

**Glynn County, Georgia**

**Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2007**

**Prepared by:  
Finance Department**



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 TABLE OF CONTENTS  
 FOR THE YEAR ENDED JUNE 30, 2007

	PAGE
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal.....	A - 1
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	A - 5
Principal Officials.....	A - 6
Organization Chart.....	A - 7
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report.....	B - 1
Management's Discussion and Analysis.....	C - 1
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets.....	D - 1
Statement of Activities.....	D - 2
Fund Financial Statements	
Governmental Funds:	
Balance Sheet.....	D - 4
Reconciliation of Total Governmental Fund Balances to Net Assets of Governmental Activities.....	D - 5
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	D - 6
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	D - 7
Proprietary Funds:	
Statement of Net Assets.....	D - 8
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	D - 9
Statement of Cash Flows.....	D - 10
Fiduciary Funds:	
Statement of Fiduciary Net Assets.....	D - 11
Statement of Changes in Fiduciary Net Assets.....	D - 12
Notes to Financial Statements.....	D - 13
Required Supplementary Information Other Than MD&A	
Budgetary Comparison Schedule - General Fund.....	E - 1
Notes to Required Supplementary Information.....	E - 3
Schedule of Funding Process.....	E - 4
Schedule of Employer Contributions.....	E - 5
Supplementary Data - Combining Fund Financial Statements and Schedules:	
Non-major Governmental Funds:	
Combining Balance Sheet.....	F - 1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	F - 5

GLYNN COUNTY, GEORGIA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 TABLE OF CONTENTS  
 FOR THE YEAR ENDED JUNE 30, 2007

	PAGE
<b>FINANCIAL SECTION (Continued)</b>	
Supplementary Data - Combining Fund Financial Statements and Schedules (Continued):	
Budgetary Comparison Schedules - Non-major Governmental Funds:	
Accommodation Excise Tax Fund.....	F - 9
County Drug Abuse/Education Fund.....	F - 10
Drug Court Grant Fund.....	F - 11
Emergency Telephone System Fund.....	F - 12
Fire Protection District Fund.....	F - 13
Insurance Premium Tax Fund.....	F - 14
Sheriff Commissary Fund.....	F - 15
County Jail Fund.....	F - 16
Juvenile Services Fund.....	F - 17
Law Enforcement Block Grant Fund.....	F - 18
Park Development Fund.....	F - 19
Police Seizure Fund.....	F - 20
Sea Island Special Police District Fund.....	F - 21
Sheriff Drug Seizure Fund.....	F - 22
Nonmajor Enterprise Funds:	
Combining Statement of Net Assets.....	F - 23
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	F - 24
Combining Statement of Cash Flows.....	F - 25
Internal Service Funds:	
Combining Statement of Net Assets.....	F - 26
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets.....	F - 27
Combining Statement of Cash Flows.....	F - 28
Fiduciary Funds:	
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	F - 29
Supplemental Schedules:	
Schedule of Expenditures of Federal Awards.....	F - 32
Schedule of Projects Constructed with Special Sales Tax Proceeds (SPLOST #2).....	F - 34
Schedule of Projects Constructed with Special Sales Tax Proceeds (SPLOST #3).....	F - 35
Schedule of Projects Constructed with Special Sales Tax Proceeds (SPLOST #4).....	F - 36
Schedule of Projects Constructed with Special Sales Tax Proceeds (SPLOST #5).....	F - 37
Schedule of Required Expenditures Generated by the Hotel / Motel Tax.....	F - 38

GLYNN COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
TABLE OF CONTENTS

FOR THE YEAR ENDED JUNE 30, 2007

---

	<u>PAGE</u>
<b>STATISTICAL SECTION</b>	
Net Assets by Component - Last Five Fiscal Years.....	G - 1
Change in Net Assets - Last Five Fiscal Years.....	G - 2
Governmental Activities Tax Revenues by Source - Last Five Fiscal Years.....	G - 4
Fund Balances of Governmental Funds - Last Ten Fiscal Years.....	G - 5
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years.....	G - 7
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years.....	G - 9
Property Tax Rates - Direct and Overlapping Governments - Last Ten Fiscal Years.....	G - 11
Principal Property Taxpayers - Current Year and Nine Years Ago.....	G - 13
Property Tax Levies and Collections - Last Ten Fiscal Years.....	G - 14
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years.....	G - 15
Legal Debt Margin Information - Last Ten Fiscal Years.....	G - 16
Demographic and Economic Statistics - Last Ten Fiscal Years.....	G - 18
Principal Employers - Current Year and Nine Years ago.....	G - 19
Full-time Equivalent county Government Employees by Function.....	G - 20
Operating Indicators by Function - Last Ten Fiscal Years.....	G - 22
Capital Assets Statistics by Function - Last Ten Fiscal Years.....	G - 24
Water and Sewer Miscellaneous Information.....	G - 26
<b>SINGLE AUDIT SECTION</b>	
Compliance	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Combined Financial Statements Performed in Accordance with Governmental Auditing Standards.....	H - 1
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.....	H - 3
Schedule of Findings and Questioned Costs and Status of Prior Year Audit Findings.....	H - 5



This page is intentionally left blank.

# **Introductory Section**



This page is intentionally left blank.



# Board of Commissioners Glynn County

**Tony Thaw**  
Chairman

**Carl Johnson**  
District One

**Ulrich Keller**  
District Two

**Don Hogan**  
At-Large Post One

701 "G" Street  
Brunswick, Georgia 31520  
(912) 554-7400



**Howard Lynn**  
District Four

**Jerome Clark**  
District Five

**Cap Fendig**  
At-Large Post Two

**Charles Stewart**  
County Administrator

December 21, 2007

Members of the Glynn County Board of Commissioners  
And the Citizens of Glynn County, Georgia

State law required that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. We hereby issue the comprehensive annual financial report of Glynn County, Georgia ("County") for the fiscal year ended June 30, 2007.

This report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Karp, Ronning, & Tindol, CPA, PC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2007, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Glynn County's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

Glynn County, chartered by an Act of the Georgia General Assembly on February 5, 1777, is located along the Atlantic coast in the southeastern part of the state, and ranks as one of the top tourist areas of Georgia. Glynn County currently occupies a land area of 457 square miles and serves a population of 71,800. Glynn County is empowered to levy a property tax on both real and personal properties located within its boundaries.

Glynn County operates under the Commissioner-administrator form of government. Policy-making and legislative authority are vested in a governing Board of Commissioners (Board) consisting of a chairman and six other members. The Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the government's administrator, attorney, and police chief. The County's administrator is responsible for carrying out the policies and ordinances of the Board, for overseeing the day-to-day operations of the government, and for appointing the directors of the various departments. Commissioners serve four-year staggered terms, with elections held every two years. Five of the commissioners are elected by district and the two remaining commissioners are elected at large.

The County provides a full range of services extending beyond those provided by many other counties in Georgia. Certain of the services provided fall within the classic definition of "municipal services"; however, none of the services exceed the authority granted the County by general law or local acts of the Georgia General Assembly. Services provided include public safety (police and fire protection, emergency management, animal control, and jail operation); the construction and maintenance of highways, streets and infrastructure; zoning and code enforcement; court-related functions; water and sewer services; recreational activities and cultural events; tax appraisal and administration; solid waste collection; general administrative services; and outside agency support. The Glynn County Airport Commission and the Glynn County Board of Health are reported in the County's CAFR as component units as required by Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity".

The annual budget serves as the foundation for the County's financial planning and control. All departments and agencies of the County are required to submit requests for appropriation to the County Administrator's Budget Team prior to the end of February each year. The Budget Team uses these requests as the starting point for developing a proposed budget. The County Administrator then presents this proposed budget to the Board for review prior to the end of May. The Board is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than June 30, the close of the County's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g. police). Department directors may make transfers of appropriations within a department except that they may not transfer funds into or out of personal services or capital without approval by the County Administrator. Transfers into or out of Capital improvements must be approved by the Board. Transfers of appropriations between departments also require the approval of the Board. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented as required supplementary information on pages E-1 through E-2. For governmental funds, other than the general fund, with appropriated annual budgets, this comparison is presented in the supplementary data subsection of this report, which starts on page F-1. Also included in the supplementary data subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e., the sales tax construction funds).

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

**Local economy.** Glynn County's economy has generally reflected steady growth. Growth in the property tax digest as a result of new construction increased approximately 6.5 percent. Local option sales tax collections increased by 4.24 percent when compared to the previous twelve months. Accommodation excise tax revenues increased by 18.53 percent from the previous year. Tourism is a chief reason Glynn

County's unemployment rate is consistently at one to one and one-half percent lower than that of the rest of the state. The County participates in attracting visitors to the area by providing approximately 55% of the collected accommodation excise tax to the Brunswick Golden Isles Convention and Visitors Bureau for destination marketing. The most recent report on the economic impact of travel expenditures in Glynn County, for the calendar year 2006, prepared by leading consultants in the field, reflected that an estimated 1.26 million visitors spent \$296.3 million on transportation, lodging, food, entertainment and recreation, and incidentals (up 1.9%), creating 37 hundred direct jobs in the hospitality industry with total wages of \$78.68 million and generating local tax revenues of \$8.95 million.

The port facilities operated by the state are another economic plus for Glynn County. The new 36-foot channel and Sydney Lanier Bridge have yielded almost immediate results in port activity. The Colonel's Island facility has handled a record 1.245 million tons, a ten-percent increase over 2006 and bulk commodity gains were especially dramatic with 438 thousand tons moving through the facility, a 41.1 percent increase over 2006.

Based on current projections, only a moderate expansion in the economy is expected to continue through the decade. To maintain the present high level of services, the County must maximize the uses of present financial resources and explore new methods of obtaining additional financial resources.

**Long-term financial planning.** Maintenance and upgrading of County facilities has become a priority in the last few years and the County has used a capital project based 1% sales tax to fund approximately \$191 million of capital assets over the last twenty-three years. During the next few years an additional \$129 million in capital projects will be funded through the fourth Special Purpose Local Option Sales Tax (SPLOST) and the new SPLOST which went into effect in January 2007.

**Cash management policies and practices.** The County currently invests substantially all temporarily idle cash, except for pension program funds, in high interest-bearing checking accounts, certificates of deposit and the State's local government investment pool. The average monthly yield for funds in 2007 was 5.5 percent for checking accounts, 5.4 percent for certificates of deposits and 5.3 percent for the local government pool. Pension program funds are held and invested by third party administrators. Total interest earnings for the County for fiscal 2007 amounted to \$5.2 million.

**Risk management.** The County is self-insured for workers' compensation and employee group health while maintaining excess coverage for specific stop loss claims exceeding \$300,000 for the workers' compensation program and \$75,000 for the employee group health program. The County contracts with third party administrators for both of these programs. The County purchased property and liability coverage for general/vehicular coverage with various levels of deductibles. Employee long-term disability coverage is also fully insured. The County's Human Resources Department monitors all self-funded and fully insured programs and develops programs for accident prevention and claims reduction in all County departments.

**Pension plan and other post-employment benefits.** The County sponsors a single-employer defined benefit pension plan for its employees. Each year, an independent actuary engaged by the pension plan calculates the amount of the annual contribution that the County must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the County fully funds each year's annual required contribution to the pension plan as determined by the actuary. As a result of the County's conservative funding policy, Glynn County has succeeded as of January 1, 2007, in funding 85.6 percent of the present value of the projected benefits earned by employees. The remaining unfunded amount is being systematically funded over 17 years as part of the annual required contribution calculated by the actuary.

The County also provides post-retirement health benefits for certain retirees and their dependents. As of the end of the current fiscal year, there were eleven retired employees receiving these benefits, which are financed on a pay-as-you-go basis. GAAP do not require governments to report a liability in the financial statements in connection with an employer's obligation to provide these benefits.

Additional information on the County's pension plan and post-employment benefits can be found in Notes IV.A and IV.B in the notes to the financial statements.

## **Awards and Acknowledgements**

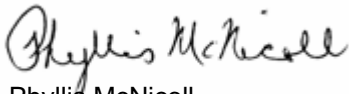
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Glynn County for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2006. This was the twentieth consecutive year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both the GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year ended June 30, 2007. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Commissioners for its unfailing support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Phyllis McNicoll".

Phyllis McNicoll  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Glynn County  
Georgia

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2006

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



President

Executive Director

# GLYNN COUNTY, GEORGIA

June 30, 2007

## BOARD OF COMMISSIONERS

Chairman- District Three	Tony Thaw
Vice Chairman – District One	Carl R. Johnson
At Large	Cap Fendig
At Large	Don Hogan
District Two	Ulrich "Uli" Keller
District Four	Paul "Howard" Lynn
District Five	Alan "Jerome" Clark

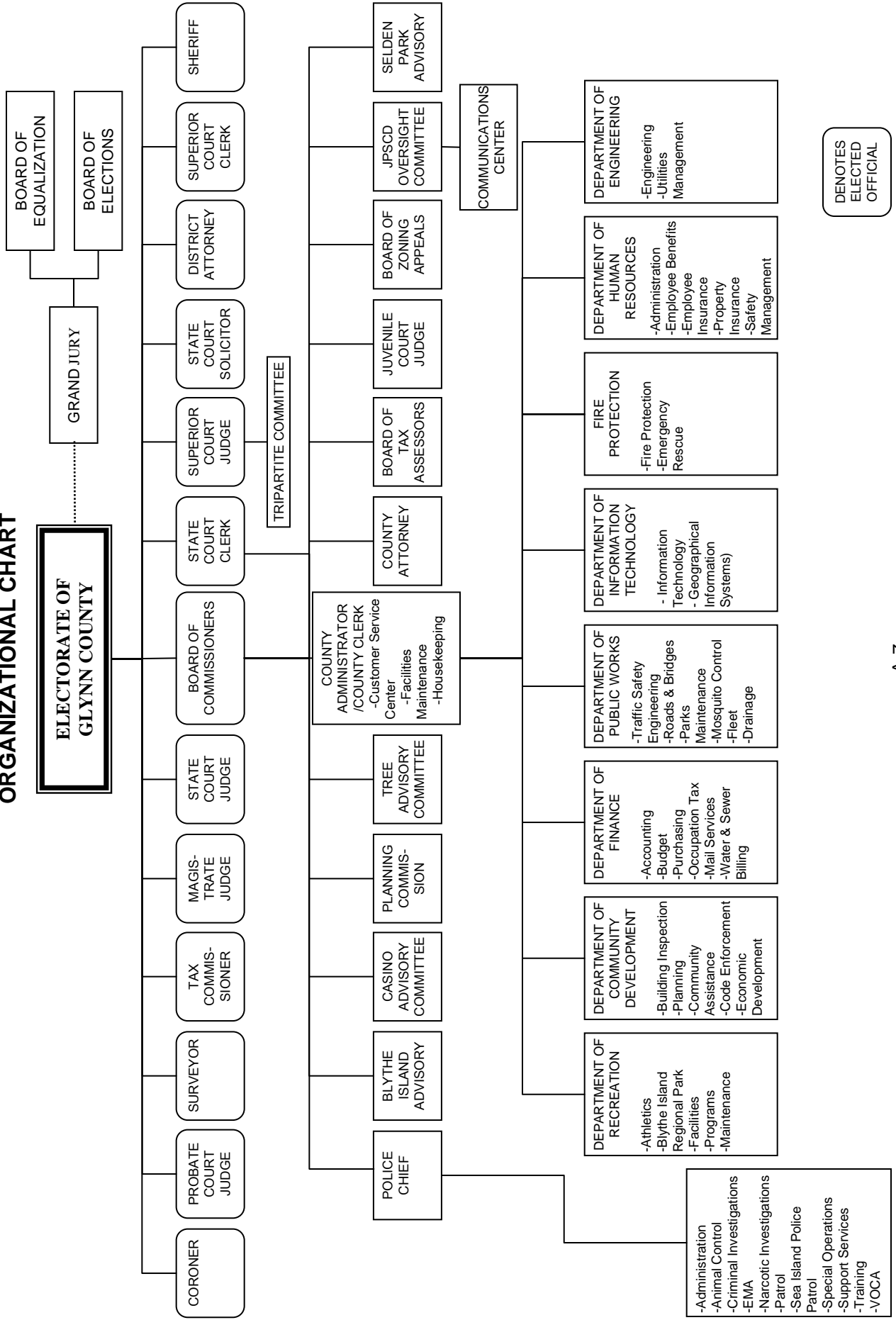
Charles T. Stewart, County Administrator

Aaron Mumford, County Attorney

## DEPARTMENT OF FINANCE

Finance Director	Phyllis C. McNicoll
Budget Analyst	Russell D. Chunn
Accountant III	John Hunter
Accountant III	Vickie McClinton
Accountant II	Laura Shiver
Purchasing Agent	Kay Young
Occupation Tax Officer	Sarah Johnson
Administrative Supervisor	Tammy Henderson
Accounting Technician II	Angelika Hilton
Accounting Technician II	Sandra Hutto
Accounting Technician II	Carol Lee
Accounting Technician II	Sonia Raines
Accounting Technician II	Earlene Ransom
Accounting Technician II	Lori Young
Accounting Technician I	Teresa Grantham
Accounting Technician I	Mary Smith
Mail Clerk	Carole Leggett

# GLYNN COUNTY GOVERNMENT ORGANIZATIONAL CHART



DENOTES ELECTED OFFICIAL



This page is intentionally left blank.



# **Financial Section**



This page is intentionally left blank.

## **Report of Independent Auditor**



This page is intentionally left blank.

# **KARP, RONNING & TINDOL, P.C.**

## **CERTIFIED PUBLIC ACCOUNTANTS**

123 ABERCORN STREET  
SAVANNAH, GEORGIA 31401  
(912) 232-0475

### **INDEPENDENT AUDITORS' REPORT**

To the Chairman and Members of the  
Glynn County Board of Commissioners  
Brunswick, 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 the aggregate remaining fund information of Glynn County, Georgia (County), as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the County. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Glynn County Board of Health, which represent 10.66% of the assets, 5.17% of net assets and 75.88% of revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Glynn County Board of Health is based solely on the report of the other auditors.

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 basic 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 and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, 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 the County, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, 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 a report dated December 21, 2007, on our consideration of the County's internal control over financial reporting and 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 compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

## Required Supplementary Information

The Management's Discussion and Analysis and the required supplementary information other than Management's Discussion and Analysis beginning on page C-1 and E-1, respectively, are not a required part of the financial statements but are 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 supplementary information. However, we did not audit the information and express no opinion on it.

## Supplementary Data – Combining Fund Financial Statements and Schedules

Our audit was made for the purpose of forming opinions on the financial statements which collectively comprise the County's basic financial statements. The supplementary data listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

## Introductory and Statistical Sections

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the County. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

*Karp, Rowing & Tindal, P.C.*

December 21, 2007

## **Management's Discussion and Analysis**



This page is intentionally left blank.



**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

As management of Glynn County, Georgia, (the County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Glynn County, Georgia for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages A-1 through A-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

**Financial Highlights**

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$368,877 (*net assets*). Of this amount, \$52,457 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$45,891. Approximately 40 percent of this increase is attributable to a lawsuit settlement in the General Fund and approximately 23 percent of the increase is due to the excess of revenues over expenditures in the Sales Tax #5 Fund.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$100,222, an increase of \$37,540.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$41,245 or 86 percent of total general fund expenditures. Included in this balance is \$18,296 received in settlement of a lawsuit.
- The County's long-term debt increased by \$6,813 during the current fiscal year. This increase was due to an increase in Georgia Environmental Facilities Authority (GEFA) loans for the construction of water and sewer lines.

**Overview of the Financial Statements**

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the County'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 County 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 only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, recreation, housing and community development, and economic development. The business-type activities of the County include a water and sewer system, a solid waste collection and disposal system and a revolving loan program.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate Airport Commission for which the County is financially accountable and a Board of Health on which the County is able to impose its will. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages D-1 through D-3 of this report.

**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

**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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The County maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Sales Tax #4 Fund and Sales Tax #5 Fund, all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages D-4 through D-7 of this report.

**Proprietary funds.** The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Water and Sewer Fund, Solid Waste Collection and Disposal funds and Revolving Loan fund. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for its administrative services, employee benefits, and property and liability insurance. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund which is considered to be a major fund of the County. Conversely, the non-major enterprise funds and all internal service funds are combined into single, aggregated presentations in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds and internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages D-8 through D-10 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages D-11 and D-12 of this report.

**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages D-13 through D-39 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's budget process and the County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages E-1 and E-5 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, enterprise funds, and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages F-1 through F-31 of this report.

**Government-wide Financial Analysis**

The following table presents a summary of the Statement of Net Assets for the County as of June 30, 2007 and 2006:

	<b>Summary of Net Assets</b>					
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Current and other assets	\$ 106,340	\$ 73,276	\$ 20,029	\$ 17,451	\$ 126,369	\$ 90,727
Capital assets, net	<u>221,182</u>	<u>218,877</u>	<u>58,689</u>	<u>48,659</u>	<u>279,871</u>	<u>267,536</u>
Total assets	<u>\$ 327,522</u>	<u>\$ 292,153</u>	<u>\$ 78,718</u>	<u>\$ 66,110</u>	<u>\$ 406,240</u>	<u>\$ 358,263</u>
Long-term liabilities						
outstanding	\$ 1,957	\$ 2,052	\$ 25,234	\$ 18,326	\$ 27,191	\$ 20,378
Other liabilities	<u>6,240</u>	<u>10,471</u>	<u>3,931</u>	<u>4,431</u>	<u>10,171</u>	<u>14,902</u>
Total liabilities	<u>\$ 8,197</u>	<u>\$ 12,523</u>	<u>\$ 29,165</u>	<u>\$ 22,757</u>	<u>\$ 37,362</u>	<u>\$ 35,280</u>
Net assets:						
Invested in capital assets, net of related debt	\$ 218,598	\$ 218,877	\$ 37,805	\$ 36,011	\$ 256,403	\$ 254,888
Restricted	54,558	40,521	5,460	7,055	60,018	47,576
Unrestricted	<u>46,169</u>	<u>20,232</u>	<u>6,288</u>	<u>287</u>	<u>52,457</u>	<u>20,519</u>
Total net assets	<u>\$ 319,325</u>	<u>\$ 279,630</u>	<u>\$ 49,553</u>	<u>\$ 43,353</u>	<u>\$ 368,878</u>	<u>\$ 322,983</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$368,878 at the close of the most recent fiscal year.

The County implemented the retroactive infrastructure reporting requirements on GASB Statement 34 in fiscal year 2007. Prior year capital assets and net asset balances have been restated within the MD&A to recognize the infrastructure and facilitate comparative review.

By far the largest portion of the County's net assets (70 percent) reflects its investment in capital assets such as land, buildings, equipment and infrastructure, less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be

**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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 County's net assets (16 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets for the governmental activities and business-type activities. Unrestricted net assets total \$52,457, a 155% increase over the prior year. Total net assets increased by approximately \$45.9 million over the prior year.

The following table summarizes the changes in net assets for the primary government for the fiscal years ended June 30, 2007 and 2006:

	<b>Changes in Net Assets</b>					
	Governmental Activities		Business-type Activities		Total	
	2007	2006	2007	2006	2007	2006
Revenues:						
Program revenues:						
Charges for services	\$ 10,610	\$ 10,663	\$ 10,081	\$ 8,648	\$ 20,691	\$ 19,311
Operating grants and contributions	1,461	1,346	-	-	1,461	1,346
Capital grants and contributions	146	569	4,606	9,117	4,752	9,686
General revenues:						
Property taxes	34,160	27,885	697	659	34,857	28,544
Sales taxes	14,029	13,459	-	-	14,029	13,459
SPLOST	21,563	20,704	-	-	21,563	20,704
Other taxes	7,109	8,570	-	-	7,109	8,570
Unrestricted investment earnings	4,330	2,562	928	776	5,258	3,338
Intergovernmental revenues	-	803	-	-	-	803
Miscellaneous	598	1,098	-	-	598	1,098
Total revenues	<u>94,006</u>	<u>87,659</u>	<u>16,312</u>	<u>19,200</u>	<u>110,318</u>	<u>106,859</u>

**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Changes in Net Assets (Continued)**

	Governmental		Business-type		Total	
	2007	2006	2007	2006	2007	2006
Expenses:						
General government	\$ 12,982	\$ 9,309	\$ -	\$ -	\$ 12,982	\$ 9,309
Judicial	6,205	5,990	-	-	6,205	5,990
Public safety	30,040	29,505	-	-	30,040	29,505
Public works	12,605	19,444	-	-	12,605	19,444
Health and welfare	3,262	2,899	-	-	3,262	2,899
Culture and recreation	3,416	3,823	-	-	3,416	3,823
Housing and community development	3,908	4,754	-	-	3,908	4,754
Interest on long-term debt	-	-	-	-	-	-
Water and sewer	-	-	6,810	6,873	6,810	6,873
Other activities	-	-	3,496	2,810	3,496	2,810
Total expenses	<u>72,418</u>	<u>75,724</u>	<u>10,306</u>	<u>9,683</u>	<u>82,724</u>	<u>85,407</u>
Change in net assets before transfers	21,588	11,935	6,006	9,517	27,594	21,452
Transfers	(190)	(180)	190	180	-	-
Extraordinary lawsuit settlement	<u>18,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,296</u>	<u>-</u>
Change in net assets	39,694	11,755	6,196	9,697	45,890	21,452
Net assets - beginning of year	<u>279,630</u>	<u>267,875</u>	<u>43,356</u>	<u>33,659</u>	<u>322,986</u>	<u>301,534</u>
Net assets - end of year	<u>\$319,324</u>	<u>\$279,630</u>	<u>\$49,552</u>	<u>\$43,356</u>	<u>\$368,876</u>	<u>\$322,986</u>

**Governmental activities.** Governmental activities increased the County's net assets by \$39,694, thereby accounting for 86.5 percent of the total growth in the net assets of the County.

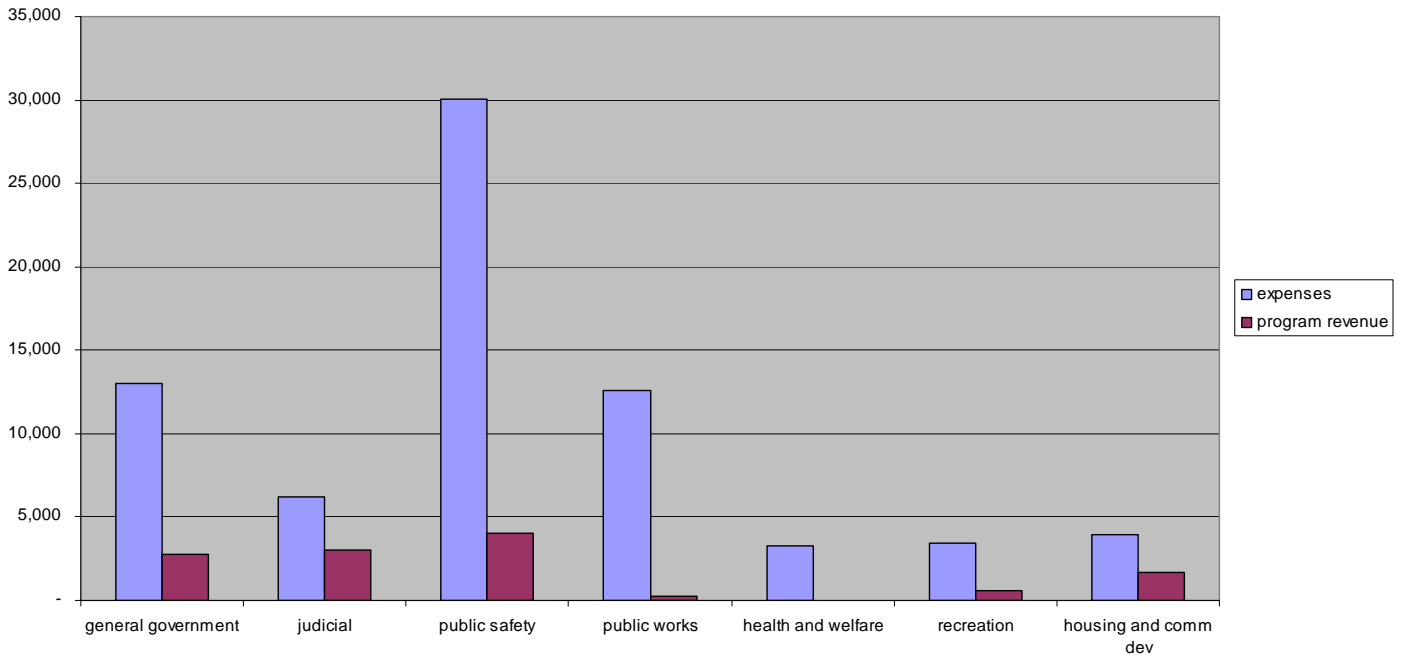
- Revenues outpaced spending. The County collects a special purpose local option sales tax (1%) that is used to fund a variety of capital projects. Spending for the projects lags behind the initial revenue collections as many of the projects take several years to complete.
- Higher tax revenue in 2007. Tax revenues overall increased by over \$6.2 million from the prior year. Revenues from the sales and use taxes increased by \$1.4 million. Property taxes increased by \$6.3 million.
- Higher investment earnings. Higher interest rates and cash levels resulted in a \$1.8 million increase in investment earnings.
- Extraordinary item. The settlement of a lawsuit resulted in the receipt of \$18.3 million.
- An increasing level of capital assets. Construction activity added over \$5 million in projects funded by either sales tax or general revenues.

