

DOUGLAS COUNTY, GEORGIA



Comprehensive Annual Financial Report
For the Fiscal Year Ended
December 31, 2006

DOUGLAS COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2006

Prepared by:

Department of Finance

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INTRODUCTORY SECTION

The introductory section includes a transmittal letter from the County Administrator and Finance Director, a general government organization chart and a list of principal officials.



DOUGLAS COUNTY BOARD OF COMMISSIONERS

8700 Hospital Drive • Douglasville, GA 30134 • Telephone (770) 920-7268 • Fax (770) 920-7346

FINANCE DEPARTMENT e-mail: jhallman@co.douglas.ga.us

JENNIFER HALLMAN

Finance Director

June 22, 2007

Honorable Members of the Douglas County Board of Commissioners, Honorable Eric Linton, County Administrator, and Citizens of Douglas County, Georgia:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements based on accounting principles 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. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Douglas County, Georgia for the fiscal year ended December 31, 2006.

This report consists of management's representations concerning the finances of Douglas County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of Douglas 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 assess 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 Lawrence, See, & Beavers, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Douglas County, Georgia for the fiscal year ended December 31, 2006, 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 Douglas County, Georgia's financial statements for the fiscal year ended December 31, 2006, 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

Persons With Hearing Or Speech Disabilities Who Need To Contact Douglas County May Place Their Call Through The Georgia Relay Center At (800) 255-0056 (Text Telephone) Or (800) 255-0135 (Voice Telephone).

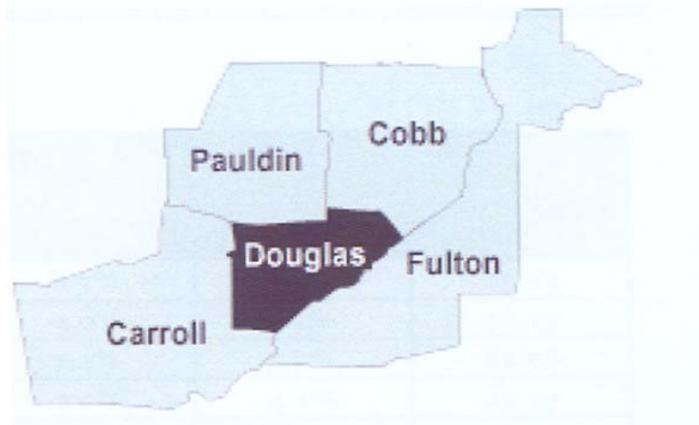
only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports on supplementary information, compliance, internal controls, and various supplementary schedules are included under a separate report cover.

GAAP requires 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. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Douglas County is governed by a full-time Chairman, elected on a countywide basis, for a four-year term, and by four part-time district Commissioners, elected within their respective districts to staggered, four-year terms. Collectively known as

the Douglas County Board of Commissioners, they appoint a full-time County Administrator, who is responsible for the administration of the County operations. The Board of Commissioners establishes policy for the operation of the government, enacts ordinances for the safety, welfare, and orderly interaction of the citizens of Douglas County, adopts an annual budget, adopts a millage rate (including the Board of Education's levy), appoints Department Heads and the County Attorney, as well as, members to various boards, agencies, and authorities within the County, and hires an independent Auditor.

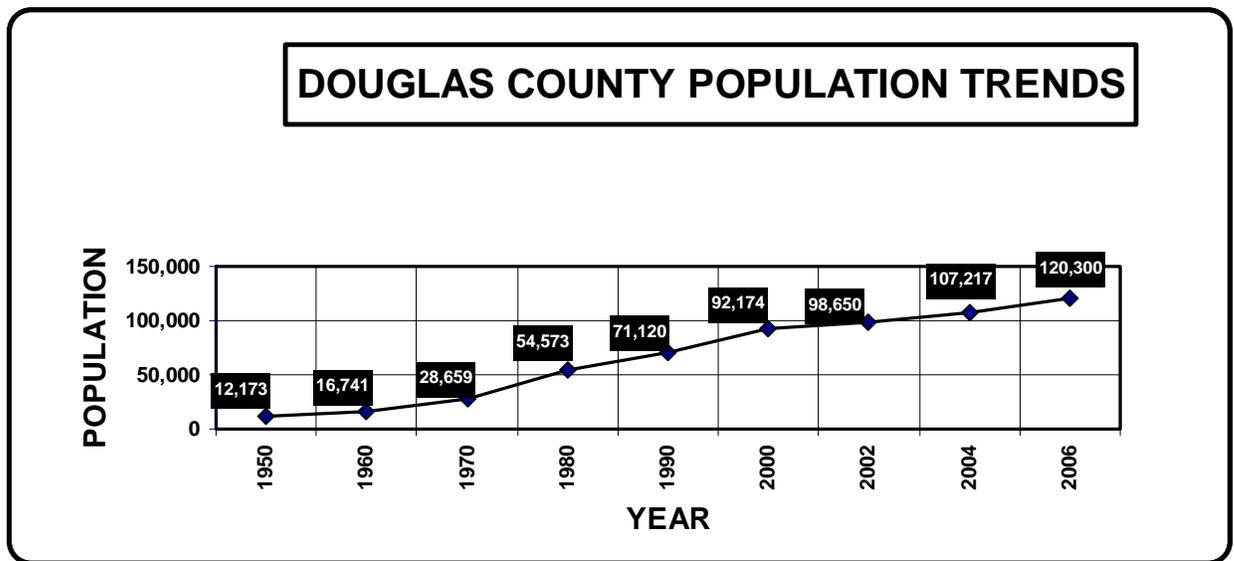


Douglas County provides a full range of services including a system of courts, law enforcement, tax collection, fire protection, emergency medical services, road construction and maintenance, solid waste disposal, code enforcement, parks and recreation programs, public transportation, libraries, planning and zoning, 911 emergency dispatching, emergency management, vehicle maintenance, tax appraisal, agricultural extension services, and general administration. In addition, the County protects the health of County residents by supporting a Board of Health and supplements social and welfare services provided by an agency of the State of Georgia, the Department of Family and Children Services. The County also has an elected coroner.

There are three municipalities located in Douglas County. The largest city and county seat is Douglasville, with a population of 27,568 residents (Ga. County Guide). The other two municipalities are only partially located in Douglas County. They are Villa Rica and Austell, and they are mainly located in other counties, Carroll and Cobb Counties respectively.

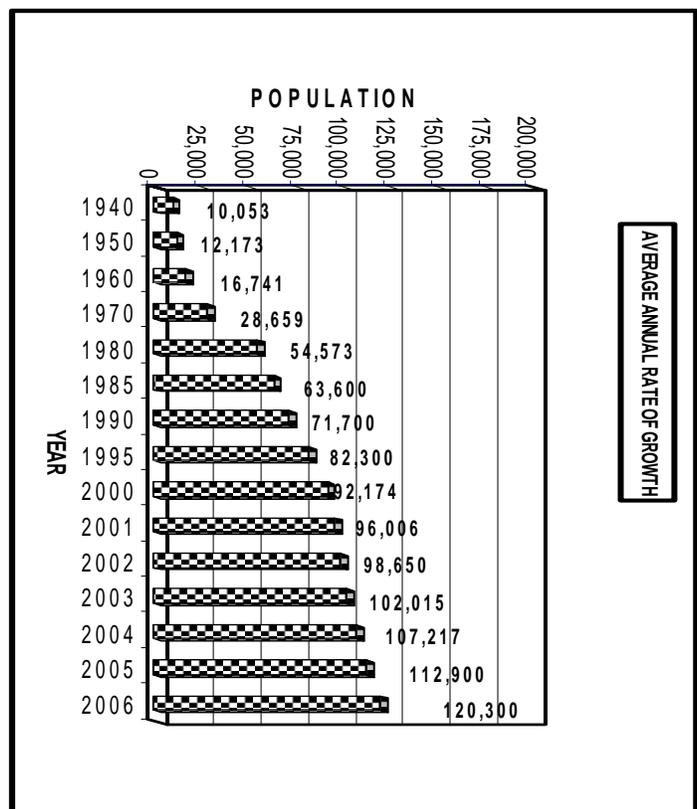
Population

According to ARC estimates, Douglas County added 5,399 residents per year from 2001 to 2006, an increase of 21.6%. In 2006, Douglas County had an estimated 120,300 residents making it one of the metropolitan region's most populated counties.



