351,177)	(7,758,420)	(7,080,028)
Cash paid to employees	(4,946,082)	(623,557)	-	(176,050)	(5,745,689)	(217,795)
<b>Net cash provided by (used in) operating activities</b>	<u>12,978,084</u>	<u>891,765</u>	<u>(384,316)</u>	<u>565</u>	<u>13,486,098</u>	<u>(336,773)</u>
<b>Noncapital financing activities</b>						
Transfer from other funds	-	-	-	-	-	1,701,000
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,701,000</u>
<b>Capital and related financing activities</b>						
Acquisition and construction of capital assets	(11,079,135)	(180,863)	-	-	(11,259,998)	(1,111,246)
Principal paid on revenue bonds	(3,370,000)	-	-	-	(3,370,000)	-
Principal paid on notes / capital leases	(275,064)	-	-	-	(275,064)	-
Interest paid on revenue bonds, notes and capital leases	(2,810,960)	-	-	-	(2,810,960)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(17,535,159)</u>	<u>(180,863)</u>	<u>-</u>	<u>-</u>	<u>(17,716,022)</u>	<u>(1,111,246)</u>
<b>Investing activities</b>						
Interest on investments	1,734,059	95,337	135,373	36,450	2,001,219	31,278
<b>Net cash provided (used) in investing activities</b>	<u>1,734,059</u>	<u>95,337</u>	<u>135,373</u>	<u>36,450</u>	<u>2,001,219</u>	<u>31,278</u>
<b>Net increase (decrease) in cash and cash equivalents / investments</b>	<u>(2,823,016)</u>	<u>806,239</u>	<u>(248,943)</u>	<u>37,015</u>	<u>(2,228,705)</u>	<u>284,259</u>
<b>Cash and cash equivalents / investments</b>						
Beginning of year	41,264,828	2,141,913	14,235,461	2,050,820	59,693,022	801,770
End of year	<u>\$ 38,441,812</u>	<u>\$ 2,948,152</u>	<u>\$ 13,986,518</u>	<u>\$ 2,087,835</u>	<u>\$ 57,464,317</u>	<u>\$ 1,086,029</u>

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

Columbia County, Georgia  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2008

	Business-type Activities - Enterprise Funds				Total	Governmental Activities - Internal Service Funds
	Water and Sewerage Fund	Storm Water Utility Fund	Solid Waste Authority Fund	Non-major Solid Waste Management Fund		
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>						
Operating income (loss)	\$ 5,682,071	\$ (244,071)	\$ (803,917)	\$ (85,303)	\$ 4,548,780	\$ 1,252,793
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	5,836,251	1,316,735	-	28,784	7,181,770	185,208
Change in assets and liabilities						
Accounts receivable	(270,115)	(8,158)	24,757	1,713	(251,803)	(4,904)
Inventory	253,105	-	-	-	253,105	-
Deferred charges / prepaid expense	(250,396)	160	-	342	(249,904)	6
Due from other funds	417	(74,999)	-	33,661	(40,921)	(992,372)
Accounts payable	1,744,793	22,309	29,867	(6,688)	1,790,281	190,478
Accrued liabilities	189,671	4,467	-	14,368	208,506	(8,005)
Customer deposits	(40,503)	-	-	-	(40,503)	-
Due to other funds	(167,210)	(124,668)	46,436	(33,174)	(278,616)	(959,977)
Estimated liability for landfill closure and postclosure care cost	-	-	318,541	46,862	365,403	-
Total adjustments	7,296,013	1,135,836	419,601	85,868	8,937,318	(1,589,566)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 12,978,084</b>	<b>\$ 891,765</b>	<b>\$ (384,316)</b>	<b>\$ 565</b>	<b>\$ 13,486,098</b>	<b>\$ (336,773)</b>
<b>Noncash investing, capital, and financing activities:</b>						
Capital contributions from developers	\$ 7,176,662	\$ 4,084,845	\$ -	\$ -	\$ 11,261,507	\$ -

Columbia County, Georgia  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2008

	Pension Trust Fund	
	Employees' Retirement Fund	Agency Funds
<b>Assets</b>		
Cash and cash equivalents	\$ 4,442,149	\$ 4,529,311
Investments, mutual funds	14,112,733	-
Total assets	18,554,882	\$ 4,529,311
<b>Liabilities</b>		
Due to others	-	\$ 4,529,311
Total liabilities	-	\$ 4,529,311
<b>Net Assets</b>		
Held in trust for pension benefits	\$ 18,554,882	

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

Columbia County, Georgia  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Funds  
For the Year Ended June 30, 2008

	Pension Trust Fund
	Employees' Retirement Fund
<b>Additions</b>	
Employer contributions	\$ 2,308,520
Investment earnings:	
Net appreciation in fair value	(2,021,735)
Interest	191,592
Total investment earnings	(1,830,143)
Total additions	478,377
<b>Deductions</b>	
Benefits	803,710
Total deductions	803,710
<b>Change in net assets</b>	(325,333)
<b>Total net assets-- beginning</b>	18,880,215
<b>Total net assets -- ending</b>	\$ 18,554,882

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