Approximately 30% of the County's total revenue came from property taxes and 38% from other taxes, while 5% resulted from grants, contributions and investment earnings. Charges for various goods and services provided 9% of the total revenues. The County's expenses cover a range of services. The largest expenses (41%) are related to providing public safety which includes police and fire protection, E-911 services, animal control, 800 mhz operations, the Sheriff's Office and the Coroner's Office.

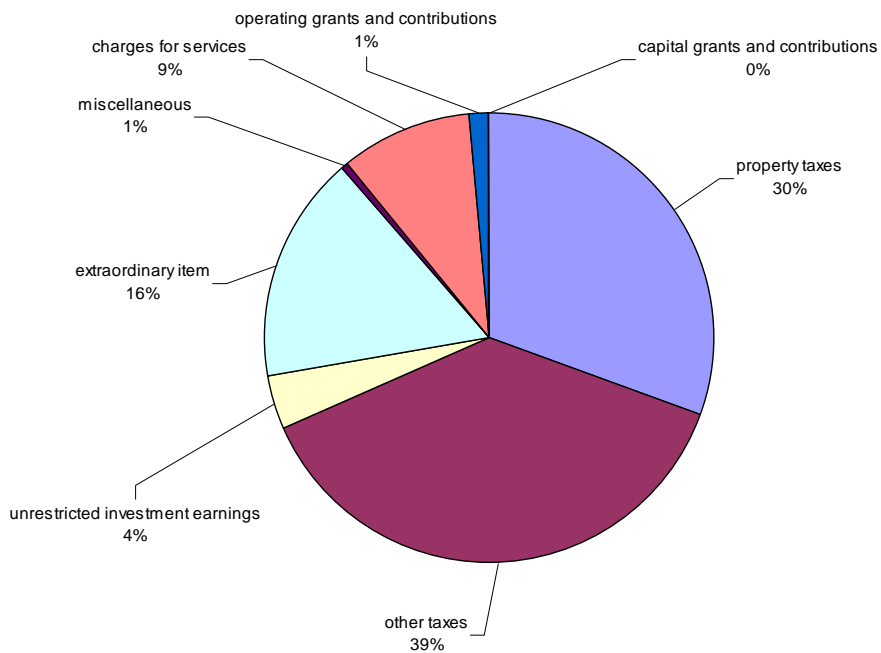
**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

At the end of June 2007, governmental activities expenses exceeded program revenues, resulting in the use of \$60.2 million in general tax revenues. In contrast, program revenues exceeded net expenses from business-type activities.

**Expenses and Program Revenues - Governmental Activities**



**Revenues by Source - Governmental Activities**

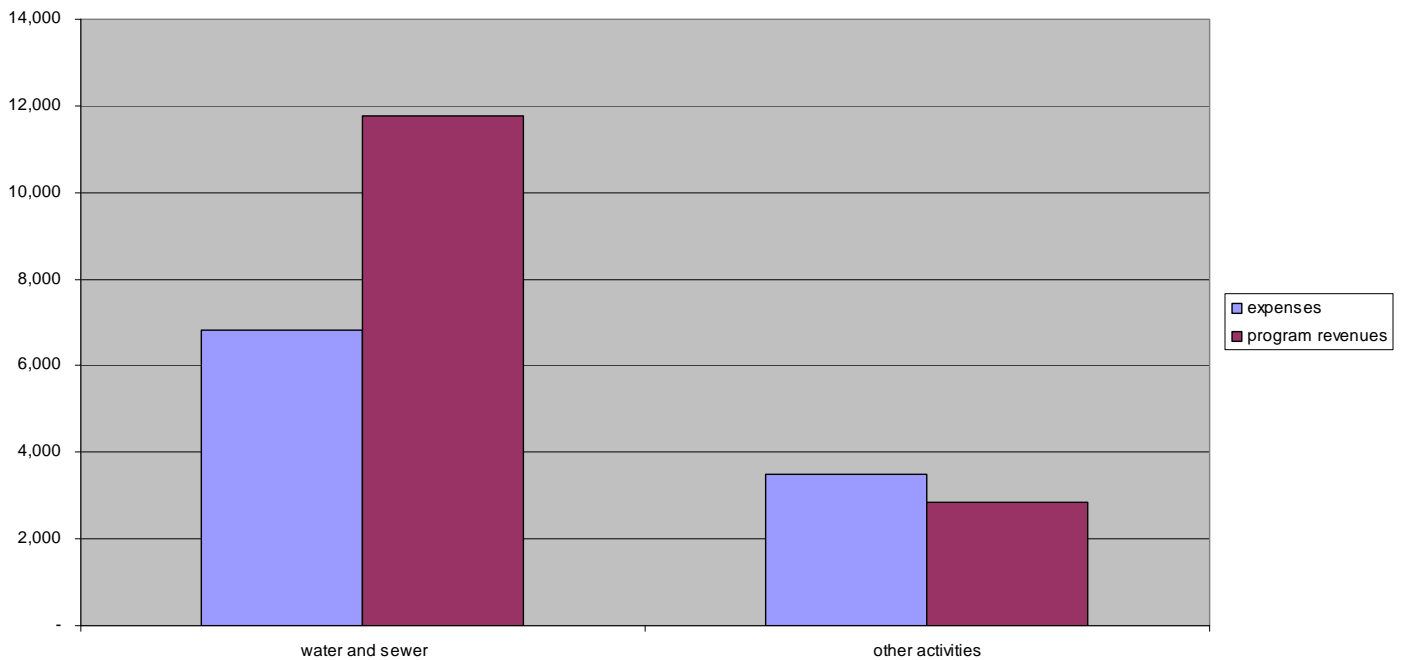


**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Business-type activities.** Business-type activities increased the County's net assets by \$6,196, accounting for 13.5 percent of the total growth in the government's net assets. Key elements of this increase are as follows.

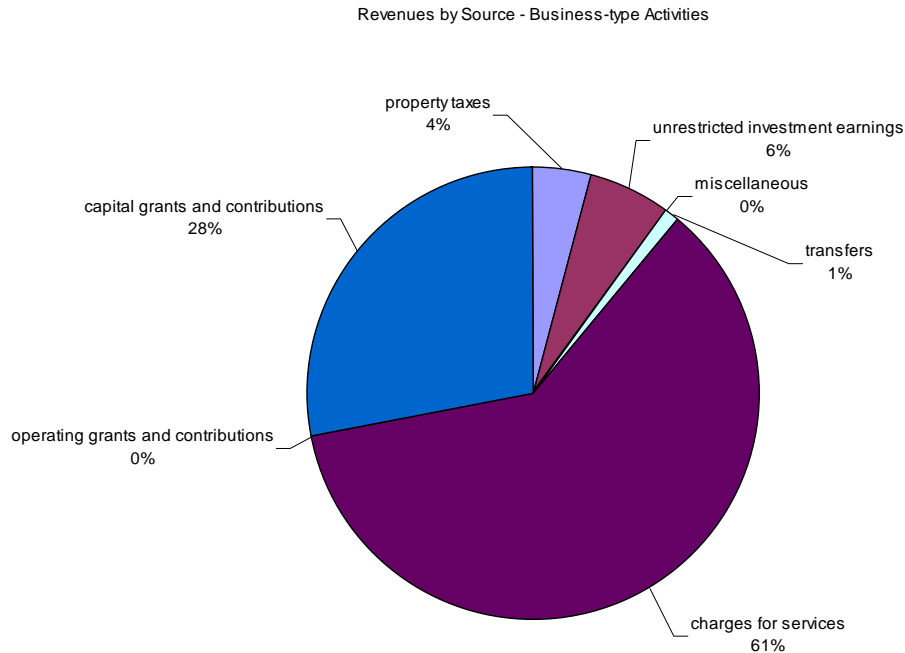
- Charges for services for business-type activities increased by 16.6 percent. The Water and Sewer Fund revenue increased by 14 percent as a result of an increase in Water and Sewer rates which were required in order to fund the revenue bond along with an aggressive meter change-out program and capital improvement and rehabilitation program.
- Capital contributions continue as a major revenue source for the Water and Sewer fund during the current fiscal year, producing \$4,606 in revenue, a decrease of 49.5 percent over the previous year. A leveling off in development in areas that are served by Glynn County Water and Sewer has resulted in the decrease in this revenue source.

**Expenses and Program Revenues - Business type Activities**



**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

---



### Financial Analysis of the Government's Funds

As noted earlier, Glynn County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$100,222, an increase of \$37,540 in comparison with the prior year. Approximately 94 percent of this total amount (\$94,562) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed (1) to liquidate contracts and purchase orders of the prior period (\$3,701), (2) to distribute confiscated monies according to court orders when cases are resolved (\$712), (3) to be restricted according to Georgia local legislation (\$1,081) and (4) for inventories and prepaid assets (\$166).

The general fund is the chief operating fund of the government. At the end of the current fiscal year, unreserved fund balance of the general fund was \$41,245, while total fund balance reached \$46,376. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 86 percent of total general fund expenditures, as compared to 45 percent in 2006. Total fund balance represents 96 percent of that same amount, compared to 50 percent in the prior year. The County plans to place the lawsuit settlement of \$18,296 in reserve in fiscal year 2008 which will reduce these percentages.



**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

The fund balance of the County's general fund increased by \$22,895 during the current fiscal year. Key factors in this growth are as follows:

- Settlement of an environmental lawsuit resulted in revenue of \$18,296.
- Property taxes increased by \$2,544 which resulted from the use of new construction and revaluation increases to the tax digest.
- Other taxes increased by \$432 over the previous fiscal year. Increases in sales taxes amounted to \$570 or 4.2 percent over the previous year while public utilities taxes decreased by \$300.

The Sales Tax #4 fund has a total fund balance of \$33,326, all of which is unreserved. The net increase in fund balance of \$2,551 during the current year was the result of receiving revenue at a faster rate than completion of projects was accomplished.

The Sales Tax #5 fund has a total fund balance of \$10,624, all of which is unreserved. The County began receiving revenue from this tax in March of this year and projects were started after that date which resulted in expenditures of only \$183 for the fiscal year.

**Proprietary funds.** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Water and Sewer Fund at the end of the year amounted to \$5,446. The total growth in net assets for this fund was \$5,796. The Water and Sewer Fund had an operating income of \$1,027 which was an increase of \$918 over the previous year. The operating income along with capital contributions of \$4,606 resulted in the positive growth in net assets.

### **General Fund Budgetary Highlights**

The Board of Commissioners amended the General Fund budget throughout fiscal year 2007. The amended budget appropriations totaled \$15.5 million. The most significant expenditure amendments are summarized as follows:

- Budget carried forward from fiscal year 2006 to the current fiscal year accounts for \$4,507 in increases in appropriations in various departments in the general fund.
- Budgets for encumbrances outstanding at the end of fiscal year 2006 in the amount of \$1,180 were carried forward into the current fiscal year.
- Funding for Sales Tax #5 projects in the amount of \$6,124 was appropriated from the General Fund balance in order to begin those projects prior to the sales tax funds being released. The General Fund will be repaid by the Sales Tax #5 fund when those funds become available.
- The Budget was increased by \$1,000 to fund the land purchase for a new Intervention Center which will be established in coordination with the Gateway Behavioral Health Services.
- Jail overcrowding resulted in the additional appropriation of \$453 which was used to house some of the County's inmates in several jails in surrounding counties.

Although the County's final budget projected a loss of \$14.4 million in the General Fund, the fund actually had an increase of \$22.9 million. This increase can be attributed to the receipt of a lawsuit settlement in the amount of \$18,296 and the fact that several large projects were budgeted but expenditures were not incurred during the fiscal year. Revenue budgets of \$694 thousand and expenditure budgets of \$9.2 million have been carried forward into fiscal year 2008.

### **Capital Asset and Debt Administration**

**Capital assets.** The County's investment in capital assets for its governmental and business type activities as of June 30, 2007, amounts to \$256,403 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure and construction in progress. The results

**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

of the County's infrastructure valuation are incorporated into the fiscal 2007 financial statement with net infrastructure additions of \$144,553 added. Prior year numbers within this MD&A have been restated to reflect the infrastructure additions. The total increase in the County's investment in capital assets for the current fiscal year was \$12,335 or 4.6 percent (a 1.1 percent increase for governmental activities and a 20.6 percent increase for business-type activities).

Major capital asset events during the current fiscal year included the following:

- Construction continued on water systems and wastewater treatment facilities for the Water and Sewer Fund and construction in progress as of the close of the fiscal year had decreased to \$8,821 for the business-type activities. Of this amount, \$1,794 was contributed by the Sales Tax Construction 3 and 4 funds.
- A variety of roads, bridges, sidewalks and drainage projects were under construction during the fiscal year and \$1,794 of governmental infrastructure projects were completed during the year.

**Capital Assets  
(net of depreciation)**

	Governmental activities		Business-type activities		Total	
	2007	2006	2007	2006	2007	2006
Land	\$ 8,331	\$ 7,330	\$ 362	\$ 150	\$ 8,693	\$ 7,480
Buildings and improvements	48,768	45,882	49,006	24,809	97,774	70,691
Machinery and equipment	9,651	9,513	500	594	10,151	10,107
Infrastructure	31,995	33,341	-	-	31,995	33,341
Rights of Way	117,175	117,175	-	-	117,175	117,175
Construction in progress	<u>5,262</u>	<u>5,636</u>	<u>8,821</u>	<u>23,106</u>	<u>14,083</u>	<u>28,742</u>
<b>Total</b>	<u><u>\$221,182</u></u>	<u><u>\$218,877</u></u>	<u><u>\$ 58,689</u></u>	<u><u>\$ 48,659</u></u>	<u><u>\$279,871</u></u>	<u><u>\$267,536</u></u>

Additional information on the County's capital assets can be found in note III.D. on pages D-25 through D-27 of this report.

**Long-term debt.** At the end of the current fiscal year, the County had total bonded debt outstanding of \$11,430 in Series 2003 Water and Sewer Revenue Bonds. In May 2003, the County issued \$13,430 of revenue bonds to finance upgrades of the water and sewer system. As a part of the bond issuance the County refunded \$1,055 in outstanding debt for Series 1979 Water and Sewer Revenue Bonds and prepaid all outstanding GEFA loans in the amount of \$2,063, in an effort to reduce debt service expenses. The County borrowed \$7.9 million from GEFA in the current fiscal year to fund various water and sewer projects. The County has no general obligation debt.

Additional information on the County's long-term debt can be found in note III.G. on pages D-29 through D-32 of this report.

**GLYNN COUNTY, GEORGIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

---

**Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for the County is currently 3.9 percent, which is an increase from a rate of 3.6 percent a year ago. This compares favorably to the state's unemployment rate of 4.4 percent.
- Since tourism is a major industry in Glynn County, trends in accommodation excise and sales taxes are good indicators of the local economy. Accommodation excise tax receipts were 18.53% above the last fiscal year. Local option sales tax receipts were 4.2% over the last fiscal year.

These factors were considered in preparing the County's budget for the 2008 fiscal year.

At the end of the current fiscal year, unreserved fund balance in the general fund amounted to \$41,245. The County has appropriated \$8.5 million of the amount for spending in the 2008 fiscal year budget in order to complete projects which were budgeted but not spent in fiscal year 2007. The County has appropriated an additional \$3.1 million to fund new construction projects and to pre-fund several Sales Tax #5 projects.

The Water and Sewer Fund rates were increased by 6.25 percent for the 2007 budget year. The increase was necessary to finance capital leases and GEFA loans used for water and sewer equipment and infrastructure expansion and rehabilitation. A rate study which was done by a professional consultant in fiscal year 2005 recommended the fiscal year 2007 increase and a 6.25 percent rate increase was also approved for the beginning of the 2008 fiscal year.

During fiscal year 2007, the County, the City of Brunswick and the Brunswick-Glynn County Joint Water and Sewer Commission entered into an agreement whereas the Joint Water and Sewer Commission on January 1, 2008 will begin to operate the water and wastewater systems of the City and County. The County will complete water and sewer construction projects that are currently in progress and all other budgeted items will be transferred to the Joint Water and Sewer Commission. All County employees currently assigned to the County's Water and Sewer Fund will be transferred to the Joint Water and Sewer Commission on January 1, 2008.

**Requests for Information**

This financial report is designed to provide a general overview of Glynn County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Glynn County Finance Director, 1725 Reynolds Street, Suite 300, Brunswick, Georgia 31520.



This page is intentionally left blank.

## **Basic Financial Statements**



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA

STATEMENT OF NET ASSETS

JUNE 30, 2007

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Glynn County Health Department	Glynn County Airport Commission
<b>ASSETS</b>					
Cash and investments	\$ 95,219,908	\$ 8,919,090	\$ 104,138,998	\$ 1,798,208	\$ 543,170
Receivables	10,026,933	1,709,212	11,736,145	1,695,636	467,176
Internal balances	181,497	(181,497)	-	-	-
Prepaid items	755,571	-	755,571	-	30,151
Inventories	155,672	-	155,672	-	-
Deferred charges	-	231,449	231,449	-	-
Restricted cash and investments	-	9,350,593	9,350,593	-	88,837
Intangible asset	-	-	-	-	305,387
Capital assets:					
Land, improvements, and construction in progress	130,767,640	9,183,096	139,950,736	-	11,074,276
Other capital assets, net of depreciation	90,413,929	49,505,899	139,919,828	372,642	19,904,535
Total assets	<u>327,521,150</u>	<u>78,717,842</u>	<u>406,238,992</u>	<u>3,866,486</u>	<u>32,413,532</u>
<b>LIABILITIES</b>					
Accounts payable	4,360,078	1,306,986	5,667,064	1,640,305	94,454
Other liabilities	1,879,324	262,248	2,141,572	-	41,220
Unearned revenue	-	1,632,858	1,632,858	-	528,076
Payable from restricted assets	-	729,267	729,267	-	71,691
Noncurrent liabilities:					
Due within one year	1,399,395	863,493	2,262,888	103,681	117,876
Due in more than one year	557,801	24,370,481	24,928,282	414,728	229,344
Total liabilities	<u>8,196,598</u>	<u>29,165,333</u>	<u>37,361,931</u>	<u>2,158,714</u>	<u>1,082,661</u>
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	218,597,597	37,805,430	256,403,027	372,642	30,631,591
Restricted for:					
Capital projects	48,455,221	5,128,652	53,583,873	-	-
Other purposes	6,102,992	330,528	6,433,520	1,049,092	-
Unrestricted	46,168,742	6,287,899	52,456,641	286,038	699,280
Total net assets	<u>\$ 319,324,552</u>	<u>\$ 49,552,509</u>	<u>\$ 368,877,061</u>	<u>\$ 1,707,772</u>	<u>\$ 31,330,871</u>

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2007

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Primary government:</b>				
Governmental activities:				
General Government	\$ 12,981,842	\$ 2,759,112	\$ 15,646	\$ -
Judiciary	6,204,674	2,332,211	658,293	-
Public Safety	30,039,741	3,594,073	410,214	-
Public Works	12,605,350	1,756	63,292	146,266
Health	3,262,293	-	-	-
Culture and Recreation	3,416,504	537,383	53,360	-
Housing and Development	3,908,360	1,385,406	260,276	-
Total governmental activities	<u>72,418,764</u>	<u>10,609,941</u>	<u>1,461,081</u>	<u>146,266</u>
Business-type activities:				
Water and Sewer	6,809,747	7,236,215	-	4,605,945
Solid waste disposal	-	1,527	-	-
Solid waste collection	3,491,536	2,829,839	-	-
Revolving loan fund	3,833	13,840	-	-
Total business-type activities	<u>10,305,116</u>	<u>10,081,421</u>	<u>-</u>	<u>4,605,945</u>
Total primary government	<u>\$ 82,723,880</u>	<u>\$ 20,691,362</u>	<u>\$ 1,461,081</u>	<u>\$ 4,752,211</u>
<b>Component Units:</b>				
Glynn County Health Department	\$ 12,808,546	\$ 2,864,897	\$ 9,431,402	\$ -
Glynn County Airport Commission	3,432,405	2,059,840	68,684	1,964,768
Total component units	<u>\$ 16,240,951</u>	<u>\$ 4,924,737</u>	<u>\$ 9,500,086</u>	<u>\$ 1,964,768</u>

**General revenues:**

Taxes:
Property taxes
Sales taxes for general purposes
Special purpose local option sales taxes
Other taxes
Intergovernmental revenues
Unrestricted investment earnings
Miscellaneous
Transfers
Extraordinary item - lawsuit settlement
Total general revenues, transfers and extraordinary item
Change in net assets
Net assets - beginning
Net assets - ending

The accompanying notes are an integral part of these financial statements.



Net (Expense) Revenue and Changes in Net Assets				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Glynn County Health Department	Glynn County Airport Commission
\$ (10,207,084)		\$ (10,207,084)		
(3,214,170)		(3,214,170)		
(26,035,454)		(26,035,454)		
(12,394,036)		(12,394,036)		
(3,262,293)		(3,262,293)		
(2,825,761)		(2,825,761)		
<u>(2,262,678)</u>		<u>(2,262,678)</u>		
<u>(60,201,476)</u>		<u>(60,201,476)</u>		
-	\$ 5,032,413	5,032,413		
-	1,527	1,527		
-	(661,697)	(661,697)		
-	10,007	10,007		
<u>-</u>	<u>4,382,250</u>	<u>4,382,250</u>		
<u>(60,201,476)</u>	<u>4,382,250</u>	<u>(55,819,226)</u>		
			\$ (512,247)	
			-	\$ 660,887
			<u>(512,247)</u>	<u>660,887</u>
34,160,298	697,200	34,857,498	-	-
14,029,282	-	14,029,282	-	-
21,562,762	-	21,562,762	-	-
7,109,347	-	7,109,347	-	-
-	-	-	313,368	-
4,330,268	926,716	5,256,984	-	45,779
598,145	-	598,145	409,319	-
(189,831)	189,831	-	-	-
18,295,732	-	18,295,732	-	-
<u>99,896,003</u>	<u>1,813,747</u>	<u>101,709,750</u>	<u>722,687</u>	<u>45,779</u>
39,694,527	6,195,997	45,890,524	210,440	706,666
279,630,025	43,356,512	322,986,537	1,497,332	30,624,205
<u>\$ 319,324,552</u>	<u>\$ 49,552,509</u>	<u>\$ 368,877,061</u>	<u>\$ 1,707,772</u>	<u>\$ 31,330,871</u>

GLYNN COUNTY, GEORGIA

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2007

	General Fund	Sales Tax 4	Sales Tax 5	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 51,395,773	\$ 33,019,094	\$ 6,641,942	\$ 4,035,417	\$ 95,092,226
Receivables	4,454,341	72,253	4,129,709	1,148,421	9,804,724
Due from other funds	465,319	637,522	-	6,664,636	7,767,477
Inventories	155,672	-	-	-	155,672
Prepaid items	10,804	-	-	84,590	95,394
Total assets	<u>\$ 56,481,909</u>	<u>\$ 33,728,869</u>	<u>\$ 10,771,651</u>	<u>\$ 11,933,064</u>	<u>\$ 112,915,493</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 2,711,631	\$ 344,267	\$ 19,985	\$ 972,929	\$ 4,048,812
Other payables	-	-	-	141,649	141,649
Due to other funds	6,645,630	58,643	127,194	803,589	7,635,056
Due to fiduciary fund	198,861	-	-	-	198,861
Deferred revenue	550,087	-	-	118,929	669,016
Total liabilities	<u>10,106,209</u>	<u>402,910</u>	<u>147,179</u>	<u>2,037,096</u>	<u>12,693,394</u>
Fund balances:					
Reserved for:					
Inventories and prepaid items	166,476	-	-	-	166,476
Encumbrances	3,171,214	-	-	529,595	3,700,809
Public works and improvements	1,081,129	-	-	-	1,081,129
Public safety	711,814	-	-	-	711,814
Unreserved:					
Undesignated, reported in:					
General fund	41,245,067	-	-	-	41,245,067
Special revenue funds	-	-	-	4,861,583	4,861,583
Capital projects funds	-	33,325,959	10,624,472	4,504,790	48,455,221
Total fund balances	<u>46,375,700</u>	<u>33,325,959</u>	<u>10,624,472</u>	<u>9,895,968</u>	<u>100,222,099</u>
Total liabilities and fund balances	<u>\$ 56,481,909</u>	<u>\$ 33,728,869</u>	<u>\$ 10,771,651</u>	<u>\$ 11,933,064</u>	<u>\$ 112,915,493</u>

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET ASSETS OF GOVERNMENTAL ASSETS

JUNE 30, 2007

---

Total fund balance, governmental funds	\$ 100,222,099
Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.	221,181,569
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	669,016
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. See the long-term debt note.	(1,957,196)
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.	(790,936)
Net Assets of Governmental Activities in the Statement of Net Assets	<u><u>\$ 319,324,552</u></u>

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Sales Tax 4	Sales Tax 5	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes	\$ 42,230,528	\$ 10,779,906	\$ 10,782,856	\$ 13,070,432	\$ 76,863,722
Licenses and permits	1,638,252	-	-	9,743	1,647,995
Intergovernmental	789,422	-	-	1,001,002	1,790,424
Charges for services	4,569,714	-	-	2,111,075	6,680,789
Fees and fines	2,011,297	-	-	240,375	2,251,672
Investment earnings	2,298,967	1,727,186	24,579	260,766	4,311,498
Other revenue	127,204	-	-	383,741	510,945
Total revenues	<u>53,665,384</u>	<u>12,507,092</u>	<u>10,807,435</u>	<u>17,077,134</u>	<u>94,057,045</u>
<b>EXPENDITURES</b>					
Current:					
General government	10,674,718	-	-	237,728	10,912,446
Judicial	5,033,254	-	-	640,098	5,673,352
Public safety	19,477,914	-	-	9,265,785	28,743,699
Public works	7,148,874	-	-	249,148	7,398,022
Health and welfare	788,514	-	-	-	788,514
Culture and recreation	2,296,795	-	-	1,302,894	3,599,689
Housing and development	2,667,282	-	-	2,407,130	5,074,412
Capital outlay	-	9,955,734	182,963	2,448,712	12,587,409
Total expenditures	<u>48,087,351</u>	<u>9,955,734</u>	<u>182,963</u>	<u>16,551,495</u>	<u>74,777,543</u>
Excess (deficiency) of revenues over expenditures	<u>5,578,033</u>	<u>2,551,358</u>	<u>10,624,472</u>	<u>525,639</u>	<u>19,279,502</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of capital assets	155,074	-	-	-	155,074
Transfers in	1,965,840	-	-	3,875,949	5,841,789
Transfers out	(3,099,727)	-	-	(2,931,893)	(6,031,620)
Total other financing sources (uses)	<u>(978,813)</u>	<u>-</u>	<u>-</u>	<u>944,056</u>	<u>(34,757)</u>
<b>EXTRAORDINARY ITEM</b>					
Settlement of lawsuit	18,295,732	-	-	-	18,295,732
Net change in fund balances	22,894,952	2,551,358	10,624,472	1,469,695	37,540,477
Fund balances - beginning	23,480,748	30,774,601	-	8,426,273	62,681,622
Fund balances - ending	<u>\$ 46,375,700</u>	<u>\$ 33,325,959</u>	<u>\$ 10,624,472</u>	<u>\$ 9,895,968</u>	<u>\$ 100,222,099</u>

The accompanying notes are an integral part of these financial statements.