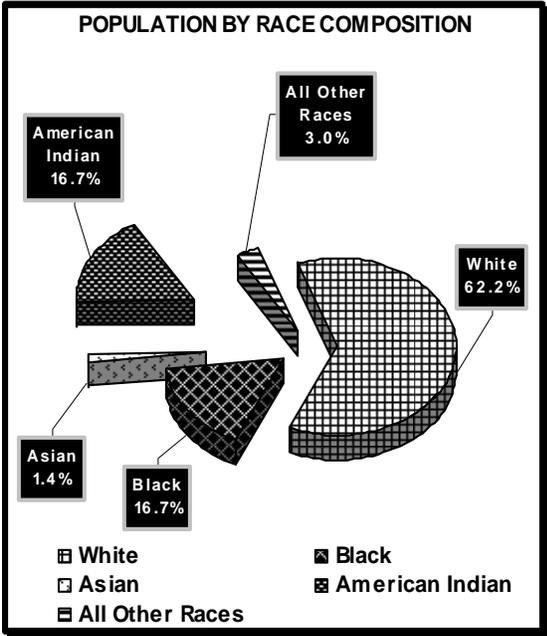
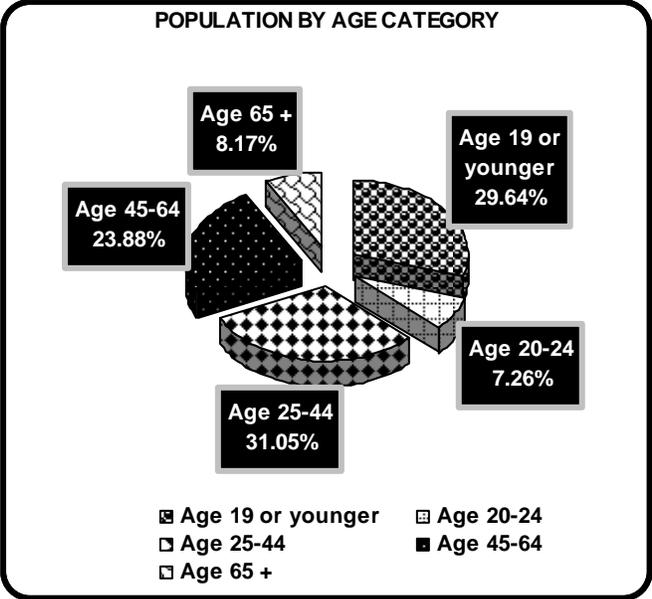
**DOUGLAS COUNTY'S
AVERAGE ANNUAL RATE OF GROWTH**

Year	Population	Annual Rate Of Growth
1940	10,053	0.6%
1950	12,173	2.1%
1960	16,741	3.8%
1970	28,659	7.1%
1980	54,573	9.0%
1985	63,600	3.3%
1990	71,700	2.5%
1995	82,300	3.0%
2000	92,174	2.4%
2001	96,006	4.2%
2002	98,650	2.8%
2003	102,015	3.4%
2004	107,217	5.1%
2005	112,900	5.3%
2006	120,300	6.9%



**DOUGLAS COUNTY'S DEMOGRAPHICS
AGE COMPOSITION**

Age 19 or younger	29.64%
Age 20-24	7.26%
Age 25-44	31.05%
Age 45-64	23.88%
Age 65 +	8.17%

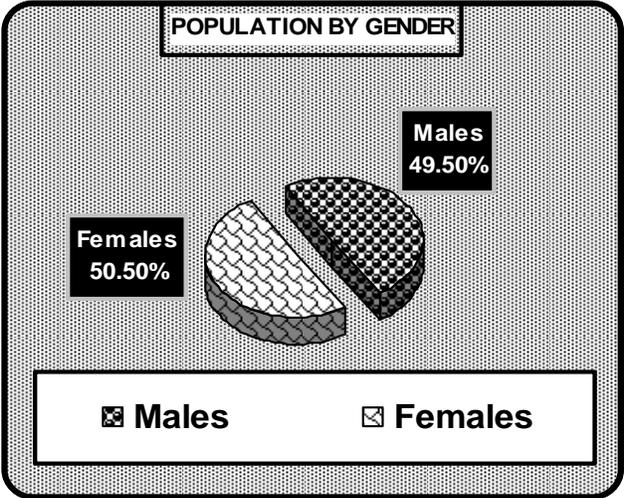


RACE COMPOSITION

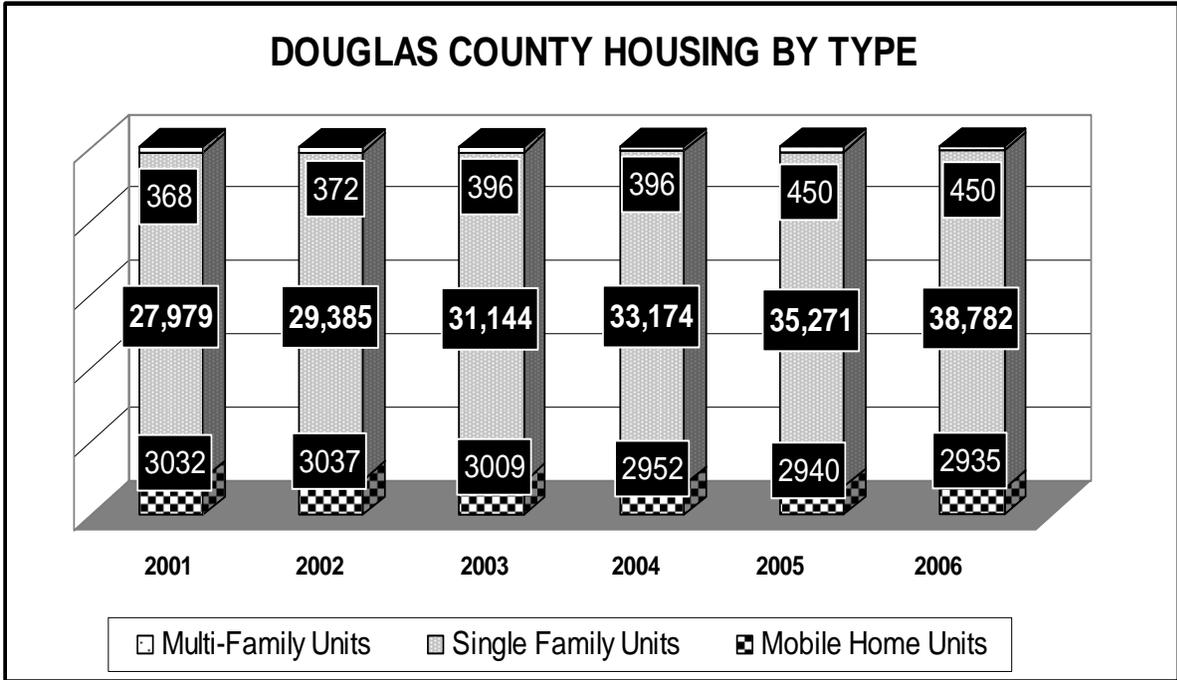
White	74.50%
Black	20.00%
Asian	1.70%
American Indian	20.00%
All Other Races	3.60%