GLYNN 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, 2007

Net change in fund balances - total governmental funds:		\$ 37,540,477
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 \$8,819,234 exceeded depreciation \$6,446,384 in the current period.		2,372,850
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.		(67,874)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(155,625)
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Compensated absences	(108,119)	
Claims and judgments	202,500	94,381
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.		(89,682)
Change in net assets of governmental activities		<u>\$ 39,694,527</u>

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA

PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS

JUNE 30, 2007

	Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 5,481,324	\$ 3,437,766	\$ 8,919,090	\$ 127,682
Receivables	964,551	382,938	1,347,489	222,209
Due from other funds	112,209	450,737	562,946	263,145
Prepaid items	-	-	-	660,177
Restricted cash	9,350,593	-	9,350,593	-
Total current assets	<u>15,908,677</u>	<u>4,271,441</u>	<u>20,180,118</u>	<u>1,273,213</u>
Noncurrent assets:				
Receivables	-	361,723	361,723	-
Deferred charges	231,449	-	231,449	-
Capital assets (net of accumulated depreciation)	58,445,304	243,691	58,688,995	-
Total non-current assets	<u>58,676,753</u>	<u>605,414</u>	<u>59,282,167</u>	<u>-</u>
Total assets	<u>74,585,430</u>	<u>4,876,855</u>	<u>79,462,285</u>	<u>1,273,213</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	1,015,782	291,204	1,306,986	82,347
Accrued liabilities	262,248	-	262,248	217,906
Due to other funds	740,459	3,984	744,443	214,069
Unearned revenue	6,218	1,626,640	1,632,858	-
Payable from restricted assets	729,267	-	729,267	-
Current portion of long-term debt	863,493	-	863,493	-
Total current liabilities	<u>3,617,467</u>	<u>1,921,828</u>	<u>5,539,295</u>	<u>514,322</u>
Noncurrent liabilities:				
Accrued liabilities	-	1,869,214	1,869,214	1,549,827
Due to others	800,009	-	800,009	-
Due in more than one year	21,701,258	-	21,701,258	-
Total noncurrent liabilities	<u>22,501,267</u>	<u>1,869,214</u>	<u>24,370,481</u>	<u>1,549,827</u>
Total liabilities	<u>26,118,734</u>	<u>3,791,042</u>	<u>29,909,776</u>	<u>2,064,149</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	37,561,739	243,691	37,805,430	-
Restricted for:				
Capital Projects	5,128,652	-	5,128,652	-
Debt Service	330,528	-	330,528	-
Unrestricted	5,445,777	842,122	6,287,899	(790,936)
Total net assets	<u>\$ 48,466,696</u>	<u>\$ 1,085,813</u>	<u>\$ 49,552,509</u>	<u>\$ (790,936)</u>

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES**  
**IN FUND NET ASSETS**

FOR THE YEAR ENDED JUNE 30, 2007

	Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ 7,167,593	\$ 2,827,538	\$ 9,995,131	\$ 4,062,793
Risk management fees	-	-	-	7,361,804
Investment income	-	13,840	13,840	-
Miscellaneous	68,622	3,828	72,450	3,887
Total operating revenues	<u>7,236,215</u>	<u>2,845,206</u>	<u>10,081,421</u>	<u>11,428,484</u>
<b>OPERATING EXPENSES</b>				
Personal services	76,533	386,423	462,956	2,415,294
Contractual services	2,456,748	2,970,428	5,427,176	1,053,607
Supplies	584,037	690	584,727	476,481
Interdepartment charges	772,476	104,261	876,737	7,590,054
Depreciation	1,688,253	33,567	1,721,820	-
Other costs	631,611	-	631,611	1,500
Total operating expenses	<u>6,209,658</u>	<u>3,495,369</u>	<u>9,705,027</u>	<u>11,536,936</u>
Operating income (loss)	<u>1,026,557</u>	<u>(650,163)</u>	<u>376,394</u>	<u>(108,452)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	763,473	163,243	926,716	18,770
Property tax	-	697,200	697,200	-
Interest expense	(605,489)	-	(605,489)	-
Gain (loss) on sale of capital assets	5,400	-	5,400	-
Total non-operating revenue (expenses)	<u>163,384</u>	<u>860,443</u>	<u>1,023,827</u>	<u>18,770</u>
Income (loss) before contributions and transfers	1,189,941	210,280	1,400,221	(89,682)
Capital contributions	4,605,945	-	4,605,945	-
Transfers in	-	189,831	189,831	-
Change in net assets	<u>5,795,886</u>	<u>400,111</u>	<u>6,195,997</u>	<u>(89,682)</u>
Total net assets - beginning	42,670,810	685,702	43,356,512	(701,254)
Total net assets - ending	<u>\$ 48,466,696</u>	<u>\$ 1,085,813</u>	<u>\$ 49,552,509</u>	<u>\$ (790,936)</u>

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA

PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2007

	Enterprise Funds			Governmental Activities
	Water and Sewer Fund	Other Enterprise Funds	Total	Internal Service Funds
Cash flows from operating activities:				
Cash received from customers and users	\$ 7,260,533	\$ 2,985,900	\$ 10,246,433	\$ (6,087)
Cash received from interfund services provided	-	-	-	11,527,190
Cash payments to suppliers for goods and services	(4,554,900)	(3,586,638)	(8,141,538)	(9,105,748)
Cash payments to employees for services	(76,533)	(386,423)	(462,956)	(2,415,294)
Net cash provided (used) by operating activities	<u>2,629,100</u>	<u>(987,161)</u>	<u>1,641,939</u>	<u>61</u>
Cash flows from noncapital financing activities:				
Property taxes	-	697,200	697,200	-
Borrowings from (repayments to) other funds	210,296	(29,890)	180,406	-
Transfers in	-	189,831	189,831	-
Net cash provided (used) by noncapital financing activities	<u>210,296</u>	<u>857,141</u>	<u>1,067,437</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Capital contributions	1,097,147	-	1,097,147	-
Acquisition and construction of capital assets	(8,759,711)	-	(8,759,711)	-
Issuance of debt	7,888,731	-	7,888,731	-
Disposal of capital assets	5,400	-	5,400	-
Principal payments on debt	(951,260)	-	(951,260)	-
Interest payments on debt	(590,887)	-	(590,887)	-
Net cash provided (used) by capital and related financing activities	<u>(1,310,580)</u>	<u>-</u>	<u>(1,310,580)</u>	<u>-</u>
Cash flows from investing activities:				
Interest earned on cash and investments	763,473	163,243	926,716	18,770
Net cash provided (used) by investing activities	<u>763,473</u>	<u>163,243</u>	<u>926,716</u>	<u>18,770</u>
Net increase (decrease) in cash and cash equivalents	2,292,289	33,223	2,325,512	18,831
Cash and cash equivalents, beginning of year	12,539,628	3,404,543	15,944,171	108,851
Cash and cash equivalents, end of year	<u>\$ 14,831,917</u>	<u>\$ 3,437,766</u>	<u>\$ 18,269,683</u>	<u>\$ 127,682</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	<u>\$ 1,026,557</u>	<u>\$ (650,163)</u>	<u>\$ 376,394</u>	<u>\$ (108,452)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	1,688,253	33,567	1,721,820	-
Change in assets and liabilities:				
Decrease (increase) in accounts receivable	78,781	(266,798)	(188,017)	92,619
Decrease (increase) in due from other funds	-	(289,784)	(289,784)	-
Decrease (increase) in prepaid items	-	-	-	4,652
(Decrease) Increase in accounts payable and accrued liabilities	(110,028)	(147,968)	(257,996)	11,242
(Decrease) Increase in customer deposits	(60,681)	-	(60,681)	-
(Decrease) Increase in due to other funds	-	462	462	-
(Decrease) Increase in unearned revenues	6,218	333,523	339,741	-
Total adjustments	<u>1,602,543</u>	<u>(336,998)</u>	<u>1,265,545</u>	<u>108,513</u>
Net cash provided (used) by operating activities	<u>\$ 2,629,100</u>	<u>\$ (987,161)</u>	<u>\$ 1,641,939</u>	<u>\$ 61</u>

Non-cash transactions were from capital projects funded by the SPLOST funds in the amount of \$3,545,022 for the water and sewer fund.

The accompanying notes are an integral part of these financial statements.



GLYNN COUNTY, GEORGIA  
 FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY NET ASSETS  
 JUNE 30, 2007

---

	Agency Funds	Pension Trust Fund
<b>ASSETS</b>		
Cash	\$ 3,406,276	\$ 6,000,098
Accounts receivable	-	228,819
Taxes receivable	3,047,948	-
Due from other funds	-	198,861
Investments, at fair value:		
U.S. government and agency obligations	-	10,847,503
Corporate bonds	-	8,426,852
Domestic stocks	-	28,401,168
Total Investments	-	47,675,523
Total assets	6,454,224	54,103,301
<b>LIABILITIES</b>		
Accounts payable	6,454,224	-
Total liabilities	\$ 6,454,224	-
<b>NET ASSETS</b>		
Held in trust for retirement benefits (See schedule of funding progress on page E-4)		\$ 54,103,301

The accompanying notes are an integral part of these financial statements.

GLYNN COUNTY, GEORGIA  
 FIDUCIARY FUNDS  
 STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
 FOR THE YEAR ENDED JUNE 30, 2007

---

	<u>Pension Trust Fund</u>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 2,539,532
Total contributions	<u>2,539,532</u>
Investment earnings:	
Net appreciation (depreciation) in fair value of investments	4,880,139
Interest and dividends	1,914,093
Total	<u>6,794,232</u>
Less investment expense	125,000
Net investment income	<u>6,669,232</u>
Total additions	<u>9,208,764</u>
<b>DEDUCTIONS</b>	
Benefits	2,083,920
Administrative expense	53,212
Total deductions	<u>2,137,132</u>
Change in net assets	7,071,632
Net assets - beginning	47,031,669
Net assets - ending (See schedule of funding progress on page E-4)	<u><u>\$ 54,103,301</u></u>

The accompanying notes are an integral part of these financial statements.

## **Notes to Financial Statements**



This page is intentionally left blank.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The County financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Certain of the significant changes in the Statement include the following:

1. A Management Discussion and Analysis (MD&A) section providing an analysis of the County's overall financial position and results of operations.
2. Financial statements prepared using full accrual accounting for all of the County's activities, including infrastructure (roads, bridges, etc.).
3. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The County implemented the general provisions of the Statement for the fiscal year ended June 30, 2003 and retroactively reported infrastructure (assets acquired prior to July 1, 2002) in the fiscal year ended June 30, 2007.

**A. Reporting entity**

The County is a political subdivision of the State of Georgia and is governed by a seven member Board of County Commissioners. Five members represent a geographical district within the County, while two members represent the County at large. There are additional officers elected countywide. State law pertaining to county government provides for the independent election of these county officials. The officials are all part of the County's legal entity. These elected officials are the Sheriff, Tax Commissioner, State Court Judge, Magistrate Court Judge, Probate Court Judge, Clerk of Superior Court, Clerk of State Court, and the Coroner. The offices of the independently elected officials are not separate from the County and therefore are reported as part of the primary government.

The state constitution and state law pertaining to county government provide for the independent election of the Superior Court Judges and the District Attorney of the Brunswick Judicial Circuit. The cost of operations of the Superior Court Judges and the District Attorney Office is shared with the State of Georgia and other counties in the Judicial Circuit. Only that portion of the cost for which the County is responsible is reported in these financial statements.

The County entered into an intergovernmental agreement with the Georgia Circuit Public Defender Office of the Brunswick Judicial Circuit to provide for criminal indigent defense. The cost of operations is shared with the State and other counties in the Circuit. Only the portion of the costs for which the County is responsible is reported in these financial statements.

The County has implemented the Governmental Accounting Standards Board Statement 14 "The Financial Reporting Entity". The financial reporting entity consists of (a) primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a financial reporting entity usually is a primary government; however, a governmental organization other than a primary government (such as a component unit, a joint venture, a jointly governed organization, or another stand alone government) serves as the nucleus

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

for its own reporting entity when it issues separate financial statements.

The County has met the criteria for classification as a primary government. The County has a separately elected governing body, is legally separate and is fiscally independent of other state and local governments. All funds, organizations, institutions, agencies, departments, and officers that are not legally separate of the primary government, for financial reporting purposes, are part of the primary government and are included in the financial statements of the County.

**1. Discretely Presented Component Units**

The component unit columns in the government-wide financial statements include the financial data of the County's component units. They are reported in separate columns to emphasize that they are legally separate from the County.

Glynn County Airport Commission – The Airport Commission (the "Commission"), which operates the County's two airports, was created by ordinance of the Board of Commissioners of Glynn County, Georgia to have perpetual existence. The Commission's powers and its relationship with the Brunswick and Glynn County Development Authority (the "Authority") distinguishes it as separate from the County. The Commission's Board is appointed by the Authority and, in the event of dissolution, all the Commission's real and personal, tangible and intangible property will be turned over to the Authority. A significant amount of property carried on the Commission's financial statements was deeded to the County by the Federal Government and leased by the County to the Authority. The County approves the Commission's budgets and subleases of property. Complete financial statements of the Commission can be obtained from its administrative offices at 295 Aviation Parkway, Brunswick, Georgia 31525.

Glynn County Board of Health – The Glynn County Board of Commissioners is responsible for appointing a voting majority of the members of the Glynn County Board of Health. The County appoints four of the seven members of the Board of Health's governing board. The County has the authority to modify and approve the Board of Health's budget and the ability to approve environmental health service fees. Executive management is by the State, and all employees are hired by the Board of Health, but subject to the approval of the State Department of Human Resources Services. The Board of Health is made up of two component units, which are the Glynn County Public Health Center and the Coastal Area Community Mental Health/Mental Retardation/Substance Abuse Center. The Board of Health through its component units provides health, mental health, mental retardation and substance abuse services to citizens of Glynn, Camden, Liberty, Long and McIntosh counties under a contract with the Georgia Department of Human Resources. Complete financial statements of the Board of Health can be obtained from its administrative offices at 1609 2747 Fourth Street, Georgia 31520.

**2. Joint Ventures**

The County is a participant with the City of Brunswick (the "City") in a joint venture to provide hospital related health care to their citizens and the citizens of nearby counties. The Glynn-Brunswick Memorial Hospital Authority was created pursuant to the provisions of the Hospital Authority Law of the State of Georgia and a joint resolution of the respective Boards of Commissioners of the County and City. The Authority appoints its governing board from lists provided equally by the County and City. The Hospital Authority's complete financial statement can be obtained from the administrative offices of the Hospital Authority at 3100 Kemble Avenue, Brunswick, Georgia 31520.

The County is also a participant with the City of Brunswick for the purpose of developing, promoting and expanding economic development through the Brunswick and Glynn County Development Authority. The Authority was created by an act of the General Assembly of the State of Georgia. Authority board members are appointed by joint resolution of the Boards of Commissioners of the County and City. The County has contracted with the Authority to carry-out certain economic development activities. In return, the County has agreed to pay the Authority sufficient funds to conduct these activities. During the year ended June 30, 2007, the County

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

appropriated \$316,800 to the Authority. Complete financial statements of the Authority can be obtained from its administrative offices at 4 Glynn Avenue, Brunswick, Georgia 31520.

Under Georgia law, the County, in conjunction with other cities and counties in the nine county coastal Georgia region, is also a member of the Coastal Georgia Regional Development Center (the "RDC") and is required to pay annual dues thereto. During its year ended June 30, 2007, the County paid \$46,771 in such dues. Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development center. Separate financial statements may be obtained from Coastal Georgia Regional Development Center, 127 F Street, Brunswick, Georgia 31520.

**3. County Agency Funds**

Certain County officials collect and disburse taxes, fees, fines, etc. Separate records of accountability are maintained for such receipts. For purposes of this report, these records are included as a part of agency funds, with remittances to the General Fund and other funds where they are recorded as revenue. Operating costs for these officials are included as a part of the County's General Fund. These units include:

- Tax Commissioner
- Clerk of Superior Court
- Probate Court
- Juvenile Court
- Child Support Receiver
- Clerk of State Court
- Sheriff's Office
- Magistrate Court

**B. Government-wide and fund financial statements**

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous model emphasized fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the County as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general government, judiciary, public safety, public works, etc.), which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants and contributions. The program revenues must be directly associated with the function or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a function or segment, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net cost (by function or business-type activity) is normally covered by general revenue (property, sales and other taxes, intergovernmental revenues, investment income, etc.). Historically, the previous model did not summarize or present net cost by function or activity.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

The government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. In the process of aggregating data for the statement of the net assets and the statement of activities, some amounts reported as interfund activity and balances in the funds are eliminated or reclassified in the government-wide financial statements.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds (by category) or fund type are summarized into a single column.

Unless an internal service fund is combined with the business-type activities (deemed to be an infrequent event), totals on the business-type activity fund statements should directly reconcile to the business-type activity column presented in the government-wide statements.

The governmental funds major fund statements in the fund financial statements are presented on a current financial resources measurement focus and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the County's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

The County's fiduciary funds are presented in the fund financial statements by type (pension and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The fiduciary funds are presented using the economic resources measurement focus.

The focus of the revised model is on the County as a whole and the fund financial statements, including the major individual funds of the governmental and business-type categories, as well as the fiduciary funds, (by category) and the component units. Each presentation provides valuable information that can be analyzed and compared (between years and between governments) to enhance the usefulness of the information.

**C. Basis of presentation**

The financial transactions of the County are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The new model (Statement 34) sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

The County uses the following fund types:

**1. Governmental Funds:**

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the County:



**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

- a. **General Fund** is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- c. **Capital Projects Funds** are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Business-type/Proprietary Funds). The major fund, (Sales Tax Construction 4), is where the proceeds of a special one cent sales tax adopted by referendum and expenditures for roads, drainage, equipment and other improvements are accounted.

**2. Proprietary Funds:**

The focus of Proprietary Fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the County:

- a. **Enterprise Funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) has a pricing policy designed for the fees and charges to recover similar costs. The major fund, (Water & Sewer), accounts for business-type activities for the provision of water and sewer services to the residents of the County.
- b. **Internal Service Funds** account for the County's insurance claims relating to health, life, workers compensation, unemployment, automobile and property damage, general liability, personal injury and errors and omissions. The internal service funds also account for the expense of normal County administration services that are provided to other departments or funds of the County on a cost-reimbursement basis.

**3. Fiduciary Funds:**

- a. **Fiduciary Funds** are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Trust and Agency Funds are used to account for the pension trust fund and agency funds, which are custodial in nature. The County has one pension trust fund that accounts for the retirement benefits of the County's employees. There are eight agency funds, which account for the receipts and disbursements of funds by the tax commissioner, clerk of superior court, probate court, juvenile court, child support receiver, clerk of state court, sheriff's office, and magistrate court.

**4. Non-Current Governmental Assets/Liabilities:**

GASB Statement 34 eliminates the presentation of Accounts Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Assets.

**D. Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

extent that those standards do not conflict with or contradict guidance of the GASB. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance. The Governmental Funds in the Fund Financial Statements are presented on a modified accrual basis.

**1. Accrual:**

All proprietary funds, the pension trust fund, and agency funds are accounted for using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

**2. Modified Accrual:**

All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, usually 60 days. Revenues considered susceptible to accrual are property taxes, charges for services, and investment income. In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement 33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and deferred revenue by the recipient. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt is recognized when due.

**E. Assets, Liabilities and Fund Equity**

**1. Deposits and Investments**

The County has defined cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agent, and short term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value, (quoted market price or the best estimate thereof).

**2. Receivables**

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis. Accounts receivable comprise the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

The major receivable for the County is property taxes receivable. Real and personal property taxes are levied after acceptance of the County's tax digest by the State of Georgia Department of Revenue. Property taxes were levied and mailed on September 15, 2006. The taxes were based on January 1, 2006 assessed values and were due November 15, 2006, after which date liens can be attached. Motor vehicle taxes are assessed January 1, based on values on January 1; due dates are based on the birth date of the registered owner.

The County bills and collects its own property taxes and also collects various taxes for the Glynn County Board of Education, the City of Brunswick, and the State of Georgia. Collection of the County's taxes and for the other government agencies is the responsibility of the Tax

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

Commissioner's office, which is accounted for as an agency fund. County property tax revenues are recognized when levied to the extent they result in current receivables.

**3. Inventories and Prepaid Items**

Inventory is valued at cost, determined on a first-in, first-out basis. Inventory in the General Fund consists of expendable supplies held for consumption. The cost is recorded as an expenditure in the General Fund at the time the inventory is consumed (consumption method). Reported General Fund inventory is equally offset by a reservation of fund balance which indicates that it does not constitute an "available spendable resource" even through it is a component of net current assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**4. Restricted Assets**

*Enterprise Funds* - The Water & Sewer Fund maintains a separate fund to account for the provision of water and sewer services for residents of the unincorporated area of Glynn County. Funds received in payment of customer deposits are recorded in this account and refunds of customer deposits are paid from this account. Liabilities payable from restricted assets are reported separately to indicate that the source of payment is the restricted assets.

**5. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, rights of way, water and sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of initial capitalization of infrastructure assets, those that were acquired prior to fiscal year 2003 were recorded at their current replacement cost adjusted by the implicit price deflator index for governments to the base year of either 1980 or the actual construction year. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Infrastructure assets acquired prior to 1980 are included in the amounts reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation for capital assets is computed using the straight-line method over the following estimated useful lives:

Buildings	7-50 years
Improvements other than Buildings	30 years
Machinery and equipment	2-30 years
Water and sewer infrastructure	10-50 years
Roads	30 years
Bridges	50 years
Stormwater systems	40 years
Traffic Signals	20 years

## **6. Long-Term Liabilities**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

The County has various insurance coverages provided through self-insurance plans, which are accounted for in the Internal Service Funds. Claims incurred and reported to the County are shown as accounts payable in the Internal Service Funds. Claims incurred but not reported are determined using third-party administrator and historical estimates. These estimated liabilities are recorded as accrued liabilities in the Internal Service Funds.

## **7. Compensated Absences**

The liability for compensated absences has been accrued. In governmental funds, liabilities are not considered current until they are expected to be liquidated with expendable available financial resources; therefore, only the current liability is accrued in the governmental funds. The total liability for proprietary funds is recorded in the proprietary fund type. The County's policy is to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees of the County may carry over a maximum of 400 hours (some fire department employees may carry over 600 hours) of vacation to the next year. The accumulated benefits will be liquidated in future years as employees elect to use them. In the normal course of business, all payments of these accumulated benefits will be funded from appropriations of the year in which they are to be paid. All compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. No liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

An employee can accrue an unlimited number of sick leave days. Sick leave can be taken only for personal illness or illness of an immediate family member. The accumulated unused sick leave is \$6,832,076 at June 30, 2007.

## **8. Equity Classifications**

Equity is classified as net assets and displayed in three components in the government-wide financial statements.

- a) **Invested in capital assets, net of related debt** consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b) **Restricted net assets** consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c) **Unrestricted net assets** consists of all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

**F. Revenues, Expenditures and Expenses**

**1. Operating and Non-operating Revenues and Expenses**

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and or services. Also included are all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, the County's policy is to use restricted resources first, then unrestricted resources as needed.

**2. Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for governmental activities. Administrative overhead charges are made to various functions and are included in direct expenses. In the fund financial statements, governmental fund expenditures are classified by character, i.e. current (further classified by function), debt service, and capital outlay. Proprietary fund expenses are classified as operating and non-operating.

In the fund financial statements, governmental funds report expenditures of current financial resources. Proprietary funds report expenses relating to use of economic resources.

**3. Interfund Transactions**

Interfund transactions are reflected as loans, services provided, reimbursement or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

**4. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

**II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Deficit Net Assets**

The Solid Waste Disposal Fund has unrestricted net (liability) assets of \$(483,167). The deficit resulted when landfill post-closure expenses were recorded. The County expects that the deficit will be reversed by interest earnings in the next ten years. The Employee Benefit Plan and Administrative Services funds have net (liability) assets of \$(953,791) and \$(49,273), respectively. These internal service fund deficits will be reduced by increased rates charged to other funds and customers.

**B. Budget Variances**

The Sheriff Commissary Fund exceeds the approved final budget by \$47,417.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

**III. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

*General:*

Individual bank accounts and investments are maintained in each fund of the County. The cash and investments of the Glynn County Defined Benefit Pension Plan (GCDBPP) are also held separately and reported within the Pension Trust Fund.

*Deposits:*

Custodial Credit Risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. At June 30, 2007 all of the County's deposits were either covered by federal depository insurance or collateralized through the Georgia Public Funds Pledging Pool, a multiple financial institution collateral pool administered by the Georgia Bankers Association for the State of Georgia.

Georgia law governs collateral requirements and forms of collateral under O.C.G.A. Section 45-8-12 which is incorporated by reference within the County's Investment Policy. The County has no custodial credit risk policies requiring additional collateral. In summary, Georgia law states:

- All deposits shall be collateralized within 10 days of deposit by a surety bond, a guarantee of insurance, or collateral.
- The face value of any surety bond, guarantee of insurance or collateral shall be at least 110% of the public funds being secured, net of deposit insurance.
- If a depository elects the pooled method (O.C.G.A. Section 45-8-13.11), the aggregate market value of pledged securities may not be less than 110% of the daily pool balance.

Authorized security for deposits enumerated under law includes surety bonds, FDIC insurance, obligations of the United States or the State of Georgia, obligations of Georgia counties or municipalities, bonds of any Georgia public authority, industrial revenue bonds of any Georgia development authority, and obligations of any subsidiary corporation of the United States government fully guaranteed by the United States (such as Federal Home Loan Bank, Federal National Mortgage Association, etc).

*Investments:*

In its investment of both public and pension trust funds, the County follows state statutes and adopted investment policies. As of June 30, 2007 the investments of the Primary Government and the GCDBPP were:

	Average Credit Rating	Fair Value	Maturities in Years			
			Less than 1	1 to 3	4 to 5	Greater than 5
<b>Primary government:</b>						
Georgia Fund 1	Aaa	\$ 18,327,309	\$ 18,327,309	\$ -	\$ -	\$ -
<b>Pension Trust Fund:</b>						
US Treasury Notes	AAA	10,847,503	9,181,315	490,781	502,187	673,220
Corporate bonds	A	3,486,607		433,875	108,670	2,944,062
Corporate bonds	AAA	966,746		315,320	166,298	485,128
Corporate bonds	BBB	3,973,499		452,846	404,053	3,116,600
Domestic stock	NR	28,401,168	28,401,168			
		<u>\$66,002,832</u>	<u>\$55,909,792</u>	<u>\$1,692,822</u>	<u>\$1,181,208</u>	<u>\$7,219,010</u>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

Under state law, investments of the County's public funds may be placed in obligations of (or obligations guaranteed by) the U.S. government, obligations of agencies of corporations in the U.S. government, obligations of any state or any political subdivision of any state, certificates of deposit or time deposits of financial institutions with deposits insured by FDIC, prime bankers acceptances, repurchase agreements, and the Georgia Fund 1. During the year the County invested public funds in certificates of deposits and time deposits of local banks, U.S. Government obligations, obligations of agencies guaranteed by the U.S. Government, repurchase agreements through local banks, and the Georgia Fund 1.

State law also governs the investment of retirement funds (O.C.G.A. 47-20-84) and limits investments to maximum concentrations by investment category (at cost). The County's defined benefit plan qualifies as a "large retirement system", a designation which allows the plan additional investments in equity securities.

The Georgia Fund 1 is considered to be a 2a7-like-pool that operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Georgia Fund 1 was created under O.C.G.A. 36-83-8 and is managed by the State of Georgia's Office of Treasury and Fiscal Services. The pool is not registered with the SEC as an investment company. The fair value of the pool is the same as the value of the pool shares. As a public fund, Georgia Fund 1 is exempt from any disclosure of custodial credit risk.

Deposit and investment transactions are subject to a variety of risks. The County seeks to promote the safety of principal, provide adequate liquidity for operational needs, earn market rates of return on investments consistent with liquidity needs and investment quality, and conform with legal requirements.

*Interest rate risk* is the risk that changes in interest rates that will adversely affect the value of an investment. The County does not have a policy that addresses this risk.

*Credit risk* is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The County does not have a policy that addresses this risk. GCDBPP policies minimize credit risk by allowing investments in debt instruments of corporations rated "Bank Investment Grade" by Moody's Rating Service and Standard & Poor's Rating Service.

All of the GCDBPP's investments in U.S. Treasury and Agency securities carry the explicit guarantee of the U.S. government.

*Concentration of credit risk* is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% of more of total investments, exclusive of mutual funds, external investment pools and investments issued or guaranteed by the U.S. government. The GCDBPP Investment Policy seeks a diversified portfolio of fully negotiable, equity, fixed income, and money market securities, with the following maximum investment limits, stated at cost:

1. A minimum of 45% of the fund assets should be invested in fixed income and fixed maturity securities with a maximum of 65% of the fund allowable.
2. A maximum of 55% of the total portfolio may be invested in common stocks.
3. The maximum investment in any one equity security is limited to 1% of the total portfolio value at the time the investment is made. The maximum investment in any one macro-economic sector will not exceed 15% and the maximum position for any one common stock is to be no more than 5% of the entire portfolio.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

Deposits and investments are reconciled between the financial statements and note disclosure as follows:

**Basic financial statements:**

Cash and investments	\$ 104,138,998
Restricted cash	9,350,593
Pension and agency funds	57,081,897
Total	<u>\$ 170,571,488</u>

**Notes to financial statements:**

Deposits	\$ 104,558,691
Investments	66,002,832
Cash on hand	9,965
Total	<u>\$ 170,571,488</u>

**B. Receivables**

Receivables as of year end for the government's individual major funds and non-major, internal service, and fiduciary funds in the aggregate including the applicable allowance for uncollectible accounts, are as follows:

Receivable	General	Sales Tax #4	Sales Tax #5	Nonmajor Governmental	Water and Sewer
Taxes	\$ 958,634	\$ -	\$ -	\$ 194,661	\$ -
Accounts	409,169	-	-	860,964	1,309,933
Interest	-	72,253	-	-	19,342
Notes - current portion	-	-	-	-	-
Notes - long term portion	-	-	-	-	-
Intergovernmental	3,115,297	-	4,129,709	98,636	-
Gross receivables	<u>4,483,100</u>	<u>72,253</u>	<u>4,129,709</u>	<u>1,154,261</u>	<u>1,329,275</u>
Less:					
Allowance for uncollectibles	(28,759)	-	-	(5,840)	(364,724)
Net receivables	<u>\$ 4,454,341</u>	<u>\$ 72,253</u>	<u>\$ 4,129,709</u>	<u>\$ 1,148,421</u>	<u>\$ 964,551</u>

Receivable	Nonmajor Enterprise	Internal Service	Total
Taxes	\$ 205,828	\$ -	\$ 1,359,123
Accounts	147,119	207,523	2,934,708
Interest	29,937	-	121,532
Notes - current portion	32,832	-	32,832
Notes - long term portion	361,723	-	361,723
Intergovernmental	-	14,686	7,358,328
Gross receivables	<u>777,439</u>	<u>222,209</u>	<u>12,168,246</u>
Less:			
Allowance for uncollectibles	(32,778)	-	(432,101)
Net receivables	<u>\$ 744,661</u>	<u>\$ 222,209</u>	<u>\$ 11,736,145</u>



**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

**C. Notes Receivable**

In connection with a 1988 grant received from the State of Georgia Department of Community Affairs, the County has established a revolving loan fund. As of June 30, 2007 the following notes were outstanding.

Description of note receivable	Total	Current	Long Term
Keebler, Inc., payable in 179 monthly installments of \$2,959, including interest at 4%, beginning October 3, 2002.	\$ 298,151	\$ 24,016	\$ 274,135
Glynco Machine Company, Inc., payable in 120 monthly installments of \$966, including interest at 3%, beginning February 1, 2007.	<u>96,404</u>	<u>8,816</u>	<u>87,588</u>
Total notes receivable	<u>\$ 394,555</u>	<u>\$ 32,832</u>	<u>\$ 361,723</u>

**D. Capital Assets**

Capital asset activity for the year ended June 30, 2007 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<b>Governmental Activities</b>				
<i>Non-Depreciable Assets:</i>				
Land	\$ 7,329,563	\$ 1,001,320	\$ -	\$ 8,330,883
Rights of Way	117,175,087	-	-	117,175,087
Construction in Progress	<u>5,635,805</u>	<u>3,616,302</u>	<u>(3,990,437)</u>	<u>5,261,670</u>
Total non-depreciable capital assets	<u>130,140,455</u>	<u>4,617,622</u>	<u>(3,990,437)</u>	<u>130,767,640</u>
<i>Depreciable Assets:</i>				
Buildings and Improvements	59,714,715	3,938,767	(39,084)	63,614,398
Machinery and Equipment	27,399,957	2,086,236	(905,838)	28,580,355
Infrastructure	92,863,980	1,793,956	-	94,657,936
Improvements Other	<u>4,363,889</u>	<u>373,090</u>	<u>-</u>	<u>4,736,979</u>
Total depreciable capital assets	<u>184,342,541</u>	<u>8,192,049</u>	<u>(944,922)</u>	<u>191,589,668</u>
<i>Accumulated Depreciation</i>				
Buildings and Improvements	(17,279,249)	(1,280,333)	(23,907)	(18,535,675)
Machinery and Equipment	(17,886,606)	(1,896,024)	(853,141)	(18,929,489)
Improvements Other	(917,157)	(130,348)	-	(1,047,505)
Infrastructure	<u>(59,523,391)</u>	<u>(3,139,679)</u>	<u>-</u>	<u>(62,663,070)</u>
Sub-total accumulated depreciation	<u>(95,606,403)</u>	<u>(6,446,384)</u>	<u>(877,048)</u>	<u>(101,175,739)</u>
Total Governmental Activities	<u>218,876,593</u>	<u>6,363,287</u>	<u>(5,812,407)</u>	<u>221,181,569</u>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

**Business-Type Activities:**

*Non-Depreciable Assets:*

Land	149,855	212,000	-	361,855
Construction in progress	23,106,470	7,426,541	21,711,770	8,821,241
Total capital assets not, being depreciated	<u>23,256,325</u>	<u>7,638,541</u>	<u>21,711,770</u>	<u>9,183,096</u>

*Depreciable Assets:*

Land and land improvements	140,000	-	-	140,000
Buildings and Improvements	41,217,829	25,814,815	-	67,032,644
Machinery and Equipment	2,457,598	10,330	-	2,467,928
Sub-total assets	<u>43,815,427</u>	<u>25,825,145</u>	<u>-</u>	<u>69,640,572</u>

*Accumulated Depreciation*

Land and Land Improvements	(140,000)	-	-	(140,000)
Buildings and Improvements	(16,408,897)	(1,618,194)	-	(18,027,091)
Machinery and Equipment	(1,863,956)	(103,626)	-	(1,967,582)
Sub-total accumulated depreciation	<u>(18,412,853)</u>	<u>(1,721,820)</u>	<u>-</u>	<u>(20,134,673)</u>

Total Business-Type Activities	<u>48,658,899</u>	<u>31,741,866</u>	<u>21,711,770</u>	<u>58,688,995</u>
Total Capital Assets	<u>\$267,535,492</u>	<u>\$38,105,153</u>	<u>\$15,899,363</u>	<u>\$279,870,564</u>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

<b>Component Unit</b>	<b>Glynn County Airport Commision</b>			<b>Ending Balance</b>
	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	
<i>Non-Depreciable Assets:</i>				
Land	\$ 10,408,759	\$ -	\$ -	\$ 10,408,759
Construction in progress	1,424,853	2,032,630	2,791,966	665,517
<i>Depreciable Assets:</i>				
Land improvements	16,390,665	-	-	16,390,665
Buildings	12,865,863	891,405	-	13,757,268
Machinery and equipment	554,700	49,522	-	604,222
Office equipment and furniture	418,365	-	-	418,365
Motor vehicles	113,468	738,254	-	851,722
Airfield roads and grounds	12,885,652	1,390,964	12,120	14,264,496
<b>Total</b>	<b>55,062,325</b>	<b>5,102,775</b>	<b>2,804,086</b>	<b>57,361,014</b>
<i>Accumulated Depreciation</i>				
Land improvements	(16,390,665)	-	-	(16,390,665)
Buildings	(2,163,164)	(624,559)	-	(2,787,723)
Machinery and equipment	(370,279)	(57,134)	-	(427,413)
Office equipment and furniture	(185,253)	(62,366)	-	(247,619)
Motor vehicles	(111,026)	(24,830)	-	(135,856)
Airfield roads and grounds	(5,703,187)	(701,860)	(12,120)	(6,392,927)
<b>Total</b>	<b>(24,923,574)</b>	<b>(1,470,749)</b>	<b>(12,120)</b>	<b>(26,382,203)</b>
<b>Total Component Unit</b>	<b>\$ 30,138,751</b>	<b>\$ 3,632,026</b>	<b>\$ 2,791,966</b>	<b>\$ 30,978,811</b>

Depreciation expense was charged to governmental activities as follows:

General government	\$ 453,890
Judiciary	516,448
Public safety	1,607,386
Public works	3,205,489
Culture and recreation	558,087
Housing and development	37,183
Health	67,901
<b>Total depreciation expense</b>	<b>\$ 6,446,384</b>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

**E. Interfund Receivables, Payables and Transfers**

Interfund receivable and payable balances at June 30, 2007, are as follows:

<u>Due To</u>	<u>Due From</u>				
	<u>General</u>	<u>Sales Tax 4</u>	<u>Sales Tax 5</u>	<u>Nonmajor Governmental</u>	<u>Water and Sewer</u>
General	\$ -	\$ 58,643	\$ -	\$ 1,787	\$ 190,000
Sales Tax #4	-	-	127,194	-	510,328
Nonmajor Governmental	6,173,192	-	-	451,313	40,131
Water and Sewer	109,045	-	-	-	-
Nonmajor Enterprise	100,248	-	-	350,489	-
Internal Service	263,145	-	-	-	-
Total	<u>\$ 6,645,630</u>	<u>\$ 58,643</u>	<u>\$ 127,194</u>	<u>\$ 803,589</u>	<u>\$ 740,459</u>

<u>Due To</u>	<u>Nonmajor Enterprise</u>	<u>Internal Service</u>	<u>Total</u>
General	\$ 3,984	\$ 210,905	\$ 465,319
Sales Tax I#4	-	-	637,522
Nonmajor Governmental	-	-	6,664,636
Water and Sewer	-	3,164	112,209
Nonmajor Enterprise	-	-	450,737
Internal Service	-	-	263,145
Total	<u>\$ 3,984</u>	<u>\$ 214,069</u>	<u>\$ 8,593,568</u>

These balances represent loans between the borrower fund and the lender fund. These balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Interfund receivables and payables are reported in the fund financial statements; however, they are eliminated in the government-wide financial statements if the interfund loan is between governmental funds.

A summary of interfund transfers by fund type is as follows:

<u>Transfer to</u>	<u>Transfer From</u>		
	<u>General</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
General	\$ -	\$ 1,965,840	\$ 1,965,840
Nonmajor Governmental	3,099,727	776,222	3,875,949
Nonmajor Enterprise	-	189,831	189,831
Total	<u>\$ 3,099,727</u>	<u>\$ 2,931,893</u>	<u>\$ 6,031,620</u>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfer from the general fund to the emergency telephone system fund in the amount of \$638,572 is to supplement the revenues collected from the fees assessed, which do not cover cost of operations in that fund. The transfers of this type are recorded as other financing uses and other financing sources in the governmental funds financial statements. However, transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group.

**F. Capital Lease Obligations**

The County has purchased new water meters for its water and sewer system under two capital lease agreements, which are payable from Water and Sewer Fund revenues. The individual water meters are less than the County's capitalization threshold of \$5,000 and are therefore not included in the capital asset balances as of June 30, 2007. The County also purchased a generator for the St. Simons Waste Water Treatment Plant under a capital lease. The cost of the generator was \$516,451 with accumulated depreciation of \$77,468 for a net book value of \$438,983 at year-end.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2007, were as follows:

Year Ending June 30,	Business-Type Activities
2008	\$ 369,241
2009	272,984
2010	272,984
2011	272,984
2012	272,984
2013-2015	789,305
Total minimum lease payments	2,250,482
Less: amount representing interest	(329,224)
Present value of minimum lease payments	\$ 1,921,258

**G. Long-term Liabilities**

***Business-Type Activities***

**Revenue Bonds:**

Bonds payable at June 30, 2007 are comprised of the following issues (excluding unamortized bond discount of \$29,703 for the Water and Sewer Fund):

Water and Sewer Revenue Refunding and improvement Bonds Series 2003, due in annual installments of \$450,000 to \$960,000 2023; interest at 2.0% to 5.00%	<u>\$ 11,430,000</u>
---	----------------------

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

The Water and Sewer Revenue Refunding and Improvement Bonds, Series 2003 in the amount of \$13,430,000 were issued April 1, 2003. The Series 2003 bonds were issued to 1) currently refund and redeem all of the County's outstanding water and sewer revenue bonds (the 1979 St. Simons Island Water and Sewer District serial bonds), 2) prepay all outstanding Georgia Environmental Facilities Authority loans of the County, 3) acquire, construct, and equip additions and improvements to the County's water and sewer system, 4) fully fund the debt service reserve requirement for the Series 2003 bonds through the purchase of a surety bond, and 5) pay the necessary costs of issuing the Series 2003 bonds. Federal arbitrage regulations are not applicable for fiscal year 2007.

The following summarizes maturities of bonded debt (excluding bond discount of \$29,703 for the Water and Sewer Revenue Refunding and Improvement Bonds, series 2003) and related interest requirements due subsequent to June 30, 2007:

Year Payable	Total Debt Service	Principal	Interest
2008	\$ 999,293	\$ 535,000	\$ 464,293
2009	1,000,918	550,000	450,918
2010	1,005,105	570,000	435,105
2011	1,002,150	585,000	417,150
2012	1,007,260	610,000	397,260
2013-2017	5,042,150	3,415,000	1,627,150
2018-2023	6,070,590	5,165,000	905,590
	<u>\$ 16,127,466</u>	<u>\$ 11,430,000</u>	<u>\$ 4,697,466</u>

**Defeased Bonds**

In fiscal year 1993, shortly after the County's Beach Renourishment Project was canceled, the County defeased (made null or void) the \$2,555,000 Brunswick Glynn County Development Authority (Georgia) Refunding Revenue Bonds (Glynn County Beach Renourishment Project), Series 1991-A issuance by placing sufficient funds in an irrevocable trust to provide for all future debt service payments of the defeased bonds. Accordingly, the trust amounts and the defeased bonds are not included in the County's financial statements. The U.S. Treasury securities mature in an adequate amount to service the Bond's bi-annual interest and principle payments through the final payment of August 2, 2011. At June 30, 2007, \$990,000 of the defeased debt was outstanding.

**Georgia Environmental Facilities Authority (GEFA) Construction Period Loans**

On August 4, 2005, the County executed an agreement with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. The construction period loan has an interest rate of 4.0% and a maximum loan amount of \$480,422 (2005 L13WQ – Clearwater systems). When the construction period loan is closed to a permanent loan, the permanent loan will have an interest rate of 4.2% and a monthly payment of \$3,641 for twenty years. As of June 30, 2007, the County had drawn \$414,999 on the construction period loan.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

On May 18, 2006, the County executed an agreement with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. This loan was amended on August 3, 2006. The construction period loan has an interest rate of 4.0% and a maximum loan amount of \$5,442,335(2005 L40WQ – Highway 341 systems). When the construction period loan is closed to a permanent loan, the permanent loan will have an interest rate of 4.05% and a monthly payment of \$33,123 for twenty years. As of June 30, 2007, the County had drawn \$3,931,014 on the construction period loan.

On May 19, 2006, the County executed an agreement with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. The construction period loan has an interest rate of 3.92% and a maximum loan amount of \$2,510,693 (2005 L40WQ – Five Neighborhoods sewer systems). When the construction period loan is closed to a permanent loan, the permanent loan will have an interest rate of 3.92% and a monthly payment of \$15,108.69 for twenty years. As of June 30, 2007, the County had drawn \$2,231,205 on the construction period loan.

On November 15, 2006, the County executed an agreement with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. The construction period loan has an interest rate of 4.0% and a maximum loan amount of \$5,700,000 (2006 L17WJ – East Beach Neighborhood Water & Sewer Improvements). When the construction period loan is closed to a permanent loan, the permanent loan will have an interest rate of 4.1% and a monthly payment of \$34,841.97 for twenty years. As of June 30, 2007, the County had drawn \$172,474 on the construction period loan.

On December 20, 2006, the County executed an agreement with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. The construction period loan has an interest rate of 4.0% and a maximum loan amount of \$1,777,123 (2006 L26WJ – Miscellaneous Water and Sewer System Improvements). When the construction period loan is closed to a permanent loan, the permanent loan will have an interest rate of 4.28% and a monthly payment of \$11,033.02 for twenty years. As of June 30, 2007, the County had drawn \$1,472,883 on the construction period loan.

**Georgia Environmental Facilities Authority (GEFA) Permanent Loan**

On January 18, 2005, the County executed an agreement with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. The construction period loan had an interest rate of 3.82% and a maximum loan amount of \$1,000,000 (2004 L06WJ – Highway 99 systems). The construction period loan was closed to a permanent loan in September, 2006 with an interest rate of 3.82% and a monthly payment of \$5,965 for twenty years. The balance of the loan as of June 30, 2007, was \$1,018,858. The debt service requirements to maturity are as follows:

<u>Year Payable</u>	<u>Total Debt</u>		
	<u>Service</u>	<u>Principal</u>	<u>Interest</u>
2008	\$ 74,614	\$ 36,325	\$ 38,289
2009	74,615	37,738	36,877
2010	74,614	39,204	35,410
2011	74,613	40,728	33,885
2012	74,614	42,312	32,302
2013-2017	373,069	237,549	135,520
2018-2022	373,070	287,457	85,613
2023-2027	323,326	297,545	25,781
	<u>\$ 1,442,535</u>	<u>\$ 1,018,858</u>	<u>\$ 423,677</u>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

**Other Long-term Liabilities**

**Due to Others:**

The County has entered into contracts whereby impact fee credits were given to developers for construction done on water and sewer lines. The credits are applied in lieu of impact fees due when building permits are issued on property owned by the developer where the improvements were made. There is no deadline delineated in the contracts for the final impact fee credit. Based upon analysis, the obligations have been classified as follows:

<u>Remaining Impact for Credit</u> <u>June 30, 2007</u>	<u>St. Simons</u> <u>Water/Sewer</u> <u>District</u>	<u>Mainland</u> <u>Water/Sewer</u> <u>District</u>	<u>Total</u>
Due to J.A. Hammock for water and sewer impact fee credits, initial credit of \$17, 228 given in 1997.	\$ 17,228	\$ -	\$ 17,228
Due to Charles and Norma Yawn for water and sewer impact fee credits, initial credit of \$13,250 given in 1996.	12,478	-	12,478
Due to Branigar Organization for water sewer impact fee credits, initial credit of \$39,936 given in 2002.	-	770,303	770,303
Total due to developers	<u>\$ 29,706</u>	<u>\$ 770,303</u>	<u>\$ 800,009</u>

**Closure and Postclosure Care Cost for Solid Waste Disposal Enterprise Fund**

State and federal laws and regulations require the County to meet certain requirements in order to close its landfill and to perform certain maintenance and monitoring functions at the landfill site for a period of thirty years after closure. Although closure and post-closure care costs will generally be paid near or after the date the landfill stops accepting waste, generally accepted accounting principles require a portion of the estimated closure and post-closure care costs to be reported as an operating expense in each period for which the landfill accepts waste. The \$1,869,214 reported as landfill closure and postclosure care liability at June 30, 2007, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of both the sanitary and the dry bulk landfills. Amounts for closure and post-closure care costs are based on what it would cost to perform all postclosure care in 2007, adjusted annually for inflation. Actual costs may be different due to changes in inflation, technology, regulations, etc.



**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

**Changes in Long-term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2007:

	<b>Primary Government</b>				Amounts Due Within One Year
	Beginning Balance	Additions	Reductions	Ending Balance	
<b>Governmental Activities:</b>					
Compensated absences	\$ 1,849,077	\$ 1,338,247	\$ 1,134,919	\$ 2,052,405	\$ 1,399,395
Claims and judgments	202,500	-	202,500	-	-
<b>Total Governmental Activities</b>	<b>\$ 2,051,577</b>	<b>\$ 1,338,247</b>	<b>\$ 1,337,419</b>	<b>\$ 2,052,405</b>	<b>\$ 1,399,395</b>
<b>Business-Type Activities:</b>					
Bonds payable	\$ 11,955,000	\$ -	\$ 525,000	\$ 11,430,000	\$ 535,000
GEFA permanent loan	-	1,042,316	23,458	1,018,858	36,325
GEFA construction loans	1,376,162	7,888,730	1,042,317	8,222,575	-
Capital lease obligations	2,202,289	-	281,031	1,921,258	292,168
Closure and postclosure costs	1,927,698	-	58,484	1,869,214	-
Due to others	923,541	4,148	127,680	800,009	-
Deferred Amounts:					
Bond discount	(29,703)	-	(1,763)	(27,940)	-
<b>Total Business-Type Activities</b>	<b>\$ 18,354,987</b>	<b>\$ 8,935,194</b>	<b>\$ 2,056,207</b>	<b>\$ 25,233,974</b>	<b>\$ 863,493</b>
<b>Component Unit - Glynn County Airport Commission</b>					
Notes payable	\$ 246,856	\$ -	\$ 62,477	\$ 184,379	\$ 66,001
Capital lease obligations	133,003	82,000	52,162	162,841	51,875
Compensated absences	23,878	6,797	-	30,675	-
<b>Total long-term debt</b>	<b>\$ 403,737</b>	<b>\$ 88,797</b>	<b>\$ 114,639</b>	<b>\$ 377,895</b>	<b>\$ 117,876</b>

Compensated absences are generally liquidated by the general and special revenue funds.

**H. Reserves of Fund Balances and Restrictions of Net Assets and Restricted Assets**

1. Reserves are used to indicate a portion of the fund balance or retained earnings is legally segregated for a specific future use. The County uses the following reservations of fund balance:

*Reserved for prepaid items - General Fund* - The reserve is used to segregate a portion of fund balance to indicate that, using the consumption method, inventories of supplies do not represent "available spendable resources" even though they are a component of net current assets.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

*Reserved for public safety expenditures - General Fund* - The reserve is restricted for payment confiscated funds as directed by court orders.

*Reserved for public works and improvements – General Fund* - The reserve was set up by local legislation and may be expended only after advertising and public hearings.

*Reserved for encumbrances – General Fund* – The reserve is used to segregate a portion of fund balance to indicate that expenditures will ultimately result if unperformed contracts for goods or services in process at year end are completed.

*Reserved for employee’s retirement system – Pension Trust Fund* - The reserve is restricted for payment of retirement benefits.

The following is a summary of changes in fund balance reservations:

Fund / Purpose	Balance 6/30/2006	Change	Balance 6/30/2007
<b>General Fund</b>			
Reserved for inventories & prepaid items	\$ 133,896	\$ 32,580	\$ 166,476
Reserved for public safety expenditures	211,242	500,572	711,814
Reserved for public works and improvements	1,081,129	-	1,081,129
Reserved for encumbrances	456,139	2,715,075	3,171,214
	<u>\$ 1,882,406</u>	<u>\$ 3,248,227</u>	<u>\$ 5,130,633</u>
<b>Nonmajor Governmental Funds</b>			
Reserved for encumbrances	\$ -	\$ 529,595	\$ 529,595
<b>Pension Trust Fund</b>			
Reserved for employee retirement benefits	<u>\$47,031,669</u>	<u>\$ 7,071,632</u>	<u>\$ 54,103,301</u>

- Restrictions of net assets are used to indicate a portion of net assets that have constraints placed on the use either by external groups or law. The County uses the following restrictions of net assets:

*Governmental Activities*

*Restricted for other purposes* – This restriction represents \$5,391,178 in the nonmajor special revenue funds, \$711,814 for public safety expenditures and \$1,081,129 for public works projects and improvements.

*Business-type Activities*

*Restricted for Capital Improvements – Water and Sewer Fund* – This restriction is used to segregate a portion of net assets for impact fees charged by the County for connections to the water and sewer systems. The amount restricted for these fees was \$5,128,652.

*Restricted for Debt Service – Water and Sewer Fund* – This restriction is used to segregate a portion of net assets for debt service requirements of the revenue bond issue and GEFA loans. \$330,528 was restricted for debt service.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

3. Restricted assets

The balances of the restricted asset accounts in the enterprise funds are as follows:

Fund / Purpose	Balance 6/30/2007
<b>Water and Sewer fund</b>	
Customer deposits	\$ 904,534
Capital improvement districts	5,128,652
Bond construction fund	2,987,956
Debt service	329,451
Total restricted assets	\$ 9,350,593

**I. Restatement of Beginning Net Assets**

For the year ending June 30, 2007, the County implemented the retroactive infrastructure reporting portion of GASB Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*.

To comply with the requirements of this statement, certain beginning net asset balances were restated, as follows:

Governmental Activities	Balance June 30, 2006	Change	Restated Balance June 30, 2007
Total Net Assets	\$ 135,077,620	\$ 144,552,405	\$ 279,630,025

Infrastructure increased by \$202,937,976 with a portion of it being reported as Right of Ways, a non-depreciable asset. The depreciation for infrastructure increased by \$58,385,571.

**J. Extraordinary Item**

On November 21, 2006, the County announced that a settlement had been reached with a chemical company arising from damages to County-owned waterfront property, punitive damages and the cleanup of the Turtle River estuary. The County realized \$18,295,732 in 2007.

Since the settlement is a material transaction that is both unusual in nature and infrequent in occurrence, the settlement is reported as a separate category on the Statement of Activities and the Statement of Revenues, Expenditures, and Changes in Fund Balances as required by accounting principles generally accepted in the United States of America.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

**IV. Other Information**

**A. Retirement Plan**

**Plan Description**

The Glynn County Pension Plan (the "Plan") is a single employer defined benefit pension plan administered by Marshwinds Advisory Company and Synovus Trust Company, jointly. The plan provides retirement and death benefits to plan members and beneficiaries. Benefit provisions and contributions are established and may be amended by the Glynn County Board of Commissioners. The accounting and financial reporting functions are done by the County finance department, and the plan's audited financial statement is included in the County's Comprehensive Annual Financial Report as a Pension Trust Fund.

At January 1, 2007, the Retirement Plan of Glynn County membership consisted of:

	Public Safety Employees	General Employees	Total
Retirees and beneficiaries receiving benefits	59	168	227
Terminated plan members entitled to but not yet receiving benefits	86	227	313
Active plan members	390	241	631
Total membership	<u>535</u>	<u>636</u>	<u>1,171</u>

**Summary of Significant Accounting Policies**

The pension plan's financial statements are reported as the County Employees Pension Trust Fund using the trust's pension plan fiscal year, and are prepared using the accrual basis of accounting. No plan member contributions are required. Employer contributions to the Plan are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Investments are reported at fair value as described at note I.E.1.

**Funding Policy**

The contribution requirements of the County are established and may be amended by the Glynn County Board of Commissioners. The County is required to contribute at an actuarially determined rate; the current rate is 8.63% of annual covered payroll.

**Annual Pension Cost and Net Pension Obligation**

The County's annual pension cost and net pension obligation to the plan for the current year were as follows:

Annual pension cost / required contribution	\$ 2,659,721
Contribution made	<u>(2,659,721)</u>
Increase (decrease) in net pension obligation	-
Net pension obligation, beginning of year	-
Net pension obligation, end of year	<u>\$ -</u>

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

The annual required contribution for the current year was determined as part of the January 1, 2006 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions include (a) 8.0% investment rate of return (net of investment expenses) and (b) projected salary increases of 5.5% per year, including an inflation rate of 4.5%. The assumptions did not include post retirement benefit increases. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll (increasing 5.5% per year) on an open basis. The remaining amortization period at January 1, 2007 was 17 years.