**DOUGLAS COUNTY'S DEMOGRAPHICS
GENDER COMPOSITION**

Males	49.50%
Females	50.50%

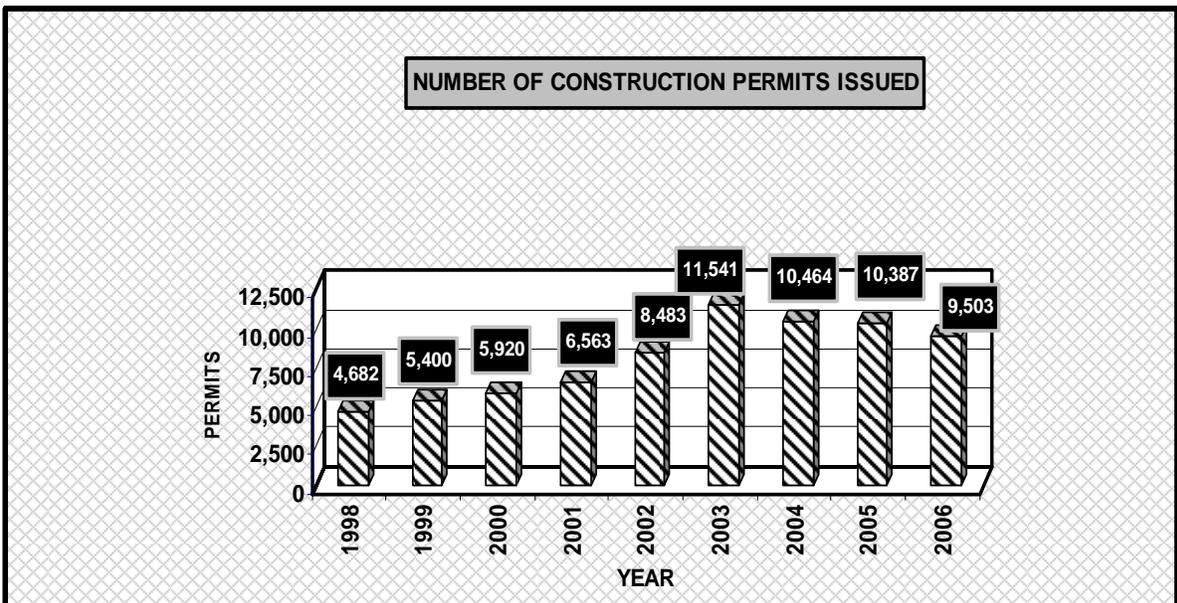


The average household size in Douglas County is 2.69 persons. In the year 2000, there were a total of 34,843 housing units in Douglas County. The estimated number of housing units for 2006 was 44,733 or a 28.3 % increase since 2000. Of the total housing units, 92.0 % are occupied. The median value of all the housing units is \$146,200.



Economic Condition and Outlook

As part of the Metropolitan Atlanta Region, Douglas County continues to benefit from the economic boom that the entire Atlanta region has enjoyed in recent years. Douglas County is poised to continue to prosper as a result of its strategic location as the “Western Gateway to Atlanta”. While the growth leveled off somewhat in 2004, Douglas County continues to prosper; even though in 2006, the County issued 884 less permits for construction than in 2005.

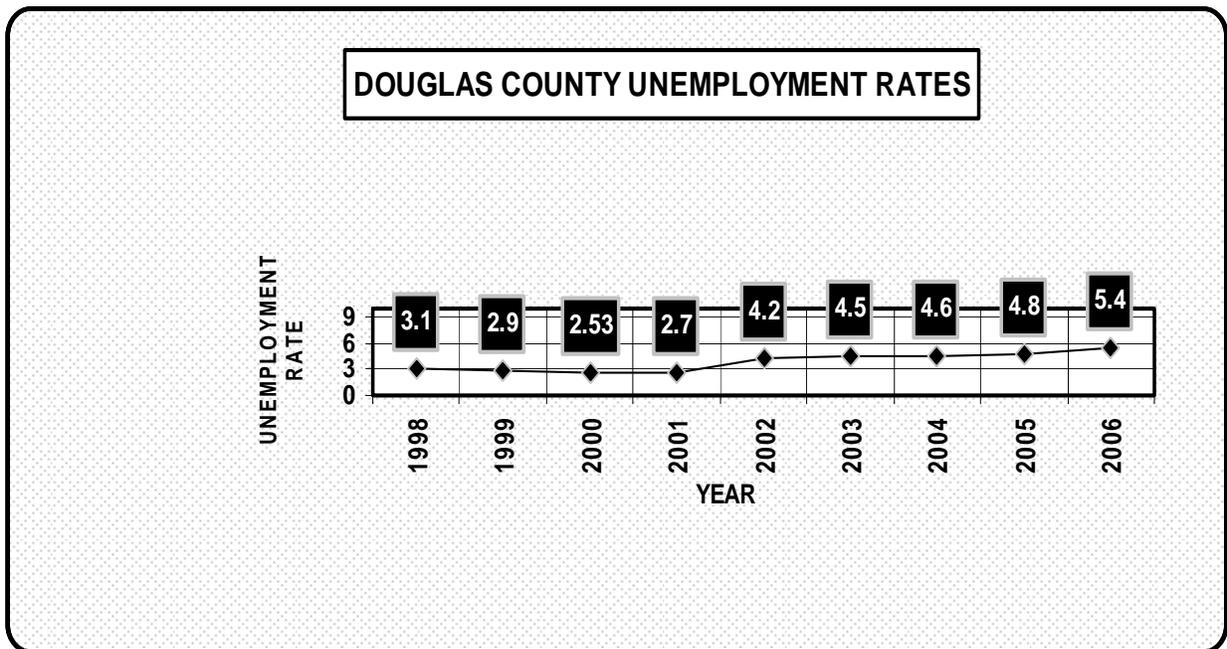


As a result of Douglas County’s geographic location and its pro-active measures to assure quality and sustained growth, the economic vitality and viability of the County has strengthened. The County’s population has grown significantly and is projected to continue to do so. An enhanced quality of life, expanded retail opportunities, strong growth in employment and an increasing and diverse supply of housing continues to lead to annual growth.

The County is also poised to take advantage of many of the issues that are limiting growth in other areas of the Metro-Atlanta region. Many developers and individuals are seeking alternatives to the traditional growth areas around Atlanta. For many years the I-75 and I-85 north corridors around Atlanta have seen the most dramatic growth. The opportunities in those areas are becoming more and more limited. As reported in the March 3-9, 2000 edition of the Atlanta Business Chronicle, the Trammell Crow Company recently completed a study of the I-85 corridor, and found that only 635 acres “were available for future (industrial) development sites”. Douglas County and its municipalities have in excess of 1,000 acres that are developable for industrial/warehouse/distribution space. This bodes well for the future growth potential in Douglas County and for expanded employment opportunities for its citizens.