**Schedule of Employer Contributions**

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2004	\$ 2,406,337	100.0 %	\$ -
6/30/2005	2,497,537	100.0	-
6/30/2006	2,659,721	100.0	-

**B. Postretirement Health Care Benefits**

In addition to providing pension benefits in accordance with the requirements of a local ordinance, the County makes health care benefits available for substantially all retired employees. Substantially all of the County's employees may become eligible for those benefits if they reach normal retirement age while working for the County with a minimum of ten years of service. The cost of retiree health care benefits is recognized as an expense as claims are incurred. A policy adopted by the Board of Commissioners on April 1, 1999, included retirees and their dependents in the County's health care plan subject to the retiree paying the County's health insurance rate and dependent coverage costs, and the employee being less than 65 years of age. The retiree pays the same per-employee cost paid by County departments, as well as the dependent coverage fee, if this coverage is desired. The County's health care plan is accounted for in an internal service fund. The cost to the County for those benefits in fiscal year 2007 was \$9,175 for twelve retirees.

**C. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors or omissions; injuries to employees; natural disasters; and losses resulting from providing accident and health benefits to employees, retirees, and their dependents. The County established risk management funds (County Insurance Fund and Employee Benefit Fund, both internal service funds) prior to July 1, 1993. Under these programs, the risk management funds provide coverage for up to a maximum of \$75,000 for employee accident or health claims; \$300,000 for each workers compensation claim and \$100,000 for torts; theft of, damage to and destruction of assets, errors and omissions; and natural disasters. The County purchases commercial insurance for claims in excess of coverage provided by the Funds and for all other risks of loss.

All funds of the County participate in the program and make payments to the risk management funds based on the individual fund's risk exposure, i.e., payroll costs, budget amount, fixed asset values, etc.

The claims liability of \$1,339,641 and \$210,187 as of June 30, 2007 of the Employee Benefit Plan Fund and County Insurance Fund, respectively, are based on the requirements of Governmental Accounting Standards Board Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probably that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonable estimated. Because actual claims liabilities depend upon such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

necessarily result in an exact amount. Claims liability is reevaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims.

Incurred-But-Not-Reported (IBNR) claims have been accrued as a claims liability in the County Insurance Fund \$210,187 and in the Employee Benefit Plan Fund \$1,339,641 based primarily upon each fund's third party administrator's claims projections. These amounts are included in the total claims liability balances in the preceding paragraph.

The County pays unemployment claims to the state department of labor on a reimbursement basis. Liabilities for such claims are immaterial and are not accrued.

There were no significant reductions of insurance coverage compared to the prior year. Settled claims have not exceeded the commercial coverage in any of the past three fiscal years.

Changes in the respective Fund's claims liabilities amount in fiscal years 2005 through 2007 were:

<b>Fiscal Year 2005</b>	<b>Beginning</b>	<b>Claims Estimates</b>	<b>Claims Paid</b>	<b>Ending</b>
County Insurance Fund	\$ 310,413	\$ 167,505	\$ 188,734	\$ 289,184
Employee Benefit Plan Fund	1,900,321	3,918,461	4,038,688	1,780,094
Total	<u>\$ 2,210,734</u>	<u>\$ 4,085,966</u>	<u>\$ 4,227,422</u>	<u>\$ 2,069,278</u>

<b>Fiscal Year 2006</b>	<b>Beginning</b>	<b>Claims Estimates</b>	<b>Claims Paid</b>	<b>Ending</b>
County Insurance Fund	\$ 289,184	\$ 188,070	\$ 154,076	\$ 323,178
Employee Benefit Plan Fund	1,780,094	4,847,233	5,165,426	1,461,901
Total	<u>\$ 2,069,278</u>	<u>\$ 5,035,303</u>	<u>\$ 5,319,502</u>	<u>\$ 1,785,079</u>

<b>Fiscal Year 2007</b>	<b>Beginning</b>	<b>Claims Estimates</b>	<b>Claims Paid</b>	<b>Ending</b>
County Insurance Fund	\$ 323,178	\$ 53,524	\$ 166,515	\$ 210,187
Employee Benefit Plan Fund	1,461,901	4,652,991	4,775,252	1,339,640
Total	<u>\$ 1,785,079</u>	<u>\$ 4,706,515</u>	<u>\$ 4,941,767</u>	<u>\$ 1,549,827</u>

**D. Commitments and Contingencies**

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

*Grants* – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures, which may be disallowed by the grantor, cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

**GLYNN COUNTY, GEORGIA**  
**Notes to Financial Statements**

---

*Construction Commitments* – In addition to the liabilities enumerated in the balance sheet at June 30, 2007, the County has contractual commitments on uncompleted construction contracts of approximately \$7,946,223. Of this amount, approximately \$1,136,577 is for the construction, renovation, and upgrade of water and sewer infrastructure and \$6,229,159 is for road construction and rehabilitation.

**E. Deferred Compensation Plan**

The County has implemented Governmental Accounting Standards Board Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. All assets and income of the County's Deferred Compensation Plan are being held in a trust administered by third parties for the exclusive benefit of the participants and their beneficiaries. Therefore, the Deferred Compensation Plan is not presented as part of the County's financial statements.

**F. Component Unit As Lessor**

The Glynn County Airport Commission is lessor of various land and buildings. The original leases have terms ranging from one to thirty-five years. Each is accounted for as an operating lease. The minimum future rentals for non-cancelable leases for the next five years and subsequently as of June 30, 2007, are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2008	\$ 1,415,734
2009	1,348,585
2010	1,340,443
2011	1,236,032
2012	837,760
Subsequent years	<u>3,455,124</u>
	<u><u>\$ 9,633,678</u></u>

**G. Subsequent Events**

During fiscal year 2007, the County has executed two agreements with the Georgia Environmental Facilities Authority for the construction of water and sewer systems. The maximum loan amounts are \$5,700,000 and \$2,510,693.

During fiscal year 2007, the County, the City of Brunswick and the Brunswick-Glynn County Joint Water and Sewer Commission entered into an agreement whereas the Joint Water and Sewer Commission on January 1, 2008 will begin to operate the water and wastewater systems of the City and County.



This page is intentionally left blank.



## **Required Supplementary Information**



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 39,277,178	\$ 39,277,178	\$ 42,230,528	\$ 2,953,350
Licenses and permits	1,723,545	1,770,936	1,638,252	(132,684)
Intergovernmental	657,599	1,259,017	789,422	(469,595)
Charges for services	4,747,282	4,900,024	4,569,714	(330,310)
Fines and forfeitures	1,607,800	1,624,753	2,011,297	386,544
Investment income	765,600	765,600	2,298,967	1,533,367
Other	38,280	78,725	127,204	48,479
<b>Total revenues</b>	<b>48,817,284</b>	<b>49,676,233</b>	<b>53,665,384</b>	<b>3,989,151</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General government</b>				
County administrator	4,308,464	5,788,113	2,640,319	3,147,794
County attorney	438,786	485,637	477,781	7,856
County commission	381,748	3,011,313	1,639,276	1,372,037
Elections	288,937	291,367	272,876	18,491
Finance	82,584	86,545	83,892	2,653
Information technology services	839,768	1,325,535	599,681	725,854
Property tax appraisal	1,166,994	1,253,751	1,141,379	112,372
Tax commissioner	957,465	1,007,407	931,038	76,369
Administrative services	3,176,639	3,424,146	2,888,476	535,670
<b>Total general government</b>	<b>11,641,385</b>	<b>16,673,814</b>	<b>10,674,718</b>	<b>5,999,096</b>
<b>Judiciary</b>				
District Attorney	550,369	565,322	558,674	6,648
Juvenile Court	697,690	745,265	682,335	62,930
Magistrate Court	183,820	183,820	177,912	5,908
Probate Court	334,355	348,790	319,487	29,303
Public Defender	362,120	376,229	376,228	1
Solicitor of State Court	267,307	276,847	269,262	7,585
Superior Court	1,126,262	1,190,343	1,140,788	49,555
Superior Court Judge	685,163	685,163	616,392	68,771
State Court	653,087	611,780	591,474	20,306
State Court Judge	262,945	313,802	300,702	13,100
<b>Total judiciary</b>	<b>5,123,118</b>	<b>5,297,361</b>	<b>5,033,254</b>	<b>264,107</b>
<b>Public safety</b>				
Coroner	72,675	87,994	85,131	2,863
Fire department	2,749,848	2,790,996	2,590,553	200,443
Police department	7,345,304	7,893,385	7,786,158	107,227
Sheriff	8,144,897	9,028,166	9,016,072	12,094
<b>Total public safety</b>	<b>18,312,724</b>	<b>19,800,541</b>	<b>19,477,914</b>	<b>322,627</b>

(Continued)

GLYNN COUNTY, GEORGIA  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Public Works				
Public works	\$ 5,883,872	\$ 7,563,858	\$ 5,585,637	\$ 1,978,221
Engineering	1,031,415	5,474,252	1,561,812	3,912,440
Solid waste disposal and recycling	-	54,763	1,425	53,338
Total public works	<u>6,915,287</u>	<u>13,092,873</u>	<u>7,148,874</u>	<u>5,943,999</u>
Health and Welfare				
Community services	285,000	285,000	285,000	-
Health	429,810	429,810	428,514	1,296
Welfare	76,000	76,000	75,000	1,000
Total health and welfare	<u>790,810</u>	<u>790,810</u>	<u>788,514</u>	<u>2,296</u>
Culture and Recreation				
Recreation	2,040,677	2,241,106	2,011,795	229,311
Libraries	285,000	285,000	285,000	-
Total culture and recreation	<u>2,325,677</u>	<u>2,526,106</u>	<u>2,296,795</u>	<u>229,311</u>
Housing and Development				
Conservation	73,743	79,451	78,506	945
Community development	2,178,778	4,253,918	2,588,776	1,665,142
Total housing and development	<u>2,252,521</u>	<u>4,333,369</u>	<u>2,667,282</u>	<u>1,666,087</u>
Total current	<u>47,361,522</u>	<u>62,514,874</u>	<u>48,087,351</u>	<u>14,427,523</u>
Debt service				
Principal	146,562	-	-	-
Interest and fiscal agent fees	18,644	-	-	-
Total debt service	<u>165,206</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>47,526,728</u>	<u>62,514,874</u>	<u>48,087,351</u>	<u>14,427,523</u>
Excess revenues over (under) expenditures	<u>1,290,556</u>	<u>(12,838,641)</u>	<u>5,578,033</u>	<u>18,416,674</u>
Other financing sources (uses)				
Transfers in	1,983,559	2,200,918	1,965,840	(235,078)
Transfers out	(3,316,715)	(3,865,371)	(3,099,727)	765,644
Sale of capital assets	42,600	100,367	155,074	54,707
Total Other financing sources (uses)	<u>(1,290,556)</u>	<u>(1,564,086)</u>	<u>(978,813)</u>	<u>585,273</u>
Extraordinary item				
Settlement of lawsuit	-	-	18,295,732	18,295,732
Net change in fund balance	-	(14,402,727)	22,894,952	37,297,679
Fund balance at beginning of year	23,480,748	23,480,748	23,480,748	-
Fund balance at end of year	<u>\$ 23,480,748</u>	<u>\$ 9,078,021</u>	<u>\$ 46,375,700</u>	<u>\$ 37,297,679</u>

(Concluded)

GLYNN COUNTY, GEORGIA  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

---

**A. Budgets and Budgetary Accounting**

State law requires that the County adopt by ordinances or resolutions an annual balanced budget for its upcoming fiscal year (June 30). A budget is balanced when the sum of estimated revenues and appropriated fund balance is equal to appropriations. The legal level of budgetary control over expenditures is exercised by the County at the department level for its general and special revenue funds. Appropriations lapse at year-end.

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

Prior to year-end, the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

1. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
2. Prior to July 1, the budget is legally enacted through approval by the Board of Commissioners.
3. Budgets for the general fund and all special revenue funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Project length budgets are adopted for the capital projects funds.

The Board of Commissioners has the authority to amend its budget as follows:

Any increase in appropriation in any fund for a department, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the Board of Commissioners. Transfers of appropriations in any fund among the various accounts within a department shall require only the approval of the budget officer.

Supplemental and decreases in budget appropriations were properly approved by the Board of Commissioners. For the year ended June 30, 2007, the following supplemental appropriations were approved:

<u>Fund Type</u>	<u>Original Appropriations</u>	<u>Supplemental Appropriations</u>	<u>Supplemental Decreases</u>	<u>Final Appropriations</u>
General	\$ 50,843,443	\$ 15,536,802	\$ -	\$ 66,380,245

**B. Excess of Expenditures Over Appropriations in Individual Funds**

<b>Sheriff Commissary Fund</b>	
Public Safety	\$ 47,417
<b>Police Seizure Fund</b>	
Transfers out	\$ 4,086

GLYNN COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS

JUNE 30, 2007

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/2000	\$ 27,812,990	\$ 31,879,344	\$ 4,066,354	87.2 %	\$ 16,925,574	24.0 %
01/01/2001	30,936,170	34,731,997	3,795,827	89.1	19,452,416	19.5
01/01/2002	34,251,890	38,995,885	4,743,995	87.8	19,315,549	24.6
01/01/2003	36,770,228	42,920,921	6,150,693	85.7	22,541,814	27.3
01/01/2004	40,393,073	47,518,709	7,125,636	85.0	23,957,624	29.7
01/01/2005	44,388,255	51,022,299	6,634,044	87.0	24,475,286	27.1
01/01/2006	47,829,437	56,289,810	8,460,373	85.0	25,708,470	32.9
01/01/2007	52,015,813	60,781,500	8,765,687	85.6	27,029,689	32.4

GLYNN COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS

JUNE 30, 2007

---

Schedule of Contributions from Employer  
2000-2007

---

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2000	\$ 1,729,743	100 %
2001	1,670,114	100
2002	2,097,153	100
2003	2,091,526	100
2004	2,199,093	100
2005	2,406,337	100
2006	2,496,537	100
2007	2,659,721	100



This page is intentionally left blank.



## Nonmajor Governmental Funds

### Special Revenue Funds

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

The **Accommodation Excise Tax Fund** accounts for the Hotel/Motel accommodation excise tax receipts and distributions to tourism promoting organizations as required by agreements with these organizations.

The **County Drug Abuse/Education Fund** accounts for the fees added to each fine issued by the Courts and expenditure of these funds as provided by State law.

The **Drug Court Grant Fund** accounts for grants which provide funding for the Drug Court and local county expenditures incurred for the operation of the local Drug Court.

The **Emergency Telephone System Fund** accounts for operations of the County's E-911 program. Financing is provided by telephone service charges, contributions from the City of Brunswick and transfers from the County's General Fund.

The **Fire Protection District Fund** accounts for operations of the County's Fire Department. Financing is provided by property tax assessments and local insurance tax receipts.

The **Insurance Premium Tax Fund** accounts for the disbursement of the insurance premium taxes as provided by State law.

The **Sheriff Commissary Fund** accounts for operations of the Commissary. The Commissary purchases items for resale to inmates of the County's Detention Center.

The **County Jail Fund** accounts for the fees added to each fine issued by the Courts and expenditures of these funds for operations of the Jail as provided by State law.

The **Juvenile Services Fund** accounts for fees paid by juveniles who receive supervision in Juvenile Court. The supervision fees are used to fund community based services.

The **Law Enforcement Block Grant Fund** accounts for the Department of Justice grant and local county match to purchase capital items for the Police Department.

The **Park Development Fund** accounts for contributions made by developers in previous years. The County previously required developers either to set aside land for public use or to make contributions for improvements to the County's public recreational facilities.

The **Police Seizure Fund** accounts for the receipt of condemned monies awarded to the County by court order and expenditures of these funds by the County Police Department.

The **Sea Island Special Police District Fund** accounts for operations of the Sea Island Police. Financing is provided by property tax assessments and transfers from the County's Insurance Premium Tax Fund.

## Nonmajor Governmental Funds (Continued)

The **Sheriff Drug Seizure Fund** accounts for condemned monies awarded to the County by court order and expenditures of these funds by the County Sheriff's Office.

### Capital Projects Funds

The Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

The **Special Purpose Sales Tax Fund #2** accounts for expenditures relating to construction of a new courthouse, renovation of existing County buildings, construction of roads, and implementation of a road sign project. Funding is provided by a 1% special purpose sales tax.

The **Special Purpose Sales Tax Fund #3** accounts for expenditures relating to renovation of various County buildings, construction of roads, water and sewer projects, recreation projects, and public safety projects. Funding is provided by a 1% special purpose sales tax.

The **General Capital Projects Fund** accounts for general capital projects of the County. Funding is provided by transfers from the General Fund.

The **Building, Roads, and Equipment Fund** accounts for major expenditures relating to buildings, roads and equipment. Funding is provided by a transfer from the General Fund.

The **TEA Projects Fund** accounts for projects that are funded by the Transportation Enhancement Activity Grants and local matches.



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET

JUNE 30, 2007

	Special Revenue Funds			
	Accommodation Excise Tax	County Drug Abuse/ Education	Drug Court Grant	Emergency Telephone System
<b>Assets</b>				
Cash and investments	\$ -	\$ 503	\$ 391,763	\$ 300,193
Receivables	610,644	-	96,663	251,900
Due from other funds	362,011	208,681	-	52,606
Prepaid items	-	-	-	84,590
Total assets	<u>\$ 972,655</u>	<u>\$ 209,184</u>	<u>\$ 488,426</u>	<u>\$ 689,289</u>
<b>Liabilities and fund balances</b>				
Liabilities:				
Accounts payable	\$ 583,767	\$ -	\$ 43,605	\$ 16,265
Accrued liabilities	14,636	-	-	24,472
Due to other funds	-	-	336	-
Deferred revenue	-	-	-	-
Total liabilities	<u>598,403</u>	<u>-</u>	<u>43,941</u>	<u>40,737</u>
Fund balances:				
Reserved for:				
Encumbrances	374,252	-	-	-
Unreserved reported in:				
Special revenue funds	-	209,184	444,485	648,552
Capital project funds	-	-	-	-
Total fund balances	<u>374,252</u>	<u>209,184</u>	<u>444,485</u>	<u>648,552</u>
Total liabilities and fund balances	<u>\$ 972,655</u>	<u>\$ 209,184</u>	<u>\$ 488,426</u>	<u>\$ 689,289</u>

<u>Fire Protection District</u>	<u>Insurance Premium Tax</u>	<u>Sheriff Commissary</u>	<u>County Jail</u>	<u>Juvenile Services</u>	<u>Law Enforcement Block Grant</u>
\$ 58,684	\$ -	\$ 94,597	\$ 7,674	\$ 530	\$ 12,968
188,342	-	-	-	-	-
3,040,971	816,089	-	309,970	3,059	-
-	-	-	-	-	-
<u>\$ 3,287,997</u>	<u>\$ 816,089</u>	<u>\$ 94,597</u>	<u>\$ 317,644</u>	<u>\$ 3,589</u>	<u>\$ 12,968</u>
\$ 55,735	\$ 14,287	\$ 15,357	\$ -	\$ -	\$ -
97,276	-	-	-	-	-
-	801,802	-	-	-	793
114,192	-	-	-	-	4,202
<u>267,203</u>	<u>816,089</u>	<u>15,357</u>	<u>-</u>	<u>-</u>	<u>4,995</u>
155,343	-	-	-	-	-
2,865,451	-	79,240	317,644	3,589	7,973
-	-	-	-	-	-
<u>3,020,794</u>	<u>-</u>	<u>79,240</u>	<u>317,644</u>	<u>3,589</u>	<u>7,973</u>
<u>\$ 3,287,997</u>	<u>\$ 816,089</u>	<u>\$ 94,597</u>	<u>\$ 317,644</u>	<u>\$ 3,589</u>	<u>\$ 12,968</u>

(Continued)

GLYNN COUNTY, GEORGIA  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET

JUNE 30, 2007

	Park Development	Police Seizure	Sea Island Special Police District	Sheriff Drug Seizure
<b>Assets</b>				
Cash and investments	\$ 13,652	\$ -	\$ 1,141	\$ 6,880
Receivables	-	-	872	-
Due from other funds	-	94,614	176,646	-
Prepaid items	-	-	-	-
Total assets	<u>\$ 13,652</u>	<u>\$ 94,614</u>	<u>\$ 178,659</u>	<u>\$ 6,880</u>
<b>Liabilities and fund balances</b>				
Liabilities:				
Accounts payable	\$ -	\$ 1,601	\$ -	\$ 281
Accrued liabilities	-	-	5,265	-
Due to other funds	216	-	-	442
Deferred revenue	-	-	535	-
Total liabilities	<u>216</u>	<u>1,601</u>	<u>5,800</u>	<u>723</u>
Fund balances:				
Reserved for:				
Encumbrances	-	-	-	-
Unreserved reported in:				
Special revenue funds	13,436	93,013	172,859	6,157
Capital project funds	-	-	-	-
Total fund balances	<u>13,436</u>	<u>93,013</u>	<u>172,859</u>	<u>6,157</u>
Total liabilities and fund balances	<u>\$ 13,652</u>	<u>\$ 94,614</u>	<u>\$ 178,659</u>	<u>\$ 6,880</u>

GLYNN COUNTY, GEORGIA  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET

JUNE 30, 2007

Capital Projects

Special Purpose Sales Tax 2	Special Purpose Sales Tax 3	General Capital Projects	Buildings, Roads and Equipment	TEA Projects	Total Other Governmental Funds
\$ 1,109	\$ 2,685,297	\$ -	\$ 460,426	\$ -	\$ 4,035,417
-	-	-	-	-	1,148,421
-	40,131	2,773	1,557,085	-	6,664,636
-	-	-	-	-	84,590
<u>\$ 1,109</u>	<u>\$ 2,725,428</u>	<u>\$ 2,773</u>	<u>\$ 2,017,511</u>	<u>\$ -</u>	<u>\$ 11,933,064</u>
\$ -	\$ 228,204	\$ -	\$ 13,827	\$ -	\$ 972,929
-	-	-	-	-	141,649
-	-	-	-	-	803,589
-	-	-	-	-	118,929
<u>-</u>	<u>228,204</u>	<u>-</u>	<u>13,827</u>	<u>-</u>	<u>2,037,096</u>
-	-	-	-	-	529,595
-	-	-	-	-	4,861,583
<u>1,109</u>	<u>2,497,224</u>	<u>2,773</u>	<u>2,003,684</u>	<u>-</u>	<u>4,504,790</u>
<u>1,109</u>	<u>2,497,224</u>	<u>2,773</u>	<u>2,003,684</u>	<u>-</u>	<u>9,895,968</u>
<u>\$ 1,109</u>	<u>\$ 2,725,428</u>	<u>\$ 2,773</u>	<u>\$ 2,017,511</u>	<u>\$ -</u>	<u>\$ 11,933,064</u>

(Concluded)

GLYNN COUNTY, GEORGIA

NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

	<u>Special Revenue Funds</u>			
	<u>Accomodation Excise Tax</u>	<u>County Drug Abuse/ Education</u>	<u>Drug Court Grant</u>	<u>Emergency Telephone System</u>
<b>Revenues</b>				
Taxes	\$ 4,564,067	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	441,525	328,961
Charges for services	342,899	-	-	1,569,884
Fees and fines	105	9,600	60,769	-
Investment earnings	-	-	23,634	16,610
Other revenue	176,464	-	13,895	14,276
Total revenues	<u>5,083,535</u>	<u>9,600</u>	<u>539,823</u>	<u>1,929,731</u>
<b>Expenditures</b>				
Current:				
General government	234,057	-	-	-
Judiciary	-	623	637,351	-
Public safety	-	-	-	2,484,269
Public works	79,914	-	-	-
Culture and recreation	1,302,678	-	-	-
Housing and development	2,407,130	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>4,023,779</u>	<u>623</u>	<u>637,351</u>	<u>2,484,269</u>
Excess (deficiency) of revenues over expenditures	<u>1,059,756</u>	<u>8,977</u>	<u>(97,528)</u>	<u>(554,538)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	111,708	638,572
Transfers out	<u>(685,504)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>(685,504)</u>	<u>-</u>	<u>111,708</u>	<u>638,572</u>
Net change in fund balances	<u>374,252</u>	<u>8,977</u>	<u>14,180</u>	<u>84,034</u>
Fund balances - beginning	-	200,207	430,305	564,518
Fund balances - ending	<u>\$ 374,252</u>	<u>\$ 209,184</u>	<u>\$ 444,485</u>	<u>\$ 648,552</u>



Fire Protection District	Insurance Premium Tax	Sheriff Commissary	County Jail	Juvenile Services	Law Enforcement Block Grant
\$ 5,896,454	\$ 2,398,912	\$ -	\$ -	\$ -	\$ -
9,743	-	-	-	-	-
53,398	-	-	-	-	30,852
1,725	-	196,567	-	-	-
-	-	-	133,277	4,037	-
-	-	151	-	-	2,022
4,167	-	174,939	-	-	-
<u>5,965,487</u>	<u>2,398,912</u>	<u>371,657</u>	<u>133,277</u>	<u>4,037</u>	<u>32,874</u>
-	3,671	-	-	-	-
-	-	-	-	2,124	-
5,993,758	-	297,417	47,294	-	42,682
-	169,234	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,993,758</u>	<u>172,905</u>	<u>297,417</u>	<u>47,294</u>	<u>2,124</u>	<u>42,682</u>
<u>(28,271)</u>	<u>2,226,007</u>	<u>74,240</u>	<u>85,983</u>	<u>1,913</u>	<u>(9,808)</u>
563,506	-	-	-	-	4,086
-	(2,226,007)	-	-	-	-
<u>563,506</u>	<u>(2,226,007)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,086</u>
535,235	-	74,240	85,983	1,913	(5,722)
2,485,559	-	5,000	231,661	1,676	13,695
<u>\$ 3,020,794</u>	<u>\$ -</u>	<u>\$ 79,240</u>	<u>\$ 317,644</u>	<u>\$ 3,589</u>	<u>\$ 7,973</u>

(Continued)

GLYNN COUNTY, GEORGIA

NON-MAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

	Park Development	Police Seizure	Sea Island Special Police District	Sheriff Drug Seizure
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 210,999	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fees and fines	-	32,482	-	105
Investment earnings	734	-	-	20
Other revenue	-	-	-	-
Total revenues	<u>734</u>	<u>32,482</u>	<u>210,999</u>	<u>125</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Judiciary	-	-	-	-
Public safety	-	6,334	393,907	124
Public works	-	-	-	-
Culture and recreation	216	-	-	-
Housing and development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>216</u>	<u>6,334</u>	<u>393,907</u>	<u>124</u>
Excess (deficiency) of revenues over expenditures	<u>518</u>	<u>26,148</u>	<u>(182,908)</u>	<u>1</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	208,630	-
Transfers out	-	(4,086)	-	-
Total other financing sources and uses	-	(4,086)	208,630	-
Net change in fund balances	518	22,062	25,722	1
Fund balances - beginning	12,918	70,951	147,137	6,156
Fund balances - ending	<u>\$ 13,436</u>	<u>\$ 93,013</u>	<u>\$ 172,859</u>	<u>\$ 6,157</u>

GLYNN COUNTY, GEORGIA

NON-MAJOR GOVERNMENTAL FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

Capital Projects

Special Purpose Sales Tax 2	Special Purpose Sales Tax 3	General Capital Projects	Buildings, Roads and Equipment	TEA Projects	Total Other Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,070,432
-	-	-	-	-	9,743
-	18,119	-	111,851	16,296	1,001,002
-	-	-	-	-	2,111,075
-	-	-	-	-	240,375
95	162,550	-	54,950	-	260,766
-	-	-	-	-	383,741
<u>95</u>	<u>180,669</u>	<u>-</u>	<u>166,801</u>	<u>16,296</u>	<u>17,077,134</u>
-	-	-	-	-	237,728
-	-	-	-	-	640,098
-	-	-	-	-	9,265,785
-	-	-	-	-	249,148
-	-	-	-	-	1,302,894
-	-	-	-	-	2,407,130
-	897,282	-	1,551,430	-	2,448,712
-	<u>897,282</u>	<u>-</u>	<u>1,551,430</u>	<u>-</u>	<u>16,551,495</u>
<u>95</u>	<u>(716,613)</u>	<u>-</u>	<u>(1,384,629)</u>	<u>16,296</u>	<u>525,639</u>
-	-	-	2,349,447	-	3,875,949
-	-	-	-	(16,296)	(2,931,893)
-	-	-	2,349,447	(16,296)	944,056
95	(716,613)	-	964,818	-	1,469,695
1,014	3,213,837	2,773	1,038,866	-	8,426,273
<u>\$ 1,109</u>	<u>\$ 2,497,224</u>	<u>\$ 2,773</u>	<u>\$ 2,003,684</u>	<u>\$ -</u>	<u>\$ 9,895,968</u>

(Concluded)

GLYNN COUNTY, GEORGIA  
 ACCOMODATION EXCISE TAX FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 4,575,000	\$ 4,720,000	\$ 4,564,067	\$ (155,933)
Charges for services	288,881	345,239	342,899	(2,340)
Fines and fees	-	-	105	105
Other	82,715	188,324	176,464	(11,860)
<b>Total revenues</b>	<u>4,946,596</u>	<u>5,253,563</u>	<u>5,083,535</u>	<u>(170,028)</u>
<b>Expenditures</b>				
<b>Current</b>				
<b>General government</b>				
Facilities management	-	491,025	128,137	362,888
Finance	214,207	135,407	105,920	29,487
<b>Public works</b>				
Public works department	184,600	190,950	79,914	111,036
<b>Culture and recreation</b>				
Recreation	1,424,226	1,612,125	1,250,178	361,947
Libraries	52,500	52,500	52,500	-
<b>Economic development</b>				
Community development	2,322,752	2,467,301	2,407,130	60,171
<b>Total expenditures</b>	<u>4,198,285</u>	<u>4,949,308</u>	<u>4,023,779</u>	<u>925,529</u>
Excess revenues over (under) expenditures	748,311	304,255	1,059,756	755,501
<b>Other financing sources (uses)</b>				
Transfers in	-	544,056	-	(544,056)
Transfers out	(748,311)	(848,311)	(685,504)	162,807
<b>Net change in fund balance</b>	<u>-</u>	<u>-</u>	<u>374,252</u>	<u>374,252</u>
Fund balance at beginning of year	-	-	-	-
<b>Fund balance at end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,252</u>	<u>\$ 374,252</u>

GLYNN COUNTY, GEORGIA  
COUNTY DRUG ABUSE/EDUCATION FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ 12,500	\$ 12,500	\$ 9,600	\$ (2,900)
Total revenues	<u>12,500</u>	<u>12,500</u>	<u>9,600</u>	<u>(2,900)</u>
Expenditures				
Current				
Judiciary				
Judges of Superior Court	627	627	623	4
Total expenditures	<u>627</u>	<u>627</u>	<u>623</u>	<u>4</u>
Net change in fund balance	11,873	11,873	8,977	(2,896)
Fund balance at beginning of year	200,207	200,207	200,207	-
Fund balance at end of year	<u>\$ 212,080</u>	<u>\$ 212,080</u>	<u>\$ 209,184</u>	<u>\$ (2,896)</u>

GLYNN COUNTY, GEORGIA  
DRUG COURT GRANT FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

---

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 458,862	\$ 480,462	\$ 441,525	\$ (38,937)
Fines and forfeitures	73,161	73,161	60,769	(12,392)
Investment income	1,478	1,666	23,634	21,968
Other	-	11,895	13,895	2,000
Total revenues	533,501	567,184	539,823	(27,361)
Expenditures				
Current				
Judiciary				
Judges of Superior Court	645,209	836,508	637,351	199,157
Total expenditures	645,209	836,508	637,351	199,157
Excess revenues over (under) expenditures	(111,708)	(269,324)	(97,528)	171,796
Other financing sources (uses)				
Transfers in	111,708	111,708	111,708	-
Net change in fund balance	-	(157,616)	14,180	171,796
Fund balance at beginning of year	430,305	430,305	430,305	-
Fund balance at end of year	\$ 430,305	\$ 272,689	\$ 444,485	\$ 171,796

GLYNN COUNTY, GEORGIA  
 EMERGENCY TELEPHONE SYSTEM FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 398,859	\$ 398,859	\$ 328,961	\$ (69,898)
Charges for services	1,427,000	1,427,000	1,569,884	142,884
Investment income	-	-	16,610	16,610
Other revenue	13,860	13,860	14,276	416
Total revenues	<u>1,839,719</u>	<u>1,839,719</u>	<u>1,929,731</u>	<u>90,012</u>
<b>Expenditures</b>				
<b>Current</b>				
Public Safety				
E 911 Communications	2,768,476	2,813,660	2,484,269	329,391
Total expenditures	<u>2,768,476</u>	<u>2,813,660</u>	<u>2,484,269</u>	<u>329,391</u>
Excess revenues over (under) expenditures	(928,757)	(973,941)	(554,538)	419,403
Other financing sources (uses)				
Transfers in	774,257	774,257	638,572	(135,685)
Net change in fund balance	<u>(154,500)</u>	<u>(199,684)</u>	<u>84,034</u>	<u>283,718</u>
Fund balance at beginning of year	564,518	564,518	564,518	-
Fund balance at end of year	<u>\$ 410,018</u>	<u>\$ 364,834</u>	<u>\$ 648,552</u>	<u>\$ 283,718</u>

GLYNN COUNTY, GEORGIA  
 FIRE PROTECTION DISTRICT FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 5,562,623	\$ 5,562,623	\$ 5,896,454	\$ 333,831
Licenses and permits	6,500	6,500	9,743	3,243
Intergovernmental	38,002	85,880	53,398	(32,482)
Charges for services	-	-	1,725	1,725
Other	1,200	1,700	4,167	2,467
<b>Total revenues</b>	<u>5,608,325</u>	<u>5,656,703</u>	<u>5,965,487</u>	<u>308,784</u>
<b>Expenditures</b>				
Current				
Public Safety				
Fire department	6,146,248	6,576,465	5,993,758	582,707
<b>Total expenditures</b>	<u>6,146,248</u>	<u>6,576,465</u>	<u>5,993,758</u>	<u>582,707</u>
Excess revenues over (under) expenditures	(537,923)	(919,762)	(28,271)	891,491
Other financing sources (uses)				
Transfers in	537,923	563,506	563,506	-
<b>Net change in fund balance</b>	<u>-</u>	<u>(356,256)</u>	<u>535,235</u>	<u>891,491</u>
Fund balance at beginning of year	2,485,559	2,485,559	2,485,559	-
<b>Fund balance at end of year</b>	<u>\$ 2,485,559</u>	<u>\$ 2,129,303</u>	<u>\$ 3,020,794</u>	<u>\$ 891,491</u>



GLYNN COUNTY, GEORGIA  
INSURANCE PREMIUM TAX FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 2,290,000	\$ 2,413,162	\$ 2,398,912	\$ (14,250)
Total revenues	<u>2,290,000</u>	<u>2,413,162</u>	<u>2,398,912</u>	<u>(14,250)</u>
Expenditures				
Current				
General government				
Finance	3,836	3,836	3,671	165
Public works				
Public works department	155,000	169,250	169,234	16
Total expenditures	<u>158,836</u>	<u>173,086</u>	<u>172,905</u>	<u>181</u>
Excess revenues over (under) expenditures	2,131,164	2,240,076	2,226,007	(14,069)
Other financing sources (uses)				
Transfers out	<u>(2,131,164)</u>	<u>(2,240,076)</u>	<u>(2,226,007)</u>	<u>14,069</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	-	-
Fund balance at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GLYNN COUNTY, GEORGIA  
 SHERIFF COMMISSARY FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

---

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Charges for services	\$ 135,000	\$ 135,000	\$ 196,567	\$ 61,567
Investment earnings	-	-	151	151
Other	115,000	115,000	174,939	59,939
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>371,657</u>	<u>121,657</u>
<b>Expenditures</b>				
<b>Current</b>				
Public safety				
Sheriff	250,000	250,000	297,417	(47,417)
Total expenditures	<u>250,000</u>	<u>250,000</u>	<u>297,417</u>	<u>(47,417)</u>
Net change in fund balance	-	-	74,240	74,240
Fund balance at beginning of year	5,000	5,000	5,000	-
Fund balance at end of year	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 79,240</u>	<u>\$ 74,240</u>

GLYNN COUNTY, GEORGIA  
COUNTY JAIL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 100,000	\$ 205,466	\$ 133,277	\$ (72,189)
Total revenues	<u>100,000</u>	<u>205,466</u>	<u>133,277</u>	<u>(72,189)</u>
Expenditures				
Current				
Public safety				
Sheriff	974	65,520	47,294	18,226
Total expenditures	<u>974</u>	<u>65,520</u>	<u>47,294</u>	<u>18,226</u>
Excess revenues over (under) expenditures	99,026	139,946	85,983	(53,963)
Other financing sources (uses)				
Transfers out	-	(52,120)	-	52,120
Net change in fund balance	<u>99,026</u>	<u>87,826</u>	<u>85,983</u>	<u>(1,843)</u>
Fund balance at beginning of year	231,661	231,661	231,661	-
Fund balance at end of year	<u>\$ 330,687</u>	<u>\$ 319,487</u>	<u>\$ 317,644</u>	<u>\$ (1,843)</u>

GLYNN COUNTY, GEORGIA  
 JUVENILE SERVICES FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 2,700	\$ 2,700	\$ 4,037	\$ 1,337
Total revenues	<u>2,700</u>	<u>2,700</u>	<u>4,037</u>	<u>1,337</u>
Expenditures				
Current				
Judiciary				
Juvenile Court	2,700	2,700	2,124	576
Total expenditures	<u>2,700</u>	<u>2,700</u>	<u>2,124</u>	<u>576</u>
Net change in fund balance	-	-	1,913	1,913
Fund balance at beginning of year	1,676	1,676	1,676	-
Fund balance at end of year	<u>\$ 1,676</u>	<u>\$ 1,676</u>	<u>\$ 3,589</u>	<u>\$ 1,913</u>

GLYNN COUNTY, GEORGIA  
LAW ENFORCEMENT BLOCK GRANT FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ 33,519	\$ 30,852	\$ (2,667)
Investment income	4,108	4,108	2,022	(2,086)
Total revenues	<u>4,108</u>	<u>37,627</u>	<u>32,874</u>	<u>(4,753)</u>
Expenditures				
Current				
Public Safety				
Police department	4,108	51,322	42,682	8,640
Total expenditures	<u>4,108</u>	<u>51,322</u>	<u>42,682</u>	<u>8,640</u>
Excess revenues over (under) expenditures	-	(13,695)	(9,808)	3,887
Other financing sources (uses)				
Transfers in	-	-	4,086	4,086
Net change in fund balance	-	(13,695)	(5,722)	7,973
Fund balance at beginning of year	13,695	13,695	13,695	-
Fund balance at end of year	<u>\$ 13,695</u>	<u>\$ -</u>	<u>\$ 7,973</u>	<u>\$ 7,973</u>

GLYNN COUNTY, GEORGIA  
PARK DEVELOPMENT FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Investment income	\$ 216	\$ 216	\$ 734	\$ 518
Other	-	-	-	-
Total revenues	<u>216</u>	<u>216</u>	<u>734</u>	<u>518</u>
Expenditures				
Current				
Culture and recreation				
Recreation	216	216	216	-
Total expenditures	<u>216</u>	<u>216</u>	<u>216</u>	<u>-</u>
Net change in fund balance	-	-	518	518
Fund balance at beginning of year	12,918	12,918	12,918	-
Fund balance at end of year	<u>\$ 12,918</u>	<u>\$ 12,918</u>	<u>\$ 13,436</u>	<u>\$ 518</u>

GLYNN COUNTY, GEORGIA  
POLICE SEIZURE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ -	\$ -	\$ 32,482	\$ 32,482
Investment income	505	505	-	(505)
Total revenues	<u>505</u>	<u>505</u>	<u>32,482</u>	<u>31,977</u>
Expenditures				
Current				
Public Safety				
Police department	505	18,067	6,334	11,733
Total expenditures	<u>505</u>	<u>18,067</u>	<u>6,334</u>	<u>11,733</u>
Excess revenues over (under) expenditures	-	(17,562)	26,148	43,710
Other financing sources (uses)				
Transfers out	-	-	(4,086)	(4,086)
Net change in fund balance	-	(17,562)	22,062	39,624
Fund balance at beginning of year	70,951	70,951	70,951	-
Fund balance at end of year	<u>\$ 70,951</u>	<u>\$ 53,389</u>	<u>\$ 93,013</u>	<u>\$ 39,624</u>

GLYNN COUNTY, GEORGIA  
SEA ISLAND SPECIAL POLICE DISTRICT FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 199,157	\$ 199,157	\$ 210,999	\$ 11,842
Total revenues	<u>199,157</u>	<u>199,157</u>	<u>210,999</u>	<u>11,842</u>
Expenditures				
Current				
Public Safety				
Police department	398,315	398,315	393,907	4,408
Total expenditures	<u>398,315</u>	<u>398,315</u>	<u>393,907</u>	<u>4,408</u>
Excess revenues over (under) expenditures	(199,158)	(199,158)	(182,908)	16,250
Other financing sources (uses)				
Transfers in	199,158	208,630	208,630	-
Net change in fund balance	-	9,472	25,722	16,250
Fund balance at beginning of year	147,137	147,137	147,137	-
Fund balance at end of year	<u>\$ 147,137</u>	<u>\$ 156,609</u>	<u>\$ 172,859</u>	<u>\$ 16,250</u>



GLYNN COUNTY, GEORGIA  
 SHERIFF DRUG SEIZURE FUND  
 BUDGETARY COMPARISON SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ -	\$ -	\$ 105	\$ 105
Investment income	129	129	20	(109)
Total revenues	<u>129</u>	<u>129</u>	<u>125</u>	<u>(4)</u>
Expenditures				
Current				
Public safety				
Sheriff	129	129	124	5
Total expenditures	<u>129</u>	<u>129</u>	<u>124</u>	<u>5</u>
Net change in fund balance	-	-	1	1
Fund balance at beginning of year	6,156	6,156	6,156	-
Fund balance at end of year	<u>\$ 6,156</u>	<u>\$ 6,156</u>	<u>\$ 6,157</u>	<u>\$ 1</u>



This page is intentionally left blank.

## **Nonmajor Enterprise Funds**

Operations of enterprise funds are designed to be self-supporting.

The **Solid Waste Disposal Fund** accounts for post closure costs of the County landfill.

The **Solid Waste Collection Fund** accounts for the County's commercial and residential garbage and trash collection services. Financing is provided by property tax assessments, user fees and local insurance premium tax receipts.

The **Revolving Loan Fund** accounts for the lending activities of the Fund. The Fund was established with the proceeds of a State grant.



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA  
NON-MAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET ASSETS

JUNE 30, 2007

	Solid Waste Disposal	Solid Waste Collection	Revolving Loan	Total
<b>ASSETS</b>				
Current assets:				
Cash	\$ 1,357,305	\$ 1,970,525	\$ 109,936	\$ 3,437,766
Receivables	28,901	320,169	33,868	382,938
Due from other funds	-	450,737	-	450,737
Total current assets	<u>1,386,206</u>	<u>2,741,431</u>	<u>143,804</u>	<u>4,271,441</u>
Noncurrent assets:				
Notes receivable	-	-	361,723	361,723
Capital assets (net of accumulated depreciation)	-	243,691	-	243,691
Total noncurrent assets	<u>-</u>	<u>243,691</u>	<u>361,723</u>	<u>605,414</u>
Total assets	<u>1,386,206</u>	<u>2,985,122</u>	<u>505,527</u>	<u>4,876,855</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	8	291,196	-	291,204
Due to other funds	151	-	3,833	3,984
Unearned revenue	-	1,626,640	-	1,626,640
Total current liabilities	<u>159</u>	<u>1,917,836</u>	<u>3,833</u>	<u>1,921,828</u>
Non-current liabilities:				
Accrued liabilities	1,869,214	-	-	1,869,214
Total non-current liabilities	<u>1,869,214</u>	<u>-</u>	<u>-</u>	<u>1,869,214</u>
Total liabilities	<u>1,869,373</u>	<u>1,917,836</u>	<u>3,833</u>	<u>3,791,042</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	-	243,691	-	243,691
Unrestricted	(483,167)	823,595	501,694	842,122
Total net assets	<u>\$ (483,167)</u>	<u>\$ 1,067,286</u>	<u>\$ 501,694</u>	<u>\$ 1,085,813</u>

GLYNN COUNTY, GEORGIA

NON-MAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2007

	Solid Waste Disposal	Solid Waste Collection	Revolving Loan	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ 2,827,538	\$ -	\$ 2,827,538
Investment income	-		13,840	13,840
Miscellaneous	1,527	2,301	-	3,828
Total operating revenues	<u>1,527</u>	<u>2,829,839</u>	<u>13,840</u>	<u>2,845,206</u>
<b>OPERATING EXPENSES</b>				
Personal services	-	386,423	-	386,423
Contractual services	-	2,967,614	2,814	2,970,428
Supplies	-	690	-	690
Interdepartment charges	-	103,242	1,019	104,261
Depreciation	-	33,567	-	33,567
Total operating expenses	<u>-</u>	<u>3,491,536</u>	<u>3,833</u>	<u>3,495,369</u>
Operating income (loss)	<u>1,527</u>	<u>(661,697)</u>	<u>10,007</u>	<u>(650,163)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	69,461	86,195	7,587	163,243
Property taxes	-	697,200	-	697,200
Total non-operating revenue (expenses)	<u>69,461</u>	<u>783,395</u>	<u>7,587</u>	<u>860,443</u>
Income (loss) before transfers	<u>70,988</u>	<u>121,698</u>	<u>17,594</u>	<u>210,280</u>
Transfers in	-	189,831	-	189,831
Change in net assets	70,988	311,529	17,594	400,111
Total net assets - beginning	<u>(554,155)</u>	<u>755,757</u>	<u>484,100</u>	<u>685,702</u>
Total net assets - ending	<u>\$ (483,167)</u>	<u>\$ 1,067,286</u>	<u>\$ 501,694</u>	<u>\$ 1,085,813</u>

GLYNN COUNTY, GEORGIA  
NON-MAJOR ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2007

	Solid Waste Disposal	Solid Waste Collection	Revolving Loan	Total
Cash flows from operating activities:				
Cash received from customers and users	\$ (3,038)	\$ 2,974,647	\$ 14,291	\$ 2,985,900
Cash payments to suppliers for goods and services	(425)	(3,508,873)	(77,340)	(3,586,638)
Cash payments to employees for services	-	(386,423)	-	(386,423)
Net cash provided (used) by operating activities	<u>(3,463)</u>	<u>(920,649)</u>	<u>(63,049)</u>	<u>(987,161)</u>
Cash flows from noncapital financing activities:				
Property taxes	-	697,200	-	697,200
Borrowings from other funds	(29,890)	-	-	(29,890)
Transfers in	-	189,831	-	189,831
Net cash provided (used) by noncapital financing activities	<u>(29,890)</u>	<u>887,031</u>	<u>-</u>	<u>857,141</u>
Cash flows from investing activities:				
Interest earned on cash and investments	69,461	86,195	7,587	163,243
Net cash provided (used) by investing activities	<u>69,461</u>	<u>86,195</u>	<u>7,587</u>	<u>163,243</u>
Net increase (decrease) in cash and cash equivalents	36,108	52,577	(55,462)	33,223
Cash and cash equivalents, beginning of year	1,321,197	1,917,948	165,398	3,404,543
Cash and cash equivalents, end of year	<u>\$ 1,357,305</u>	<u>\$ 1,970,525</u>	<u>\$ 109,936</u>	<u>\$ 3,437,766</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	<u>\$ 1,527</u>	<u>\$ (661,697)</u>	<u>\$ 10,007</u>	<u>\$ (650,163)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	-	33,567	-	33,567
Change in assets and liabilities:				
Decrease (increase) in accounts receivable	(4,576)	(188,715)	(73,507)	(266,798)
Decrease (increase) in due from other funds	-	(289,784)	-	(289,784)
(Decrease) Increase in accounts payable and accrued liabilities	(425)	(147,543)	-	(147,968)
(Decrease) Increase in due to other funds	11	-	451	462
(Decrease) Increase in unearned revenue	-	333,523	-	333,523
Total adjustments	<u>(4,990)</u>	<u>(258,952)</u>	<u>(73,056)</u>	<u>(336,998)</u>
Net cash provided (used) by operating activities	<u>\$ (3,463)</u>	<u>\$ (920,649)</u>	<u>\$ (63,049)</u>	<u>\$ (987,161)</u>



This page is intentionally left blank.



## Internal Services Funds

Operations of the Internal Service Funds are designed to be self-supporting.

The **Employee Benefit Plan** accounts for the County's insurance claims related to health, life, workers compensation and unemployment. The fund is financed by charges to other County funds and agencies, employees, former employees under COBRA arrangements, and retired employees who have elected to retain health insurance coverage.

The **County Insurance Fund** accounts for the County's insurance claims related to automobile and property damage, general liability, personal injury and errors and omissions. The fund is financed by charges to other County funds and agencies.

The **Administrative Service Fund** accounts for expenses of the Administration, Finance, Information Resources and Human Resources departments and the costs of the annual audit performed by the independent CPA. The fund is financed by charges to other County funds and agencies.



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS

JUNE 30, 2007

	<u>Employee Benefit Plan</u>	<u>County Insurance</u>	<u>Administrative Services</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 102,682	\$ 25,000	\$ -	\$ 127,682
Receivables	211,278	563	10,368	222,209
Due from other funds	123,380	-	139,765	263,145
Prepaid items	42,035	618,142	-	660,177
Total assets	<u>479,375</u>	<u>643,705</u>	<u>150,133</u>	<u>1,273,213</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	60,354	10,485	11,508	82,347
Accrued liabilities	30,008	-	187,898	217,906
Due to other funds	3,164	210,905	-	214,069
Total current liabilities	<u>93,526</u>	<u>221,390</u>	<u>199,406</u>	<u>514,322</u>
Non-current liabilities:				
Accrued liabilities	1,339,640	210,187	-	1,549,827
Total liabilities	<u>1,433,166</u>	<u>431,577</u>	<u>199,406</u>	<u>2,064,149</u>
<b>NET ASSETS</b>				
Unrestricted	(953,791)	212,128	(49,273)	(790,936)
Total net assets	<u>\$ (953,791)</u>	<u>\$ 212,128</u>	<u>\$ (49,273)</u>	<u>\$ (790,936)</u>

GLYNN COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2007

	Employee Benefit Plan	County Insurance	Administrative Services	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 4,062,793	\$ 4,062,793
Risk management fees	6,389,988	971,816	-	7,361,804
Other contribution	-	3,887	-	3,887
Total operating revenues	<u>6,389,988</u>	<u>975,703</u>	<u>4,062,793</u>	<u>11,428,484</u>
<b>OPERATING EXPENSES</b>				
Personal services	-	-	2,415,294	2,415,294
Contractual services	-	-	1,053,607	1,053,607
Supplies	-	-	476,481	476,481
Interdepartment charges	6,614,317	862,713	113,024	7,590,054
Other costs	-	-	1,500	1,500
Total operating expenses	<u>6,614,317</u>	<u>862,713</u>	<u>4,059,906</u>	<u>11,536,936</u>
Operating income (loss)	<u>(224,329)</u>	<u>112,990</u>	<u>2,887</u>	<u>(108,452)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest and investment revenue	18,770	-	-	18,770
Total non-operating revenue (expenses)	<u>18,770</u>	<u>-</u>	<u>-</u>	<u>18,770</u>
Change in net assets	(205,559)	112,990	2,887	(89,682)
Total net assets - beginning	(748,232)	99,138	(52,160)	(701,254)
Total net assets - ending	<u>\$ (953,791)</u>	<u>\$ 212,128</u>	<u>\$ (49,273)</u>	<u>\$ (790,936)</u>

GLYNN COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2007

	Employee Benefit Plan	County Insurance	Administrative Services	Total
Cash flows from operating activities:				
Cash received from customers and users	\$ -	\$ 4,121	\$ (10,208)	\$ (6,087)
Cash received from interfund services provided	6,492,581	971,816	4,062,793	11,527,190
Cash payments to suppliers for goods and services	(6,492,520)	(975,937)	(1,637,291)	(9,105,748)
Cash payments to employees for services	-	-	(2,415,294)	(2,415,294)
Net cash provided (used) by operating activities	<u>61</u>	<u>-</u>	<u>-</u>	<u>61</u>
Cash flows from investing activities:				
Interest earned on cash and investments	18,770	-	-	18,770
Net cash provided (used) by investing activities	<u>18,770</u>	<u>-</u>	<u>-</u>	<u>18,770</u>
Net increase (decrease) in cash and cash equivalents	18,831	-	-	18,831
Cash and cash equivalents, beginning of year	83,851	25,000	-	108,851
Cash and cash equivalents, end of year	<u>\$ 102,682</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 127,682</u>
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	<u>\$ (224,329)</u>	<u>\$ 112,990</u>	<u>\$ 2,887</u>	<u>\$ (108,452)</u>
Adjustments to reconcile operating income to net cash provided by operating activities:				
Decrease (increase) in accounts receivable	102,593	234	(10,208)	92,619
Decrease (increase) in prepaid	4,812	(160)	-	4,652
(Decrease) Increase in accounts payable and accrued liabilities	(31,899)	(129,412)	(40,130)	(201,441)
(Decrease) Increase in interfund items	148,884	16,348	47,451	212,683
Total adjustments	<u>224,390</u>	<u>(112,990)</u>	<u>(2,887)</u>	<u>108,513</u>
Net cash provided (used) by operating activities	<u>\$ 61</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61</u>



This page is intentionally left blank.

## **Agency Funds**

The **Tax Commissioner Fund** accounts for all real, personal and intangible taxes collected and forwarded to the County and other governmental units.

The **Sheriff's Office Fund** accounts for collection of fees, proceeds from judicial sales and cash bonds which are disbursed to other agencies, the County, and individuals.

The following agency funds are used to account for fines, fees, and other monies collected by the courts and remitted to other parties in accordance with state statutes and court orders:

**Clerk of Superior Court**  
**Probate Court**  
**Juvenile court**  
**Child Support Receiver**  
**State Court**  
**Magistrate Court**



This page is intentionally left blank.