The economic well being of the general population of Douglas County is good in comparison to the rest of Georgia. The Per Capita Income in the County is \$26,687, which compares to Georgia’s average per capita income of \$29,782. The County poverty rate was 7.8% in 2005, which is significantly lower than Georgia’s rate of 13%. As more affluent subdivisions and homes are being constructed, these numbers should continue to improve.

As the population increases so does the size of the labor force. The current Douglas County labor force is approximately 61,911. Although the labor force has been increasing, the unemployment rate increased in 2006. The following chart illustrates this trend:



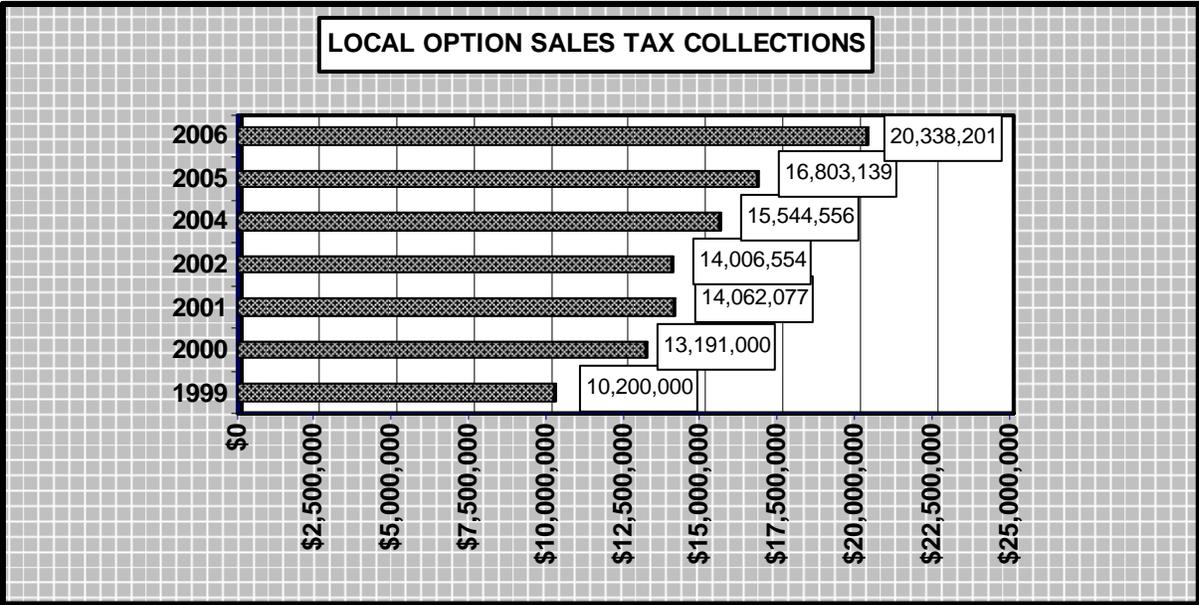
The employment opportunities in Douglas County have been increasing also. Employment has been increasing at an average annual rate of 3.7%. Approximately 70% of the County's residents commuted to jobs outside the County. With the increase in local employment opportunities and the broad job sector growth outpacing population growth, a decrease in the number of commuters should be reflected in the next census.

We actively recruit business and industry to locate in Douglas County through our Development Authority. In 2006, six new industrial developments creating 472 new jobs with an investment of over 92 million dollars opened in Douglas County, including:

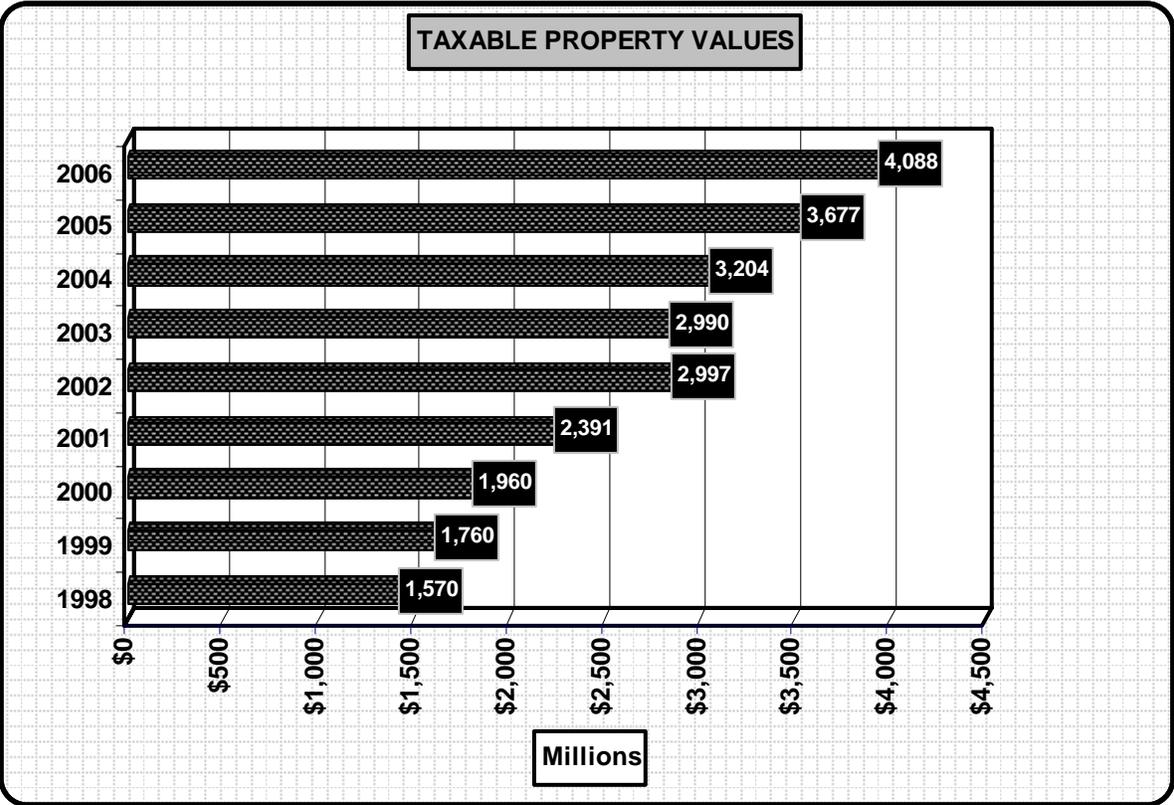
- A new PepsiCo distribution facility on Thornton Road, with over 100 new jobs
- A new Southwire distribution facility on Bankhead Highway in Winston with 70 new jobs
- A new Staples Customer Fulfillment Center on Blairs Bridge Road with 200 jobs
- A new facility for Tropical Nut & Fruit with 27 new jobs
- New facilities for two other companies with an additional 115 new jobs
- Other industrial facilities representing approximately \$55 million in new investment.

Other industries are constantly being constructed & recruited to be a part of Douglas County. These figures do not include any retail development, which continues to be strong. It is investment of this nature that allows us to hold down property taxes as much as possible, creates jobs for ourselves and our neighbors, and allows our residents to work closer to home.

Much of the growth in permitted construction has been in the development of new retail sites and establishments. As more and diverse retail establishments are constructed, the need to go outside the County to purchase goods and services decreases. More tax revenue is generated as these products are purchased locally. The growing population, retail shopping opportunities, increased wealth and disposable income are all factors contributing to a stable local sales tax collection in Douglas County. This chart illustrates the increasing growth of Local Option Sales Tax (LOST) collections over the last few years. In 2004 & 2005, the collections recovered from a drop off in 2003 due to the general downturn of the national economy. In 2006, collections continued growing strongly with a \$3,535,062 increase over 2005.



In 2006, gross taxable property values reflected a increase of over \$411,388,777. Growth amounted to a \$385,218,901 increase in the property values. Revaluation increased property values by \$29,169,876. This increase is a reflection of the overall vitality of the Douglas County economic environment. See the chart below.



Since 1992 the County has reduced the total tax levy by 8.681 mills. However, in 2006, the County increased their portion of the tax levy by 9/10 of a mill. In comparison with ten other Metro-Atlanta Counties for 2006, Douglas County has the second lowest millage rate. This contributes to making Douglas County very attractive for both residential and commercial growth.

The future is bright indeed for the County due to population growth, increase in wealth of citizens, improved and diverse housing, new housing starts, new construction in all sectors, increased retail opportunities and sales, low millage rates, low unemployment, growth in all employment sectors, and available land for future development.

Major Initiatives

With the increases in population and the construction of housing units, one of the most critical needs in the County has become our roads and transportation. In order to address this need, the Douglas County Board of Commissioners called for a referendum for a 1% Special Local Option Sales Tax (SPLOST) to provide road, recreation, and fire service improvements. In March 2002 the voters of Douglas County passed this Sales Tax Referendum that, along with Intergovernmental Grants, Investment Earnings, and Revenue Bond Proceeds, will provide almost \$96,000,000 worth of Roads, Recreation, and Fire Service improvements, over the next five years. In addition, the County:

Expanded Information Services Capabilities by:

- Creating a Security Administrator position to insure the expanding computer network remains secure and stable without experiencing any downtime
- Implementing centralized management, centralized patch management and anti-spam measures
- Upgrading all desktops to Microsoft Office 2003 and developed/modified departmental databases
- Replicating all critical data to off-site location

Expanded Records Storage Capacity by:

- Installing metal shelving to increase records room storage capacity from 5,000 cubic feet to 10,000 cubic feet. This improvement sustained the County's increasing record volume temporarily until the County builds a records center

Improved Courthouse Security and Appearance by:

- Installing three card readers, six cameras and two digital video records
- Pressure washing the entire exterior of the Courthouse to remove mold and mildew

Improved the Mail Processing Capability by:

- Replacing the mail processor to meet United States Postal System Regulations by installing new digital equipment
- Replacing the mail clerk's utility vehicle which is a 1994 model with 160,000 miles of usage

Improved the Department of Transportation by:

- Replacing tractors used for maintaining road right-of-way
- Replacing a 1993 Ford F250 with 196,775 miles on it with a 4/4 super-cab with a long wheel base to be used by an on-call supervisor

Improved the Department of Transportation by:

- Obtaining a sign sheeting plotter & sign fabrication roller/compressor to fabricate large 36” signs and to improve compression of sheeting and facing materials
- Hiring a Traffic Signal Maintenance Superintendent
- Purchasing work order software for the DOT Administration Department to properly manage assets and infrastructure through an advanced web based work order data management system
- Completing the design to widen and improve intersections on Chapel Hill and Stewart Mill Roads
- Completing designs in order to make intersection improvements on:
 - Central Church at King’s Highway
 - State Road 5 at Bright Star
 - Chapel Hill at West Chapel Hill
- Completing designs in order to make bridge improvements at:
 - Anneewakee Road at Anneewakee Creek
 - Mason Creek Road
- Resurfacing four million dollars worth of roads

Improved Fleet Vehicle Maintenance by:

- Purchasing two laptop computers that provide on-line testing capabilities of diagnostics contained in new vehicles
- Purchasing a 4-wheel drive tire truck to replace a truck that was overloaded and could not navigate in inclement weather

Expanded Transportation Services by:

- Creating a new Operations Assistant position to coordinate maintenance and repair of van fleet and providing emergency service for van breakdowns on the road
- Making security improvements at the Transportation Center
- Purchasing new vans for expansion of Rideshare Program

Improved Development Services Capability by:

- Upgrading Building Department software to better track plans, check zoning and tract daily comments
- Purchasing six new replacement vehicles

Improved Communications and Community Relations by:

- Creating a Camera and Sound Technician position to expand dctx23 programming while also adding community events and outreach

Improved Communications and Community Relations by:

- Procuring a web-based system in order to receive free programming from the Department of Education, NASA and Public Broadcasting Channels for documentaries
- Obtaining an on-air graphic generator and equipment for broadcasting presentation slides

Improved the Courts and Legal System by:

- Creating a Secretary's position to provide faster and more efficient service and to alleviate work load on accountants in Clerk of Court's office
- Creating an Investigator's position in the Solicitor's office in order to prosecute the many cases that are dismissed for lack of evidence.
- Creating a Legal Staff Assistant position in the Solicitor's office in order to handle the increasing caseload
- Creating a Judge Pro Temp position in the State Court Judge's office
- Creating an Associate Judge's position in the Juvenile Court to help with the growing caseload
- Creating a Deputy Clerk's position in the Juvenile Court to help with the growing caseload
- Increasing funding for Juvenile Court Interpreters

Improved Public Safety by:

- Adding 12 deputy sheriff's positions to the Enforcement Division of the Sheriff's Department to increase patrol capabilities and decrease response time to calls for service
- Replacing 25 vehicles in the Sheriff's Department
- Upgrading the security system in the jail
- Adding nine firefighter/EMT positions in the fire service to adequately staff the new Westside station at Mirror Lake
- Completing Phase I to build a new Westside Fire Station to handle the growth in the Mirror Lake area
- Purchasing four pumper trucks, three ambulances and three administrative vehicles to improve response capabilities in the Fire/EMS Department
- Beginning the construction of a backup E-911 Center at the Courthouse to provide continuity of emergency services dispatch in the event of the loss of the E-911 building due to unforeseen circumstances

Improved the Tax Assessing and Collection Functions by:

- Completing Phase I & II of the interactive voice response communications system in the Tax Commissioner's Office to provide more automotive phone processing to free the clerk in the processing of mail and other duties

Improved Senior Citizens Transportation and Community Service Board Transportation by:

- Purchasing three replacement vans

Improved Parks and Recreation Operations and Facilities by:

- Beginning the construction of a sports complex at Boundary Waters Park
- Renovating Winston Park, Mt. Carmel Park and the Post Road Park

Improved Compaction of Demolition Landfill by:

- Replacing a 1991 Steel Wheel Compactor

Future Plans

The mission of Douglas County is to provide the citizens of Douglas County with an honest, well-planned, effective and efficient local government. A major part of that mission is to provide certain essential, basic services of government necessary to have the quality of life that our citizens desire. Our goal is to deliver the maximum amount of these services, which promote the health, safety, welfare, comfort and convenience of our citizens, for the least amount of cost possible. The annual operating budget is one tool that is used to see that public funds are properly accounted for, that they are prudently expended, and that they are used to meet these objectives.