GLYNN COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2007

	<u>Balance July 1, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
<b>TAX COMMISSIONER</b>				
Assets:				
Cash and investments	\$ 796,647	\$ 76,464,903	\$ 76,768,066	\$ 493,484
Taxes receivable	<u>2,293,347</u>	<u>67,897,990</u>	<u>67,143,389</u>	<u>3,047,948</u>
Total Assets	<u>\$ 3,089,994</u>	<u>\$ 144,362,893</u>	<u>\$ 143,911,455</u>	<u>\$ 3,541,432</u>
Liabilities:				
Due to others	\$ 796,647	\$ 76,464,903	\$ 76,768,066	\$ 493,484
Due to others - uncollected taxes	<u>2,293,347</u>	<u>67,897,990</u>	<u>67,143,389</u>	<u>3,047,948</u>
Total Liabilities	<u>\$ 3,089,994</u>	<u>\$ 144,362,893</u>	<u>\$ 143,911,455</u>	<u>\$ 3,541,432</u>
<b>CLERK OF SUPERIOR COURT</b>				
Assets:				
Cash and investments	\$ 907,032	\$ 4,581,440	\$ 4,464,481	\$ 1,023,991
Total Assets	<u>\$ 907,032</u>	<u>\$ 4,581,440</u>	<u>\$ 4,464,481</u>	<u>\$ 1,023,991</u>
Liabilities:				
Due to others	\$ 907,032	\$ 4,581,440	\$ 4,464,481	\$ 1,023,991
Total Liabilities	<u>\$ 907,032</u>	<u>\$ 4,581,440</u>	<u>\$ 4,464,481</u>	<u>\$ 1,023,991</u>
<b>PROBATE COURT</b>				
Assets:				
Cash and investments	\$ 1,328,834	\$ 85,682	\$ 278,069	\$ 1,136,447
Total Assets	<u>\$ 1,328,834</u>	<u>\$ 85,682</u>	<u>\$ 278,069</u>	<u>\$ 1,136,447</u>
Liabilities:				
Due to others	\$ 1,328,834	\$ 85,682	\$ 278,069	\$ 1,136,447
Total Liabilities	<u>\$ 1,328,834</u>	<u>\$ 85,682</u>	<u>\$ 278,069</u>	<u>\$ 1,136,447</u>

(Continued)

GLYNN COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2007

	Balance July 1, 2006	Additions	Deductions	Balance June 30, 2007
<b>JUVENILE COURT</b>				
Assets:				
Cash and investments	\$ 2,274	\$ 8,487	\$ 8,422	\$ 2,339
Total Assets	<u>\$ 2,274</u>	<u>\$ 8,487</u>	<u>\$ 8,422</u>	<u>\$ 2,339</u>
Liabilities:				
Due to others	\$ 2,274	\$ 8,487	\$ 8,422	\$ 2,339
Total Liabilities	<u>\$ 2,274</u>	<u>\$ 8,487</u>	<u>\$ 8,422</u>	<u>\$ 2,339</u>
<b>CHILD SUPPORT RECEIVER</b>				
Assets:				
Cash and investments	\$ 91	\$ 3,006,911	\$ 3,006,914	\$ 88
Total Assets	<u>\$ 91</u>	<u>\$ 3,006,911</u>	<u>\$ 3,006,914</u>	<u>\$ 88</u>
Liabilities:				
Due to others	\$ 91	\$ 3,006,911	\$ 3,006,914	\$ 88
Total Liabilities	<u>\$ 91</u>	<u>\$ 3,006,911</u>	<u>\$ 3,006,914</u>	<u>\$ 88</u>
<b>STATE COURT</b>				
Assets:				
Cash and investments	\$ 524,199	\$ 2,149,844	\$ 2,053,178	\$ 620,865
Total Assets	<u>\$ 524,199</u>	<u>\$ 2,149,844</u>	<u>\$ 2,053,178</u>	<u>\$ 620,865</u>
Liabilities:				
Due to others	\$ 524,199	\$ 2,149,844	\$ 2,053,178	\$ 620,865
Total Liabilities	<u>\$ 524,199</u>	<u>\$ 2,149,844</u>	<u>\$ 2,053,178</u>	<u>\$ 620,865</u>

(Continued)

GLYNN COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FOR THE YEAR ENDED JUNE 30, 2007

	Balance July 1, 2006	Additions	Deductions	Balance June 30, 2007
<b>SHERIFF'S OFFICE</b>				
Assets:				
Cash and investments	\$ 27,457	\$ 1,728,727	\$ 1,713,683	\$ 42,501
Total Assets	<u>\$ 27,457</u>	<u>\$ 1,728,727</u>	<u>\$ 1,713,683</u>	<u>\$ 42,501</u>
Liabilities:				
Due to others	\$ 27,457	\$ 1,728,727	\$ 1,713,683	\$ 42,501
Total Liabilities	<u>\$ 27,457</u>	<u>\$ 1,728,727</u>	<u>\$ 1,713,683</u>	<u>\$ 42,501</u>
<b>MAGISTRATE COURT</b>				
Assets:				
Cash and investments	\$ 76,512	\$ 558,780	\$ 548,731	\$ 86,561
Total Assets	<u>\$ 76,512</u>	<u>\$ 558,780</u>	<u>\$ 548,731</u>	<u>\$ 86,561</u>
Liabilities:				
Due to others	\$ 76,512	\$ 558,780	\$ 548,731	\$ 86,561
Total Liabilities	<u>\$ 76,512</u>	<u>\$ 558,780</u>	<u>\$ 548,731</u>	<u>\$ 86,561</u>
<b>TOTAL</b>				
Assets:				
Cash and investments	\$ 3,663,046	\$ 88,584,774	\$ 88,841,544	\$ 3,406,276
Taxes receivable	2,293,347	67,897,990	67,143,389	3,047,948
Total Assets	<u>\$ 5,956,393</u>	<u>\$ 156,482,764</u>	<u>\$ 155,984,933</u>	<u>\$ 6,454,224</u>
Liabilities:				
Due to others	\$ 3,663,046	\$ 88,584,774	\$ 88,841,544	\$ 3,406,276
Due to others - uncollected taxes	2,293,347	67,897,990	67,143,389	3,047,948
Total Liabilities	<u>\$ 5,956,393</u>	<u>\$ 156,482,764</u>	<u>\$ 155,984,933</u>	<u>\$ 6,454,224</u>

(Concluded)



This page is intentionally left blank.

## **Supplemental Schedules**



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2007

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Homeland Security			
Pass through from the Georgia Emergency Management Agency			
Performance Partnership Agreement	97.000	E06-8-065	\$ 30,512
Fire Equipment Grant	97.067	BW #0665	14,988
Police Equipment Grant	97.067	BW #0666	3,414
Total			18,402
Buffer Zone Vulnerability Protective Measures	97.078	2006-IP-078-000010	18,246
Buffer Zone Protection	97.078	BW #0822	41,540
Total			59,786
Total U.S. Department of Homeland Security			108,700
U.S. Department of Health and Human Services			
Pass through from the Georgia Department of Human Resources			
Southeast Coastal GA Regional Drug Court	93.959	427-93-735ACJ	100,000
Total U.S. Department of Health and Human Services			100,000
U.S. Department of Housing and Urban Development			
Pass-through Georgia Department of Community Affairs			
2006 CHIP Housing Program	14.239	06m-y-063-1-2938	3,750
Glynn County Rail Connector Project	14.218	05q- y-063-1-3165	119,032
Total U.S. Department of Housing and Urban Development			122,782
U.S. Department of Transportation			
Pass through from the Georgia Department of Transportation			
TE - St. Simons Coast Guard Station	20.205	STP-0002-00(322)	16,296
TE - Torras Causeway - Landscaping Beautification	20.205	PR000-S006-00(148)	370
Total			16,666
Brunswick Area Transportation Study	20.505	MGT00-0127-00-008	17,743
Brunswick Area Transportation Study	20.505	PL000-0007-00-979	54,219
Total			71,962
Total U.S. Department of Transportation			88,628
U.S. Department of Commerce, National Oceanic & Atmosphere Administration			
Pass through from Georgia Department of Natural Resources			
Phase III Masengale Park: Pedestrian Bikepath & Ed Kiosk	11.419		25,000
Total U.S. Department of Commerce, National Oceanic & Atmosphere Administration			25,000

GLYNN COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2007

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
Federal Highway Administration			
Pass -through from the Georgia Department of Natural Resources			
Altamaha Park Recreational Trails	20.219	NRT -99(6)	31,360
Total Federal Highway Administration			31,360
U.S. Department of Justice			
Direct Awards			
Justice Assistance Grant Program - Glynn County Police Equipment	16.592	2005-DJ-BX-1092	36,776
Bullet Proof Vest Grant	16.607	N/A	6,698
Pass -through from the Criminal Justice Coordinating Council			
Domestic Violence Grant	16.575	C05-8-069	9,577
Domestic Violence Grant	16.575	C06-8-065	30,214
Total			39,791
Pass-through from the Council of Juvenile Court Judges of Georgia			
Juvenile Court Accountability Program	16.523	04B-CM-0004	23,785
Purchase of Services - Juvenile Offenders	16.523	04B-ST-0001	2,136
Total			25,921
Total U.S Department of Justice			109,186
Total Federal Expenditures			\$ 585,656

Note: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



GLYNN COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS (SPLOST #2)  
FOR THE YEAR ENDED JUNE 30, 2007

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Year	Current Year	Total
New Courthouse	\$ 10,900,000	\$ 13,631,000	\$ 13,630,919	\$ -	\$ 13,630,919
New Courthouse Construction Repairs	159,975	344,600	399,780	-	399,780
Renovation of Old Courthouse	1,500,000	1,402,200	1,402,131	-	1,402,131
Renovation of Courthouse Annex	3,900,000	4,366,400	4,359,960	-	4,359,960
Roads and Drainage	13,550,000	20,086,000	19,864,587		19,864,587
Sign Project	150,000	91,000	90,949	-	90,949
Total all Projects	<u>\$ 30,159,975</u>	<u>\$ 39,921,200</u>	<u>\$ 39,748,326</u>	<u>\$ -</u>	<u>\$ 39,748,326</u>

GLYNN COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS (SPLOST #3)  
FOR THE YEAR ENDED JUNE 30, 2007

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Year	Current Year	Total
Roads and Drainage	\$ 14,170,000	\$ 16,120,294	\$ 14,723,557	\$ 680,136	\$ 15,403,693
Public Safety Projects					
Public Safety Complex/800 Mhz	10,080,000	17,037,700	16,666,926	-	16,666,926
Hampton Fire Station/Truck	580,000	580,000	610,232	-	610,232
Snorkel Replacement	600,000	600,000	575,200	-	575,200
Recreation Projects	5,000,000	5,342,065	5,351,019	-	5,351,019
Water & Sewer Projects	5,100,000	5,579,565	5,020,157	(17,103) *	5,003,054
Public Buildings Projects	2,500,000	2,705,000	2,604,823	-	2,604,823
City of Brunswick Projects	19,200,000	19,200,000	19,200,000	-	19,200,000
<b>TOTAL ALL PROJECTS</b>	<b>\$ 57,230,000</b>	<b>\$ 67,164,624</b>	<b>\$ 64,751,914</b>	<b>\$ 663,033</b>	<b>\$ 65,414,947</b>

\* - Expenditures in this project were reclassified to another funding source which resulted in a negative amount being reported.

GLYNN COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS (SPLOST #4)  
FOR THE YEAR ENDED JUNE 30, 2007

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Year	Current Year	Total
Roads and Drainage	\$ 13,605,000	\$ 13,605,000	\$ 5,491,314	\$ 609,514	\$ 6,100,828
Public Safety Projects					
Fire Station #2	1,035,000	1,785,000	2,043,195	5,342	2,048,537
Pumper #8	275,000	275,000	254,302	-	254,302
Public Safety Vehicles	3,050,000	3,050,000	2,042,876	731,980	2,774,856
Public Safety Complex Ph2	975,000	975,000	-	-	-
Fire Maintenance Complex	545,000	545,000	6,636	136,018	142,654
Detention Facility Expansion	1,000,000	1,000,000	44,378	119,335	163,713
Tactical Support Vehicle	180,000	180,000	-	-	-
Pumper #11	300,000	300,000	-	-	-
Ladder Truck	545,000	545,000	-	-	-
Recreation Projects	4,075,000	4,075,000	441,376	-	441,376
Road Equipment	450,000	450,000	416,950	-	416,950
Water & Sewer Projects	28,237,000	28,237,000	12,581,731	3,913,305	16,495,036
Public Buildings Projects	12,050,000	12,050,000	5,527,003	1,374,521	6,901,524
City of Brunswick Projects	28,370,000	28,370,000	22,006,875	3,018,374	25,025,249
<b>TOTAL ALL PROJECTS</b>	<b>\$ 94,692,000</b>	<b>\$ 95,442,000</b>	<b>\$ 50,856,636</b>	<b>\$ 9,908,389</b>	<b>\$ 60,765,025</b>

GLYNN COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS (SPLOST #5)  
FOR THE YEAR ENDED JUNE 30, 2007

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Year	Current Year	Total
County Wide Infrastructure	\$ 12,000,000	\$ 12,000,000	\$ -	\$ 182,963	\$ 182,963
Facilities	14,500,000	14,500,000	-	-	-
W/S Infrastructure	40,400,000	40,400,000	-	-	-
Roads	8,500,000	8,500,000	-	-	-
Drainage	3,500,000	3,500,000	-	-	-
Major Equipment	5,000,000	5,000,000	-	-	-
Police and Sheriff	3,250,000	3,250,000	-	-	-
JPSCD (E911)	2,500,000	2,500,000	-	-	-
Recreation	3,835,000	3,835,000	-	-	-
Other	2,000,000	2,000,000	-	-	-
City Projects	25,964,616	25,964,616	-	-	-
JIA Projects	3,000,000	3,000,000	-	-	-
<b>TOTAL ALL PROJECTS</b>	<b>\$ 124,449,616</b>	<b>\$ 124,449,616</b>	<b>\$ -</b>	<b>\$ 182,963</b>	<b>\$ 182,963</b>

GLYNN COUNTY, GEORGIA  
SCHEDULE OF REQUIRED EXPENDITURES  
GENERATED BY THE HOTEL / MOTEL TAX  
FOR THE YEAR ENDED JUNE 30, 2007

---

Revenue:	
Hotel/motel taxes	\$ <u>4,564,067</u>
Total Hotel/motel taxes	\$ <u>4,564,067</u>
Expenditures:	
Tourism expenditures	\$ 2,403,529
Lighting at exits on I-95	<u>68,768</u>
Total expenditures	\$ <u>2,472,297</u>
Percentage of expenditures to revenues	54%



This page is intentionally left blank.

# **Statistical Section**



This page is intentionally left blank.



## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain information to help the reader understand how the County's financial performance and well-being have changed over time.	<b>G-1</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	<b>G-4</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the county's ability to issue additional debt in the future.	<b>G-15</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	<b>G-18</b>
<b>Operating Information</b> These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.	<b>G-20</b>

**Sources:** *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented Statement 34 in 2003; schedules presenting government-wide information include beginning in that year.*



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA

NET ASSETS BY COMPONENT  
(accrual basis of accounting)  
LAST FIVE FISCAL YEARS

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental activities					
Invested in capital assets, net of related debt	\$ 63,328,377	\$ 65,922,964	\$ 68,962,096	\$ 74,324,188	\$ 218,597,597
Restricted	-	-	36,123,377	40,521,236	54,558,213
Unrestricted	35,659,325	43,540,228	18,236,624	20,232,196	46,168,742
Total governmental activities net assets	<u>\$ 98,987,702</u>	<u>\$ 109,463,192</u>	<u>\$ 123,322,097</u>	<u>\$ 135,077,620</u>	<u>\$ 319,324,552</u>
Business-type activities					
Invested in capital assets, net of related debt	\$ 23,725,584	\$ 24,182,128	\$ 28,396,002	\$ 36,011,479	\$ 37,805,430
Restricted	5,592,789	11,848,226	4,902,767	7,054,532	5,459,180
Unrestricted	(1,685,611)	(6,552,534)	357,359	287,038	6,287,899
Total business-type activities net assets	<u>\$ 27,632,762</u>	<u>\$ 29,477,820</u>	<u>\$ 33,656,128</u>	<u>\$ 43,353,049</u>	<u>\$ 49,552,509</u>
Primary government					
Invested in capital assets, net of related debt	\$ 87,053,961	\$ 90,105,092	\$ 97,358,098	\$ 110,335,667	\$ 256,403,027
Restricted	5,592,789	11,848,226	41,026,144	47,575,768	60,017,393
Unrestricted	33,973,714	36,987,694	18,593,983	20,519,234	52,456,641
Total primary government net assets	<u>\$ 126,620,464</u>	<u>\$ 138,941,012</u>	<u>\$ 156,978,225</u>	<u>\$ 178,430,669</u>	<u>\$ 368,877,061</u>

Note: 10 years information not available. GASB 34 implementation year was 2003

GLYNN COUNTY, GEORGIA

CHANGE IN NET ASSETS  
(accrual basis of accounting)  
LAST FIVE FISCAL YEARS

	2003	2004	2005	2006	2007
<b>Expenses</b>					
Governmental activities:					
General government	\$ 17,879,785	\$ 11,458,460	\$ 9,586,480	\$ 9,308,775	\$ 12,981,842
Judiciary	5,660,768	6,038,929	5,617,757	5,989,757	6,204,674
Public safety	23,873,198	27,245,844	27,199,770	29,505,326	30,039,741
Public works	4,538,616	8,832,337	14,869,824	19,443,688	12,605,350
Health & Welfare	562,743	812,807	4,929,187	2,899,010	3,262,293
Culture and Recreation	3,639,824	3,479,427	1,687,211	3,823,084	3,416,504
Housing and development	2,594,388	3,548,865	1,339,106	4,754,216	3,908,360
Economic development	1,907,262	1,884,056	-	-	-
Interest on long-term debt	42,479	28,596	4,001	-	-
Total governmental activities expenses	60,699,063	63,329,321	65,233,336	75,723,856	72,418,764
Business-type activities:					
Water and sewer	4,776,114	5,416,392	6,453,810	6,873,401	6,809,747
Other services	1,982,931	2,932,079	3,128,021	2,810,036	3,495,369
Total business-type activities expenses	6,759,045	8,348,471	9,581,831	9,683,437	10,305,116
Total primary government expenses	\$ 67,458,108	\$ 71,677,792	\$ 74,815,167	\$ 85,407,293	\$ 82,723,880
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:	\$ 10,741,525	\$ 11,415,416			
General government			\$ 831,601	\$ 927,379	\$ 2,759,112
Judiciary			1,754,720	1,875,084	2,332,211
Public safety			5,283,108	5,826,059	3,594,073
Housing and development			1,534,745	1,519,190	1,385,406
Other activities			493,594	514,847	539,139
Operating grants and contributions	1,034,254	2,699,850	1,801,045	1,346,197	1,461,081
Capital grants and contributions	540,482	704,722	928,912	568,637	146,266
Total governmental activities program revenues	12,316,261	14,819,988	12,627,725	12,577,393	12,217,288
Business-type activities:					
Charges for services:	5,055,073	7,100,560			
Water and Sewer			5,511,091	6,391,504	7,236,215
Solid waste collection			2,362,654	2,225,782	2,829,839
Other activities			18,502	31,296	15,367
Operating grants and contributions	81,574	85,820	-	-	-
Capital grants and contributions	3,750,661	2,457,610	5,133,810	9,116,639	4,605,945
Total business-type activities program revenues	8,887,308	9,643,990	13,026,057	17,765,221	14,687,366
Total primary government program revenues	\$ 21,203,569	\$ 24,463,978	\$ 25,653,782	\$ 30,342,614	\$ 26,904,654
Net expense/revenue					
Governmental activities	\$ (48,382,802)	\$ (48,509,333)	\$ (52,605,611)	\$ (63,146,463)	\$ (60,201,476)
Business-type activities	2,128,263	1,295,519	3,444,226	8,081,784	4,382,250
Total primary government net expense	\$ (46,254,539)	\$ (47,213,814)	\$ (49,161,385)	\$ (55,064,679)	\$ (55,819,226)

(continued)

GLYNN COUNTY, GEORGIA

CHANGE IN NET ASSETS  
(accrual basis of accounting)  
LAST FIVE FISCAL YEARS

	2003	2004	2005	2006	2007
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental activities:					
Property taxes	\$ 21,951,970	\$ 23,783,490	\$ 27,144,399	\$ 27,885,223	\$ 34,160,298
Other taxes	33,377,920	35,430,755	37,617,559	42,733,184	42,701,391
Intergovernmental revenues	-	-	-	802,836	-
Unrestricted investment earnings	826,853	731,510	1,040,995	2,562,484	4,330,268
Gain on sale of capital assets	787,922	15,652	-	-	-
Miscellaneous	-	-	446,683	1,098,352	598,145
Transfers	(86,292)	(125,230)	214,881	(180,094)	(189,831)
Extraordinary item - lawsuit settlement					18,295,732
Total governmental activities	56,858,373	59,836,177	66,464,517	74,901,985	99,896,003
Business-type activities:					
Property taxes	488,009	268,108	568,472	659,200	697,200
Unrestricted investment earnings	111,609	136,290	378,516	775,843	926,716
Miscellaneous	27,179	19,911	-	-	-
Transfers	86,292	125,230	(214,881)	180,094	189,831
Total business-type activities	713,089	549,539	732,107	1,615,137	1,813,747
Total primary government	\$ 57,571,462	\$ 60,385,716	\$ 67,196,624	\$ 76,517,122	\$ 101,709,750
<b>Change in Net Assets</b>					
Governmental activities	\$ 8,475,571	\$ 11,326,844	\$ 13,858,906	\$ 11,755,522	\$ 39,694,527
Business-type activities	2,841,352	1,845,058	4,176,333	9,696,921	6,195,997
Total primary government	\$ 11,316,923	\$ 13,171,902	\$ 18,035,239	\$ 21,452,443	\$ 45,890,524

Note: 10 years information not available. GASB 34 implementation year was 2003

(concluded)

GLYNN COUNTY, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
(accrual basis of accounting)  
LAST FIVE FISCAL YEARS

---

<u>Fiscal Year</u>	<u>Property Tax</u>	<u>General Sales Tax</u>	<u>Special Purpose Local Option Sales Tax</u>	<u>Other Taxes</u>	<u>Total</u>
2003	\$ 21,951,970	\$ 10,099,880	\$ 15,504,384	\$ 7,773,656	\$ 55,329,890
2004	23,783,490	10,869,709	16,750,776	7,810,270	59,214,245
2005	27,144,399	11,680,993	17,910,386	8,026,180	64,761,958
2006	27,885,223	13,459,060	20,703,697	8,570,427	70,618,407
2007	34,160,298	14,029,282	21,562,762	7,109,347	76,861,689

Note: 10 years information not available. GASB 34 implementation year was 2003



This page is intentionally left blank.

GLYNN COUNTY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS  
(modified accrual basis of accounting)  
LAST TEN FISCAL YEARS

	Fiscal Year			
	1998	1999	2000	2001
General Fund				
Reserved	\$ 716,818	\$ 606,416	\$ 767,209	\$ 1,022,038
Unreserved	3,366,096	4,082,219	6,799,596	4,635,237
Total General Fund	<u>\$ 4,082,914</u>	<u>\$ 4,688,635</u>	<u>\$ 7,566,805</u>	<u>\$ 5,657,275</u>
All other governmental funds				
Reserved	\$ 58,106	\$ 72,422	\$ 251,154	\$ 1,847
Unreserved	8,927,908	15,291,507	19,502,400	24,583,818
Total all other governmental funds	<u>\$ 8,986,014</u>	<u>\$ 15,363,929</u>	<u>\$ 19,753,554</u>	<u>\$ 24,585,665</u>

(continued)



---

Fiscal Year					
2002	2003	2004	2005	2006	2007
\$ 635,246	\$ 789,889	\$ 1,593,574	\$ 1,882,406	\$ 2,617,057	\$ 5,130,633
5,891,139	7,963,160	13,286,967	17,193,643	20,863,691	41,245,067
<u>\$ 6,526,385</u>	<u>\$ 8,753,049</u>	<u>\$ 14,880,541</u>	<u>\$ 19,076,049</u>	<u>\$ 23,480,748</u>	<u>\$ 46,375,700</u>
\$ -	\$ -	\$ -	\$ -		\$ 529,595
23,330,826	28,495,076	30,186,737	34,831,006	39,200,874	53,316,804
<u>\$ 23,330,826</u>	<u>\$ 28,495,076</u>	<u>\$ 30,186,737</u>	<u>\$ 34,831,006</u>	<u>\$ 39,200,874</u>	<u>\$ 53,846,399</u>

(concluded)

GLYNN COUNTY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
(modified accrual basis of accounting)  
LAST TEN FISCAL YEARS

	Fiscal Year			
	1998	1999	2000	2001
<b>Revenues</b>				
Property tax	\$ 15,666,468	\$ 18,375,098	\$ 18,180,159	\$ 19,101,419
Local option sales tax	7,971,449	8,770,537	10,112,831	9,936,963
Special purpose local option sales tax	12,143,682	14,086,096	15,948,811	14,344,317
Other taxes	5,854,812	6,474,947	6,815,988	8,459,938
Licenses and permits	1,257,512	1,170,397	1,213,124	1,345,922
Intergovernmental	2,515,558	2,394,311	2,079,525	2,269,734
Charges for services	743,684	-	277,121	276,262
Fines and forfeitures	2,262,117	2,653,403	2,347,838	2,302,497
Investment Income	613,279	914,428	1,385,575	1,669,816
Other revenue	4,246,824	4,599,681	4,509,409	4,735,054
Total revenues	<u>53,275,385</u>	<u>59,438,898</u>	<u>62,870,381</u>	<u>64,441,922</u>
<b>Expenditures</b>				
General government	11,007,510	11,699,868	11,407,078	12,529,912
Judiciary	-	-	-	-
Public safety	15,470,707	16,418,012	17,999,209	19,389,453
Public works	5,574,089	4,844,666	5,032,491	4,209,535
Health and Welfare	1,665,525	1,435,738	1,352,955	1,448,265
Culture and recreation	3,462,616	3,486,162	3,546,594	3,659,106
Housing and development	1,944,353	2,129,521	2,270,191	2,234,231
Capital Outlay	8,617,666	12,243,089	13,834,817	13,265,061
Debt Service	126,129	166,120	158,346	271,799
Total expenditures	<u>47,868,595</u>	<u>52,423,176</u>	<u>55,601,681</u>	<u>57,007,362</u>
Excess of revenues over (under) expenditures	<u>5,406,790</u>	<u>7,015,722</u>	<u>7,268,700</u>	<u>7,434,560</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,530,550	3,102,195	2,027,689	2,226,387
Transfers out	(1,531,015)	(3,157,895)	(2,028,358)	(7,461,846)
Proceeds from sale of capital assets	-	-	-	-
Proceeds from capital lease	83,908	-	-	725,000
Total other financing sources (uses)	<u>83,443</u>	<u>(55,700)</u>	<u>(669)</u>	<u>(4,510,459)</u>
<b>Extraordinary Item</b>				
Settlement of lawsuit	-	-	-	-
Net change in fund balances	<u>\$ 5,490,233</u>	<u>\$ 6,960,022</u>	<u>\$ 7,268,031</u>	<u>\$ 2,924,101</u>
Debt services as a percentage of noncapital expenditures	0.3%	0.4%	0.4%	0.6%

(continued)

Fiscal Year						
2002	2003	2004	2005	2006	2007	
\$ 21,479,140	\$ 21,769,042	\$ 23,548,539	\$ 26,951,251	\$ 29,247,881	\$ 34,162,331	
9,742,441	10,099,880	10,869,709	11,680,993	13,459,060	14,029,282	
15,299,008	15,504,384	16,750,776	17,910,386	20,703,697	21,562,762	
7,282,277	7,773,656	7,810,270	8,026,180	8,570,427	7,109,347	
1,202,130	1,219,817	1,327,771	1,731,140	1,704,663	1,647,995	
2,633,744	2,163,255	3,691,164	2,903,218	2,204,476	1,790,424	
354,367	2,621,037	4,837,579	5,933,028	6,549,774	6,680,789	
2,434,701	2,131,744	2,260,021	1,875,266	1,953,968	2,251,672	
865,136	826,853	731,460	1,037,525	2,546,838	4,311,498	
4,704,717	4,180,408	2,702,317	498,534	1,241,698	510,945	
<u>65,997,661</u>	<u>68,290,076</u>	<u>74,529,606</u>	<u>78,547,521</u>	<u>88,182,482</u>	<u>94,057,045</u>	
14,792,797	7,353,999	6,870,755	8,576,474	10,413,003	10,912,446	
-	5,396,516	5,594,774	5,547,319	5,554,227	5,673,352	
34,173,031	24,091,003	25,100,280	25,234,289	27,579,860	28,743,699	
7,665,764	5,459,305	8,327,460	6,032,601	7,414,893	7,398,022	
1,482,478	798,801	765,204	2,701,442	775,575	788,514	
5,042,232	3,448,523	3,198,619	3,154,925	3,402,007	3,599,689	
2,404,390	4,429,931	5,421,604	2,652,943	4,747,634	5,074,412	
375,253	10,674,447	11,183,773	15,888,666	19,509,349	12,587,409	
1,176,512	185,492	180,433	165,205	-	-	
<u>67,112,457</u>	<u>61,838,017</u>	<u>66,642,902</u>	<u>69,953,864</u>	<u>79,396,548</u>	<u>74,777,543</u>	
(1,114,796)	6,452,059	7,886,704	8,593,657	8,785,934	19,279,502	
8,659,127	4,218,348	9,000,185	4,723,775	5,083,393	5,841,789	
(8,742,251)	(4,304,640)	(9,125,415)	(4,508,894)	(5,151,779)	(6,031,620)	
-	1,014,549	57,679	31,240	57,019	155,074	
812,191						
<u>729,067</u>	<u>928,257</u>	<u>(67,551)</u>	<u>246,121</u>	<u>(11,367)</u>	<u>(34,757)</u>	
-	-	-	-	-	18,295,732	
<u>\$ (385,729)</u>	<u>\$ 7,380,316</u>	<u>\$ 7,819,153</u>	<u>\$ 8,839,778</u>	<u>\$ 8,774,567</u>	<u>\$ 37,540,477</u>	
1.8%	0.4%	0.3%	0.3%	0.0%	0.0%	