The annual budget serves as the foundation for Douglas County's financial planning and control. All departments and agencies funded by the County are required to submit requests for appropriations to the County Finance Department each year. Once the Finance Director has received all the budget requests they are compiled and forwarded to the County Administrator for his review and development of a proposed budget. The County Administrator then presents the proposed budget to the Board of Commissioners. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 31, the close of Douglas County's fiscal year. The appropriated budget is prepared by fund (e.g., General), function (e.g., Public Safety), and department (e.g., Sheriff Enforcement). Department Heads may make transfers of appropriations within a department.

The budget process is the plan Douglas County uses for the expenditure of public funds. It is designed to identify the needs of Douglas County citizens for services to improve their quality of life, to quantify those needs, to categorize them into cost centers for accountability, and to determine the revenues, which will be available to provide those needs. Public hearings are held to encourage input from the citizens and to provide information regarding the County plans for the coming fiscal year.

Douglas County has established the following items as priorities for the 2007 fiscal year:

Improve and manage the County's overall liability/risk by:

- Creating a Risk Manager position to implement accident prevention programs; review County properties; evaluate insurance services & coverage, provide risk assessment (including field investigations), inspect worksites, facilities and vehicles for safety and coordinate claims administration
- Creating an Internal Auditor position to evaluate organizational efficiency and effectiveness; evaluate compliance with legal and administrative requirements; and test the adequacy of internal financial and management controls

Expand Information Services Capabilities by:

- Creating additional System Administrator and Senior Programmer Analyst positions
- Approving funds to fully implement wireless throughout the entire courthouse
- Purchasing a new scanner for improved efficiency in Records Retention
- Procuring services for aerial photography for Geographical Information Systems

Improve Courthouse Security and Appearance by:

- Installing a new card access system for the courthouse
- Resealing and striping the courthouse parking lot

Improve the Department of Transportation by:

- Installing new traffic signals at intersections due to an increase in traffic volumes
- Widening and improving intersection on Chapel Hill and Stewart Mill Roads
- Making intersection improvements on:
 - State Road 5 at Bright Star
 - Chapel Hill at West Chapel Hill
- Resurfacing roads
- Hiring a three man bridge crew to maintain and repair bridges
- Purchasing a herbicide truck with a mounted 500 gallon tank
- Hiring a Utility Engineer/Construction Inspector and Transportation Engineer
- Purchasing thermoplastic melting pots, tanks and trailer

Improve Fleet Management by:

- Hiring two part-time employees to assist in cleaning and organizing the shop
- Purchasing a two post lift in order to work on vehicles

Expand Transportation Services by:

- Making updates and security improvements to the Transportation Center
- Purchasing new vans for expansion of the Rideshare Program
- Purchasing land for an additional park-n-ride lot

Improve Development Services Capabilities by:

- Installing credit card machines for the front counter
- Hiring a senior secretary

Improve Communications and Community Relations by:

- Purchasing a teleprompter system for scripted filming
- Improving website to incorporate on-line registration & payment for Parks & Recreation
- Approving website streaming of dctv23

Improve the Courts and Legal System by:

- Creating a Data Management Coordinator to assist the District Attorney's office in retrieving records
- Upgrading Case Management Software in the District Attorney's office in order to share data with the Sheriff's office
- Increase funding for court interpreters
- Creating an additional deputy clerk to provide faster and more efficient service in Clerk of State Court's office

Improve Public Safety by:

- Constructing a new Westside Fire Station to handle the growth in the Mirror Lake area
- Approving various equipment replacements within the Fire & EMS Department
- Adding one corporal, three communication operators, four deputy sheriffs and one investigator position to the Enforcement Division of the Sheriff's Department
- Replacing \$400,000 worth of Sheriff Enforcement vehicles
- Purchasing a new generator for security and safety of the main jail

Improve the Tax Assessing and Collection Functions by:

- Approving funds for professional services for timber appraisals and digitized soil maps to be performed
- Creating two new appraiser positions to assist with the workload of the Appraisal Department

Improve Services to Senior Citizens by:

- Purchasing a replacement van for Senior Services Transportation
- Partially funding two State positions that service senior citizens
- Expanding programs at the Woodie Fite Senior Center

Improve Parks and Recreation Operations and Facilities by:

- Completing the construction of a sports complex at Boundary Waters Park
- Continuing the renovation of existing parks
- Beginning a replacement program for various parks' lighting systems in the amount of \$150,000
- Replacing vehicles and equipment to better maintain our existing and new parks
- Hiring a maintenance employee at the Aquatic Center
- Hiring a full staff for the opening and operations of Boundary Waters Park

Improve Landfill Operations by:

- Approving the reorganization of staff in order to become more effective and efficient
- Implementing rate increases for acceptance of recycle items
- Approving computer replacements, memory upgrades and a printer
- Improving the roadway in & around the Landfill

In 2006, continuing to ensure a secure computer network was important; therefore a security administrator position and off-site storage expansion was approved. Improving public safety for a safe & secure community was also an objective. Hence, twelve new Sheriff deputies were approved to improve enforcement in certain areas of the County and nine firefighters were approved to staff a new fire station in July. Phase III of the Transportation Center continued in 2006 (which 90% was funded through State and Federal grants). Because of the SPLOST & GRTA Capital Project Funds, road improvements, fire capital projects and park capital projects continued in 2006.

In 2007, major emphasis was placed on staffing, operating and enhancing various parks and park facilities such as Boundary Waters, Skateboard Complex and Aquatic Center. These facilities assisted and are continuing to assist Douglas County's current growing population and future needs for expansion for these services/programs. Improving public safety was also an emphasis for 2007. New Sheriff Enforcement positions were created to help enforce laws and make for a safer community. The GRTA Arterial Roads Project continues making way with road construction/improvements in 2007, all of which is reimbursed from the State. The SPLOST Capital Project Fund is still continuing with the many enhanced, constructed and/or improved Road, Fire and Park Department projects.

There will be continued infrastructure improvements on County Parks & Recreation facilities and Fire Department facilities in 2007 because of the continuation of the SPLOST Capital Project Fund. Also, infrastructure improvements on County roads due to the SPLOST and GRTA Capital Project Funds are projected for 2007.

Awards and Acknowledgements

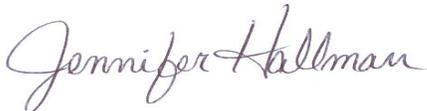
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Douglas County, Georgia for its comprehensive annual financial report for the fiscal year ended December 31, 2005. This was the third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The County has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning January 1, 2006. The County's budget document has been judged by the GFOA to be proficient as a policy document, as an operations guide, as a financial plan and as a communication device, and thus the County has received this award eight times.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department, as well as, the assistance and contributions by the County Administrator. Credit must also be given to the Chairman and members of the Douglas County Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Douglas County's finances.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jennifer Hallman".

Jennifer Hallman, Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Douglas County
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2005

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



**DOUGLAS COUNTY BOARD OF COMMISSIONERS
&
COUNTY ADMINISTRATOR**



**Tom Worthan
Chairman**



**Freddie Ashmon, Jr.
District #1**



**Charley Camp
District #2**



**Mike Mulcare
District #3**



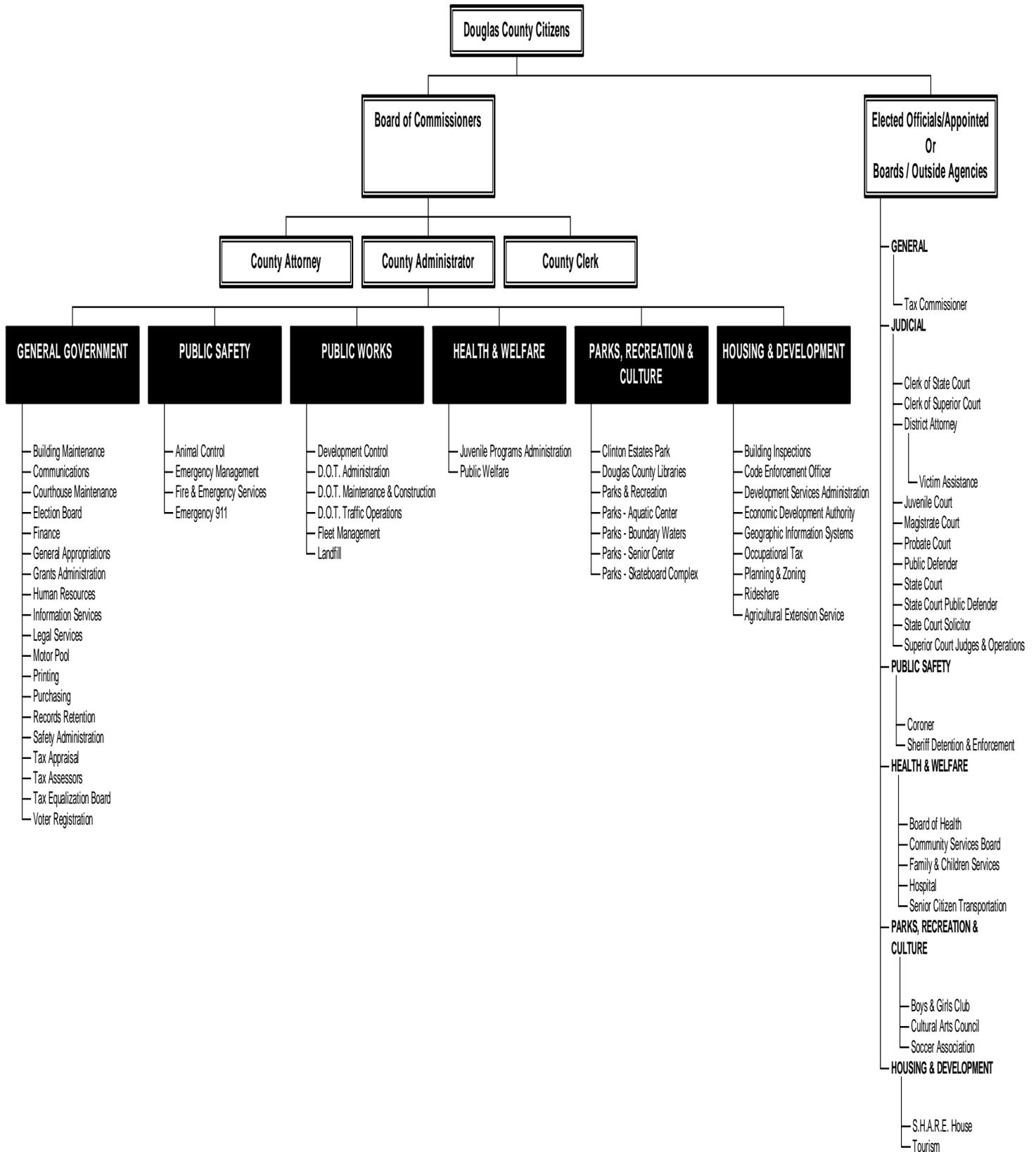
**David Latham
District #4**



**Eric Linton
County Administrator**



Douglas County Government





LIST OF OFFICIALS

DOUGLAS COUNTY, GEORGIA

COMMISSIONER , CHAIRMAN.....	TOM WORTHAN
COMMISSIONER, VICE CHAIRMAN.....	DAVID LATHAM
COMMISSIONER.....	FREDDIE ASHMON, JR.
COMMISSIONER.....	CHARLEY CAMP
COMMISSIONER.....	MIKE MULCARE
COUNTY ADMINISTRATOR	ERIC LINTON
COUNTY ATTORNEY.....	KENNETH BERNARD
COUNTY CLERK.....	AIDA TULLIS
CHIEF APPRAISER.....	BENNY WALDROP
CHIEF MAGISTRATE.....	SUSAN CAMP
CHIEF REGISTRAR	LAURIE FULTON
CLERK OF SUPERIOR COURT.....	CINDY CHAFFIN
COMMUNICATIONS DIRECTOR.....	WES TALLON
CORONER	RANDY DANIEL
DEVELOPMENT SERVICES DIRECTOR.....	MARK TEAL
DISTRICT ATTORNEY.....	DAVID MCDADE
ELECTIONS SUPERINTENDENT	BOB AKERS
EMERGENCY/E-911 DIRECTOR	GREG WHITAKER
FINANCE DIRECTOR.....	JENNIFER HALLMAN
FIRE CHIEF	SCOTT SPENCER
INFORMATION SERVICES DIRECTOR	MIKE AMATO
JUVENILE COURT JUDGE	PEGGY WALKER
LIBRARIAN.....	CHARLOTTE HURT
MAPPING AND GIS.....	ANDY SUMMERS
PARKS AND RECREATION DIRECTOR.....	GARY DUKES
PERSONNEL DIRECTOR.....	RAY MARTIN
PLANNING/ZONING DIRECTOR	AMY BRUMELOW
PROBATE JUDGE.....	HAL HAMRICK
PUBLIC DEFENDER	MONICA MYLES
EMA DIRECTOR.....	JASON MILHOLLIN
DEPT OF TRANSPORTATION DIRECTOR.....	RANDY HULSEY
PURCHASING DIRECTOR	DIANE CONNORS
RECORD RETENTION	BECKY HEBERT
RIDESHARE COORDINATOR.....	GARY WATSON
SHERIFF	PHIL MILLER
TAX COMMISSIONER	ANN JONES GUIDER
VEHICLE MAINTENANCE MANAGER	DANNY AGAN

FINANCIAL SECTION

The financial section includes the independent auditor's report on the financial statement audit, the MD&A, which provides a narrative introduction, overview and analysis of the financial statements, and the basic financial statements including footnotes, combining and individual fund presentations and supplementary information.

INDEPENDENT AUDITOR'S REPORT

Members of the Douglas County Board of Commissioners
Douglasville, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of Douglas County, Georgia as of and for the year ended December 31, 2006, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Douglas County, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Douglas County Board of Health, the discretely presented component unit of the County. Those financial statements as of June 30, 2006, 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 Douglas County Board of Health, is based 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 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Douglas County, Georgia as of December 31, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 22, 2007, on our consideration of Douglas County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis, Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP) and Actual - General Fund, and the Schedules of Funding Progress and Employer Contributions, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Board of Commissioners
Douglas County, Georgia

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying information listed as introductory section, other supplementary information (individual nonmajor fund financial statements and schedules), statistical section, the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds as required by Section 48-8-121 of the Official Code of Georgia annotated (OCGA), the Grant Schedule – Georgia Department of Human Resources; Family Connection in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information, the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax Proceeds as required by Section 48-8-121 of the Official Code of Georgia annotated (OCGA), and the Grant Schedule – Georgia Department of Human Resources; Family Connection have been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, based on our audit is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information included in the introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Lawrence, Seribeavers

Atlanta, Georgia
June 22, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview and analysis of the Basic financial statements prepared by the Finance Director.