(concluded)

**GLYNN COUNTY GEORGIA**

**ASSESSED VALUE AND ESTIMATED VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS**

*(in thousands)*

---

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Motor Vehicles</b>	<b>Mobile Homes</b>	<b>Public Utilities</b>	<b>Timber</b>
2007	\$ 3,576,171	\$ 267,455	\$ 186,497	\$ 10,970	\$ 74,841	\$ 4,798
2006	3,083,196	263,400	177,847	11,102	67,434	14,518
2005	2,787,974	281,085	188,983	11,815	68,587	11,219
2004	2,507,275	293,307	187,412	14,528	59,104	14,214
2003	2,395,622	269,904	185,034	11,691	61,497	9,219
2002	1,868,425	263,237	179,301	15,219	62,937	11,818
2001	1,789,090	272,778	224,494	14,457	63,581	9,227
2000	1,602,228	179,694	187,254	12,300	73,114	10,653
1999	1,558,463	181,953	85,230	10,925	69,426	8,379
1998	1,422,382	157,904	141,970	10,909	68,348	5,887

Source: Glynn County Tax Digest

(continued)

---

<b>Heavy Duty Equipment</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Taxable Assessed Value as a Percentage of Taxable Actual Value</b>
\$ 116	\$ 4,120,848	7.393	\$ 10,294,923	40%
68	3,617,565	7.557	9,022,136	40%
27	3,349,690	7.603	8,357,397	40%
26	3,075,866	7.622	7,668,344	40%
4	2,932,971	7.872	7,318,599	40%
22	2,400,959	8.930	5,984,671	40%
466	2,374,093	8.986	5,921,392	40%
-	2,065,243	9.040	5,147,128	40%
-	1,914,376	8.928	4,773,372	40%
-	1,807,400	9.284	4,509,670	40%

(concluded)

**GLYNN COUNTY, GEORGIA**

**PROPERTY TAX RATES  
DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS  
(rate per \$1,000 of assessed value)**

	Fiscal Year Ended June 30,				
	1998	1999	2000	2001	2002
Glynn County					
M&O - Districts 1-5	7.520	7.220	6.990	6.990	6.990
M&O - District 6	6.560	6.300	6.070	6.070	6.070
Fire - Districts 3-5	1.510	1.510	2.020	2.020	2.020
Sanitation - Districts 2-5	0.580	0.490	0.400	0.260	0.260
Sea Is. Police - District 5	0.600	0.560	0.560	0.530	0.120
Total Direct Tax Rate	9.284	8.928	9.040	8.986	8.930
 Brunswick - District 1	 11.000	 11.000	 11.000	 11.000	 11.000
 Board of Education					
M&O	16.050	16.120	16.570	16.990	16.390
Debt Service	1.110	1.040	0.930	0.900	0.840
 State of Georgia	 0.250	 0.250	 0.250	 0.250	 0.250
 Total Unincorporated					
District 2	25.510	25.120	25.140	25.390	24.730
District 3	27.020	26.630	27.160	27.410	26.750
District 4	27.020	26.630	27.160	27.410	26.750
District 5	27.620	27.190	27.720	27.940	26.870
District 6	23.970	23.710	23.820	24.210	23.550
 Total Incorporated					
Brunswick	35.930	35.630	35.740	36.130	35.470

(continued)

---

Fiscal Year ended June 30,				
2003	2004	2005	2006	2007
5.950	5.897	5.897	5.897	5.860
5.330	5.028	5.028	5.028	5.000
1.930	1.839	1.712	1.656	1.520
0.190	0.071	0.185	0.185	0.171
0.340	0.332	0.295	0.293	0.282
7.872	7.622	7.603	7.557	7.393
13.000	12.864	12.250	12.250	12.250
16.500	15.820	15.809	16.349	15.656
0.710	0.680	0.673	0.631	0.574
0.250	0.250	0.250	0.250	0.250
23.600	22.718	22.814	23.312	22.511
25.530	24.557	24.526	24.968	24.031
25.530	24.557	24.526	24.968	24.031
25.870	24.889	24.821	25.261	24.313
22.790	21.778	21.760	22.258	21.480
36.410	35.511	34.879	35.377	34.590

(concluded)

GLYNN COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2007			1998		
	Taxable Assessed Value <i>(in thousands)</i>	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value <i>(in thousands)</i>	Rank	Percentage of Total Taxable Assessed Value
Sea Island Company	\$ 136,997	1	3.32%	\$ 48,020	2	2.66%
Georgia Power Co.	58,604	2	1.42%	34,714	3	1.92%
Koch Cellulose LLC (formerly Georgia Pacific Corp.)	58,033	3	1.41%	120,875	1	6.69%
Georgia Pacific Gypsum LLC	20,660	4	0.50%			
Hercules Inc.	18,854	5	0.46%	14,273	4	0.79%
Coastal Community Retirement Corp.	15,922	6	0.39%			
Bell South Telecommunications	14,511	7	0.35%	13,025	5	0.72%
Sea Island Resorts Beach Club LLC	12,776	8	0.31%			
St. Andrews Plantation LLC	11,852	9	0.29%			
Dover Hall Plantation LLC	10,203	10	0.25%			
Millennium Specialty Chemicals				11,140	6	0.62%
Union Camp Corporation				10,176	7	0.56%
Colonial Realty (formerly Astolat)				10,011	8	0.55%
Rich-Sea Pak Corporation				9,738	9	0.54%
King & Prince Seafood				8,104	10	0.45%
Totals	<u>\$ 358,412</u>		<u>8.70%</u>	<u>\$ 280,076</u>		<u>15.50%</u>

Source: Glynn County Board of Assessors



GLYNN COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy
1998	\$ 15,120,021	\$ 14,284,454	94.47%	\$ 832,737	\$ 15,117,191	99.98%
1999	16,017,325	15,627,253	97.56%	388,457	16,015,710	99.99%
2000	16,518,085	16,057,098	97.21%	459,044	16,516,142	99.99%
2001	17,022,254	16,486,789	96.85%	531,321	17,018,110	99.98%
2002	19,039,250	18,596,980	97.68%	424,656	19,021,636	99.91%
2003	20,019,914	18,816,783	93.99%	1,168,968	19,985,751	99.83%
2004	20,921,271	19,643,150	93.89%	1,217,198	20,860,348	99.71%
2005	22,907,560	22,100,646	96.48%	706,867	22,807,513	99.56%
2006	24,874,864	24,469,571	98.37%	267,965	24,737,536	99.45%
2007	28,080,815	27,285,756	97.17%	-	27,285,756	97.17%

Source: Tax Commissioner

GLYNN COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita Income (1)
	Tax Anticipation Notes	Capital Leases	Water & Sewer Bonds	GEFA Loans	Capital Leases			
1998	\$ 4,800,000	\$ 201,761	\$ 1,675,000	\$ 2,746,214	\$ 384,867	\$ 9,807,842	0.261%	\$ 25,610
1999	5,000,000	150,053	1,565,000	2,619,799	307,467	9,642,319	0.278%	26,822
2000	4,000,000	95,314	1,450,000	2,495,923	223,644	8,264,881	0.330%	27,265
2001	-	658,051	1,325,000	2,355,134	-	4,338,185	0.667%	28,945
2002	-	440,210	1,195,000	2,206,275	-	3,841,485	0.762%	29,259
2003	-	302,166	13,430,000	-	-	13,732,166	0.216%	29,629
2004	-	155,604	12,980,000	-	352,553	13,488,157	0.224%	30,210
2005	-	-	12,470,000	24,285	1,942,953	14,437,238	0.222%	32,049
2006	-	-	11,955,000	1,376,162	2,202,289	15,533,451	0.215%	33,331
2007	-	-	11,430,000	9,241,434	1,921,258	22,592,692	0.158%	35,643

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.



This page is intentionally left blank.

**GLYNN COUNTY, GEORGIA**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

---

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Debt limit	\$ 180,740,026	\$ 191,437,643	\$ 206,524,317	\$ 237,409,279
Total net debt applicable to limit	<u>4,800,000</u>	<u>5,000,000</u>	<u>4,000,000</u>	<u>0</u>
Legal debt margin	<u>\$ 175,940,026</u>	<u>\$ 186,437,643</u>	<u>\$ 202,524,317</u>	<u>\$ 237,409,279</u>
Total net debt applicable to the limit as a percentage of debt limit	2.66%	2.61%	1.94%	0.00%

The Constitutional debt limitation of 10 percent of total assessed property values applies to all general obligation bonds authorized. Additional general obligation bonds may be authorized to be issued if so approved by a majority of those voting in an election held for that purpose. Glynn County has no general obligation bonds authorized but

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
\$ 240,095,946	\$ 293,297,079	\$ 307,586,594	\$ 334,969,076	\$361,756,497	\$412,084,794
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$ 240,095,946</u>	<u>\$ 293,297,079</u>	<u>\$ 307,586,594</u>	<u>\$ 334,969,076</u>	<u>\$ 361,756,497</u>	<u>\$ 412,084,794</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Legal Debt Margin Calculation for Fiscal Year 2007**

Assessed value	\$ 4,120,847,937
Less: Exemptions for Bond Purposes	-
Total assessed value	<u>4,120,847,937</u>
Debt Limit ( 10% of net assessed value)	<u>412,084,794</u>
General Obligation Bonds	0
Amount set aside for repayment of general obligation debt	<u>0</u>
Total Net Debt Applicable to Limit	<u>0</u>
Legal Debt Margin	<u>\$ 412,084,794</u>

GLYNN COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Total Personal Income (amounts expressed in thousands) (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Age (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (2)</u>
1998	66,170	\$ 1,694,609	\$ 25,610	34.1	10,929	3.5
1999	66,808	1,791,952	26,822	34.1	11,204	3.3
2000	67,426	1,838,363	27,265	37.9	11,246	3.1
2001	67,669	1,958,705	28,946	37.9	11,892	3.5
2002	68,695	2,009,949	29,342	37.9	11,827	3.6
2003	69,383	2,055,777	29,694	37.9	11,230	3.9
2004	70,362	2,125,645	30,583	37.9	11,261	4.0
2005	71,047	2,276,961	33,003	38.0	11,824	4.0
2006	71,800	2,460,730	34,272	38.0	12,076	4.3
2007	73,630	2,624,385	35,643	37.7	12,201	3.8

(1) Source: Bureau of Economic Analysis: Regional Economic Accounts

(2) Source: U. S. Bureau of labor Statistics

(3) Source: U. S. Bureau of the Census, Census 1990 and 2000; 2005 American Community Survey

(4) Source: Glynn County Board of Education

NOTES: 2007 population, per capita, and personal income are estimates based on past regional trends.

GLYNN COUNTY, GEORGIA

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

Employer	2007			1998		
	Number of Employees (1)	Rank	Percentage of Total County Employment (2)	Number of Employees (1)	Rank	Percentage of Total County Employment (2)
Federal Law Enforcement Training Center	3,047	1	6.62%	1,814	1	4.57%
Sea Island Company	2,100	2	4.57%	1,500	3	3.78%
Glynn County Board of Education	1,900	3	4.13%	1,673	2	4.21%
Southeast Georgia Regional Medical Center	1,682	4	3.66%	1,500	4	3.78%
Glynn County Board of Commissioners	850	5	1.85%	774	5	1.95%
Koch Cellulose, LLC (formerly Ga Pacific)	790	6	1.72%	773	6	1.95%
Rich-Sea Pak Corporation	600	7	1.30%	725	7	1.83%
King and Prince Seafood	570	8	1.24%	498	8	1.25%
Wal Mart Superstore	550	9	1.20%	-		
Hercules-Pinova Division	356	10	0.77%	400	9	1.01%
Jekyll Island Authority	-			380	10	0.96%
Total	<u>12,445</u>		<u>27.05%</u>	<u>10,037</u>		<u>25.28%</u>

(1) Source: Brunswick Golden Isles Chamber of Commerce

(2) Source: U.S. Bureau of Labor Statistics

GLYNN COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

Function	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
General Government	83.50	87.00	106.50	107.28	110.35
Judiciary	66.50	68.75	68.25	65.50	66.00
Public Safety	344.00	351.00	365.00	370.50	389.37
Public Works	114.20	111.00	105.00	107.90	101.87
Culture & Recreation	67.10	103.65	78.40	76.19	68.07
Housing & Development	<u>39.00</u>	<u>24.00</u>	<u>24.00</u>	<u>24.00</u>	<u>26.00</u>
Total	<u>714.30</u>	<u>745.40</u>	<u>747.15</u>	<u>751.37</u>	<u>761.66</u>

(continued)



---

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
113.93	112.93	116.93	113.13	115.13
66.50	67.00	57.50	55.67	28.17
404.37	402.87	403.87	395.00	399.87
102.87	104.87	106.87	98.87	95.87
63.32	59.00	56.64	55.14	57.00
<u>24.00</u>	<u>26.00</u>	<u>27.00</u>	<u>26.00</u>	<u>27.00</u>
<u>774.99</u>	<u>772.67</u>	<u>768.81</u>	<u>743.81</u>	<u>723.04</u>

(concluded)

**GLYNN COUNTY, GEORGIA**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
General Government				
Building Permits Issued	1,236	1,487	1,246	1,302
Occupation tax certificates issued	3,203	3,170	3,392	3,085
Registered voters	37,562	34,006	33,909	33,909
Real Property Reviews	N/A	N/A	N/A	N/A
Judiciary				
Marriage Licenses	801	839	863	801
Firearm Permits	437	497	607	532
Public Safety				
Sheriff - Jail Bookings	6,147	5,806	5,554	5,685
Sheriff - Meals Served	343,830	352,590	386,535	404,055
Sheriff - Inmate/Patient transports	528	642	699	602
Sheriff - Avg Daily Jail Population	269	277	308	324
Sheriff - Warrants/Civil papers served	16,201	14,972	15,305	17,532
Police calls answered	44,030	43,923	41,697	42,298
Police - Traffic Offenses	N/A	N/A	N/A	N/A
Fire calls answered	3,729	3,738	3,980	3,848
EMS calls answered	5,054	5,707	6,036	6,427
Fire - Inspections & Plan Reviews	204	263	386	500
Public Works				
Ditches maintained (miles)	N/A	N/A	N/A	N/A
Right of Way mowing (acres)	N/A	N/A	N/A	N/A
Street sweeping (miles)	N/A	N/A	N/A	N/A
Mosquito spraying (acres)	N/A	N/A	N/A	N/A
Culture and Recreation				
Campsites rented	N/A	N/A	N/A	N/A
Participants in Athletics	N/A	N/A	N/A	N/A

N/A = Information not Available  
Sources: Various County departments

(continued)

---

<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
1,302	1,326	1,563	1,586	1,833	1,644
3,150	3,449	2,690	3,061	3,487	3,630
32,575	32,767	33,808	37,375	38,357	38,074
17,000	15,000	16,000	23,500	27,500	25,695
781	745	897	991	1,031	1,010
608	526	552	602	595	636
5,822	5,598	5,555	5,743	6,069	6,736
382,155	410,625	430,335	480,705	516,840	523,410
649	681	785	1,083	1,158	1,560
304	330	348	394	427	448
17,395	17,582	17,018	16,521	15,042	15,923
43,008	50,512	52,228	46,930	48,700	51,856
N/A	N/A	1,218	1,805	2,528	12,469
4,084	4,638	5,110	4,961	4,810	5,347
7,114	8,021	8,619	9,509	9,223	10,255
368	534	605	532	964	1,109
N/A	N/A	N/A	N/A	600	1,636
N/A	N/A	N/A	N/A	17,276	17,276
N/A	N/A	N/A	N/A	135	135
N/A	N/A	N/A	N/A	313,503	494,014
10,102	9,306	9,996	10,977	12,874	7,043
3,075	3,380	3,854	3,583	3,556	3,610

(concluded)

**GLYNN COUNTY, GEORGIA**

**CAPITAL ASSETS STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

---

<b>Function</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Public Safety:				
Police stations/substations	6	6	6	6
Jail	1	1	1	1
Fire Stations	6	6	7	7
Public Works:				
County maintained miles of roads:				
Paved	445	460	483	483
Unimproved	56	60	44	44
Traffic Signals	50	52	57	57
Culture & Recreation				
Parks	22	38	38	38
Swimming Pools	3	3	3	3
Tennis Courts	14	14	14	14
Community Centers	6	6	6	6
Ball Fields	20	20	20	20
Campground sites	137	137	137	137

Sources: Various county departments

Note: No capital asset indicators are available for the general government function.

(continued)

---

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
6	6	6	6	6	7
1	1	1	1	1	1
8	8	8	8	8	8
502	505	540	553	563	575
32	42	42	40	30	25
57	64	72	74	76	76
46	47	47	40	40	45
3	3	3	3	3	2
14	14	14	14	14	14
6	6	6	6	6	2
20	20	29	33	33	33
137	137	137	137	137	140

(concluded)

**GLYNN COUNTY, GEORGIA**

**WATER AND SEWER MISCELLANEOUS INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

---

Number of water customers	12,134 (based on number of meters)
Number of sewer customers	10,399
Total water consumption	1,316,395 gallons (in thousands)
Miles of water mains	250 miles (approximately)
Miles of sanitary sewers	207 miles (approximately)
Average daily treated wastewater	2.580 MGD
Maximum daily treated wastewater	3.910 MGD
Average daily water production	4.010 MGD
Maximum daily water production	7.520 MGD

Five largest water and sewer customer accounts

- (1) Sea Island Company
- (2) King and Prince
- (3) Epworth by the Sea
- (4) Walden Shores Apartments
- (5) Blue Beacon, Inc.

Total costs of capital improvements made from system revenues:

Clearwater Sewer	17,793
Fancy Bluff Water Line	451,287
Lawrence Rd. Water Line	331,097
Manhole Rehabilitation	41,335
SCADA Phase 2	62,464
Sewer Lines Rehabilitation - Five Neighborhoods	1,654,383
CIP - Buck Swamp Water & Sewer	1,003,963
CIP - Colonels Island Sewer	13,420
CIP - East Beach Water & Sewer Rehab	174,100
CIP - Fox Run Sewer	83,678
CIP - S.R. 341 Sewer	4,360,862
Total	<u>\$ 7,725,302</u>

**Water & Sewer Rates (Unit = 1,000 gallons):**

Water Only Accounts	\$	4.32	Base Charge
Per Unit	\$	1.06	
Per Unit greater than or equal to 10 Units	\$	1.96	
Water (with Sewer Connection)	\$	4.32	Base Charge
Per Unit	\$	1.06	
Per Unit greater than or equal to 10 Units	\$	4.75	
Sewer - St. Simons and South Mainland	\$	4.32	Base Charge
Per Unit of Water used	\$	2.83	
Sewer - North Mainland	\$	4.32	Base Charge
Per Unit of Water used	\$	3.97	

# **Single Audit Section**



This page is intentionally left blank.



## **Compliance Section**



This page is intentionally left blank.

# **KARP, RONNING & TINDOL, P.C.**

## **CERTIFIED PUBLIC ACCOUNTANTS**

123 ABERCORN STREET  
SAVANNAH, GEORGIA 31401  
(912) 232-0475

### **REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Chairman and Members of the  
Glynn County Board of Commissioners  
Brunswick, Georgia

We have audited the financial statements of the Glynn County Board of Commissioners (the County), as of and for the year ended June 30, 2007, and have issued our report thereon dated December 21, 2007. We did not audit the financial statements of the Glynn County Health Department, a discretely presented component unit of the County. Those financial statements were audited by other auditors whose reports thereon were furnished to us, and our opinion, insofar as it relates to the amounts included for this component unit, is based solely on the report of other auditors. 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.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses as items 07-01 and 07-02 to be significant deficiencies in internal control over financial reporting.

A material weakness is significant deficiency, or combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain matters that we reported to management of the County in a separate letter dated December 21, 2007.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended for the information and use of management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Karp, Rosning & Tindal, P.C.*

December 21, 2007

# **KARP, RONNING & TINDOL, P.C.**

## **CERTIFIED PUBLIC ACCOUNTANTS**

123 ABERCORN STREET  
SAVANNAH, GEORGIA 31401  
(912) 232-0475

### **REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Chairman and Members of the  
Glynn County Board of Commissioners  
Brunswick, Georgia

#### Compliance

We have audited the compliance of the Glynn County Board of Commissioners (the County) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2007. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Glynn County Airport Commission and the Glynn County Board of Health, which received \$1,848,303 and \$5,503,994, respectively in federal awards which are not included in the schedule during the year ended June 30, 2007. Our audit described below did not include the operations of the Glynn County Airport Commission or the Glynn County Board of Health, because those entities engaged other auditors to perform an audit in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

As described in item 07-05 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding procurement, suspension and debarment that is applicable to its CFDA No. 93.959, Southeast Coastal Regional Drug Court Grant. Compliance with such requirements is necessary, in our opinion, for the County to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June, 30, 2007.

### Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the County's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *control deficiency* in an County's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 07-03, 07-04, and 07-05 to be significant deficiencies.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control. Of the significant deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider items 07-05 to be a material weakness.

We noted certain matters that we reported to management of the County in a separate letter dated December 21, 2007.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended for the information and use of management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Karp, Rosning & Tindal, P.C.*

December 21, 2007

GLYNN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AND STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2007

**I. SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**A. Summary of Auditors' Results**

**Financial Statements**

1. The auditors' report expresses an unqualified opinion on the basic financial statements of the Glynn County Board of Commissioners.
2. Internal control over financial reporting:
  - a Material weakness(es) identified? \_\_\_\_\_ yes     X     no
  - b Significant deficiency(ies) identified that are not considered to be material weaknesses?     X     yes \_\_\_\_\_ none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes     X     no

**Federal Awards**

4. Internal control over major programs:
  - a Material weakness(es) identified?     X     yes \_\_\_\_\_ no
  - b Significant deficiency(ies) identified that are not considered to be material weaknesses?     X     yes \_\_\_\_\_ none reported
5. The auditors' report expresses a qualified opinion for all major programs.
6. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?     X     yes \_\_\_\_\_ no

7. The programs tested as major programs include:

Name of Federal Program	<u>CFDA Number</u>
Southeast Coastal Georgia Regional Drug Court Grant	93.959
Community Development Block Grant Program	14.218

8. The threshold for distinguishing Type A and B programs was \$300,000.
9. The County was determined to be a low-risk auditee.

GLYNN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AND STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2007

**B. Findings – Financial Statement Audit**

***Finding 07-01***

**Documentation of Internal Control**

*Condition and Background:* The County does not have a policy and procedures document that includes documentation of the components of internal control.

*Criteria:* Internal control is a process designed to provide reasonable assurance about your objectives with regard to reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The five interrelated components of internal control are the control environment, risk assessment, control activities, information and communication, and monitoring.

*Effect:* The County is exposed to increased risk that the financial statements could be materially misstated, whether by error or intentionally, and not be detected in a timely manner. Also, there is exposure to increased risk of noncompliance with laws and regulations which could result in a potential misstatement of the financial statements.

*Recommendation:* The County and constitutional offices should establish and maintain a documented internal control structure to provide reasonable assurance that the County's objectives will be achieved. In addition, the internal control structure should receive ongoing supervision by management to determine that it is operating as intended and that it is modified as appropriate for changes in conditions.

*Management's Response:* Management concurs with this finding. A corrective action plan has been issued under a separate cover.

***Finding 07-02***

**Supervision, Review, and Monitoring**

*Condition and Background:* The Clerk of Superior Court's office is not comparing monthly bank reconciliations to the general ledger cash account balances, monitoring checking account balances, or reviewing monthly settlement summary reports submitted to the County. The bookkeeper has custody of cash, prepares the deposits, and prepares monthly settlement reports.

*Criteria:* The five interrelated components of internal control are the control environment, risk assessment, control activities, information and communication, and monitoring. Control activities include, but are not limited to, supervision, review, and segregation of duties.

*Effect:* The Clerk's office is exposed to an increased risk of incorrect amounts being settled to various agencies and incorrect financial reporting as well as loss of funds.

*Recommendation:* Responsibility for the monthly reconciliation of all bank statements should be assigned to an individual who does not have custody of cash or deposits, and all reconciliations should be reviewed for clerical accuracy and account balances. An independent individual should review monthly settlement reports for accuracy and agreement with reconciled balances.

*Management's Response:* Management concurs with this finding. A corrective action plan has been issued under a separate cover.



GLYNN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AND STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2007

**C. Findings and Questioned Costs – Major Federal Award Programs Audit**

**U.S. Department of Housing and Urban Development**

***Finding 07-03***

**Community Development Block Grant – CFDA No. 14.218**

**Monitoring**

*Condition and Background:* Glynn County Board of Commissioners entered into a grant agreement in which all funds would be used to assist with the construction of storm drainage for a public railroad connector between Norfolk Southern Corporation and the CSX main railroad tracks north of the City of Brunswick. One major provision for the grant is for International Auto Processing, Inc. to retain 15 permanent full time positions and create at least 25 permanent full time jobs. 11 of the retained and 13 of the new jobs are and will be held by low and moderate persons.

Management was not able to provide sufficient documentation, in a timely manner, to demonstrate compliance with the above mentioned grant provision. The lack of sufficient, timely information suggests a lack of monitoring and oversight by management.

*Criteria:* Management should monitor every provision of all federal awards and document the related details and findings.

*Effect:* Failing to monitor present and future federal awards could adversely affect the County's major federal funding sources.

*Recommendation:* Management should institute policies and procedures to ensure that all federal award programs are properly monitored and documented.

*Management's Response:* Management concurs with this finding and will place documentation of grants monitoring in the grants files immediately. However, management believes that proper monitoring was completed but not documented and placed in the grant file. A corrective action plan has been issued under a separate cover.

***Finding 07-04***

**Community Development Block Grant – CFDA No. 14.218**

**Davis Bacon Monitoring**

*Condition and Background:* Glynn County Board of Commissioners entered into a grant agreement in which all funds would be used to assist with the construction of storm drainage for a public railroad connector between Norfolk Southern Corporation and the CSX main railroad tracks north of the City of Brunswick. One major provision for the grant is for the County to monitor and document all wages payable for compliance with the Davis Bacon Act.

Management was not able to provide sufficient documentation to demonstrate proper monitoring of the stated provision. The lack of documentation suggests a lack of monitoring by management.

*Criteria:* Management should monitor every provision of all federal awards and document the related details and findings.

*Effect:* Failing to monitor all present and future federal awards could adversely affect the County's major federal funding sources.

GLYNN COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS AND STATUS OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2007

*Recommendation:* Management should institute policies and procedures to ensure that all provisions of federal award programs are properly monitored and documented.

*Management's Response:* Management concurs with this finding and will place documentation of grants monitoring in the grants files immediately. However, management believes that proper monitoring was completed but not documented and placed in the grant file. A corrective action plan has been issued under a separate cover.

**U.S. Department of Health and Human Services**

*Finding 07-05*

**Southeast Coastal Georgia Regional Drug Court Grant- CFDA No. 93.959**

**Procurement, Suspension, and Debarment**

*Condition:* A contract for treatment services was awarded to a vendor, without evidence of a competitive bidding process.

*Criteria:* 45 CFR § 92.36 ¶ (b) and (c) establish the requirement for competitive bidding in the procurement of goods and services when practicable, as well as stipulating the maintenance of such records as to sufficiently detail the history of the procurement.

*Cause:* County procurement requirements were not followed.

*Effect:* The contract for treatment services was awarded without evidence of open solicitation for bids or evidence that the vendor was not listed as suspended or debarred on the Excluded Parties List System (EPLS).

*Known Questioned Cost:* \$100,000

*Recommendation:* All bids for service contracts should be made through the County's purchasing department, and at a minimum follow Federal or State procurement requirements.

*Management's Response:* Management concurs with the finding and will follow the County procurement requirements in the future. However, management believes that the vendor referred to above was the only qualified vendor in the area. A corrective action plan has been issued under a separate cover.

**II. STATUS OF PRIOR YEAR AUDIT FINDINGS**

No findings were reported relative to Major Federal Award Programs for the year ended June 30, 2006.