Management's Discussion and Analysis

As management of Douglas County, Georgia, we offer readers of the County's financial statement this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2006. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in County's financial statements, which follow this narrative.

Financial Highlights

- ◆ The assets of the County exceeded its liabilities as of December 31, 2006 by \$161,116,442 (net assets).
- ◆ As of December 31, 2006, the County's governmental funds reported combined ending fund balances of \$60,026,145. Approximately 47 % of this total amount, \$28,004,303 is available for spending at the government's discretion (unreserved and undesignated fund balance).
- ◆ As of December 31, 2006, unreserved and undesignated fund balance for the general fund increased by \$6,976,348 to \$19,969,957 or 30 % of the total general fund expenditures.
- ◆ Douglas County's total long-term debt decreased by \$9,124,595 during the current fiscal year. The main contributing factor to this decrease was the retirement of the Development Authority of Douglas County Revenue Bonds (Parks and Recreation Projects) in the amount of \$8,935,000.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The 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.

The first two statements are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner similar to a private-sector business.

The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the Government's non-major government-

tal funds and internal service funds, all of which are added together in one column on the basic financial statements.

Following the notes is the required supplemental information.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Government's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Government's financial status as a whole.

These two statements are the 1) statement of net assets and 2) statement of activities. Net assets are the difference between the Government's total assets and total liabilities. Measuring net assets is one way to gage the Government's financial condition. 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).

The government-wide statements are divided into three categories: 1) government activities; 2) business-type activities; and 3) component units. The governmental activities include most of the Government's basic services such as general government, judicial system, public safety, public works, health and welfare, parks, recreation and culture, and planning/community development. Property taxes and State and Federal grant funds finance most of these activities. The business-type activities are those that the Government charges customers to provide. For Douglas County the only business-type activity is the Solid Waste Landfill. The final category is the component units. The Douglas County Health Department is a public health department. Although legally separate from the Government, the Chairman of the Board of Commissioners sits on their governing board and the County appoints three members to the governing board thereby controlling a majority of the Board of Health governing positions. Although the County does not have the authority to approve or modify the Board of Health's operational and capital budget, it does have the ability to control the amount of funding it provides to the Board of Health. Such funding is significant to the overall operations of the Board of Health. Therefore, the Board of Health is a component unit of the Douglas County Government.

Fund Financial Statements

The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide 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. Douglas 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 Douglas County can be divided into three categories: 1) governmental funds, 2) proprietary funds and 3) fiduciary funds.

Governmental Funds

Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Government's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash and the amount of funds left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified accrual accounting. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the Government's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

The Government adopts annual budgets for its General Fund, its Special Revenue Funds, and its Debt Service Funds. The budget is a legally adopted document that incorporates input from the citizens of the Government, the management of the Government, and the decisions of the Douglas County Board of Commissioners about which services to provide and how to pay for those services. It also authorizes the Government to obtain funds from identified sources to finance these current period activities. The budgetary statements provided for these funds demonstrate how well the Government complied with the budget ordinance and whether or not the Government succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting (which is modified accrual) and is presented using the same format, language, and classifications as the Statement of Revenues, Expenditures, and Changes of Fund Balance. The statements show three columns: 1) the final budget as amended by the commission; 2) the actual resources, charges to appropriations, and ending balances in the funds; and the difference or variance between the final budget and the actual resources and charges.

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 an enterprise fund to account for the Solid Waste Landfill. Internal service funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. Internal service funds are used to account for the County's Healthcare and Employee benefits and Worker's Compensation. The costs of these services have been allocated between the governmental activities and the business-type 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.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity, or as an agent for other governmental entities, individuals, and other funds. Examples are Trust and Agency Funds such as Tax Commissioner Agency Fund, Superior Court, State Court, and Magistrate Court Agency Funds, Probate Court Agency Fund, Juvenile Court Agency Fund, Sheriff Agency Fund and Pension Trust Fund.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

The government-wide financial statements for the year ended December 31, 2003, represented a new method of financial reporting for Douglas County, Georgia and many other units of government throughout the United States. Prior to that year, the County maintained governmental, proprietary, and fiduciary fund groups as separate and very distinct types of accounting without any type of consolidated statement that reflected the operations and net assets of the government as a whole. There was a total column that appeared on the financial statements, but it was a memorandum total only. No attempt was made to adjust the statements in such a way that the total column would represent the overall financial condition of the County. Those statements were basically the equivalent of the fund financial statements that appear in this report with fiduciary funds and two account groups, the long-term debt and the general fixed assets, added in.

The changes in the financial statement reporting model were mandated by the Government Accounting Standards Board (GASB). GASB Statement 34 dictated the changes in the County's 2003 financial reports as well as those of many other units of government. Douglas County was required to implement these changes for the year ending in 2003. Some governments had to implement these changes earlier, while others were not required until a later date.

Because of this new reporting model, comparative data for all facets of the 2003 report were not available. When comparative numbers were accessible, they were included. This year's reports will have more comparative data that will allow more opportunities for comparative analysis.

Douglas County, Georgia's Net Assets

	Activities Governmental 2006	Activities Governmental 2005	Activities Business-Type 2006	Activities Business-Type 2005	Total 2006	Total 2005
Current and other assets	\$ 85,688,495	\$ 64,669,203	\$ (183,266)	\$ (698,310)	\$ 85,505,229	\$ 63,970,893
Capital assets	<u>115,270,371</u>	<u>106,595,479</u>	<u>2,739,345</u>	<u>2,362,632</u>	<u>118,009,716</u>	<u>108,958,111</u>
Total assets	<u>200,958,866</u>	<u>171,264,682</u>	<u>2,556,079</u>	<u>1,664,322</u>	<u>203,514,945</u>	<u>172,929,004</u>
Long-term liabilities outstanding	19,665,939	29,090,775	1,923,183	1,340,278	21,589,122	30,431,053
Other liabilities	<u>20,698,022</u>	<u>14,514,400</u>	<u>111,359</u>	<u>83,600</u>	<u>20,809,381</u>	<u>14,598,000</u>
Total liabilities	<u>40,363,961</u>	<u>43,605,175</u>	<u>2,034,542</u>	<u>1,423,878</u>	<u>42,398,503</u>	<u>45,029,053</u>
Net assets:						
Invested in capital assets, net of related debt	100,321,388	81,889,979	2,739,345	2,362,632	103,060,733	84,252,611
Restricted	37,501,445	30,538,080	-	-	37,501,445	30,538,080
Unrestricted	<u>22,772,072</u>	<u>15,231,448</u>	<u>(2,217,808)</u>	<u>(2,122,188)</u>	<u>20,554,264</u>	<u>13,109,260</u>
Total net assets	<u>\$ 160,594,905</u>	<u>\$ 127,659,507</u>	<u>\$ 521,537</u>	<u>\$ 240,444</u>	<u>\$ 161,116,442</u>	<u>\$ 127,899,951</u>

As noted earlier, net assets may serve, over time, as one useful indicator of a government's financial condition. The assets of Douglas County exceeded liabilities by \$127,899,951 as of December 31, 2005. As of December 31, 2006 net assets were \$161,116,442.

The largest portion of the net assets, \$103,060,733, (63.9 %) reflects the County's investment in capital assets (e.g. land, buildings, machinery and equipment, etc.), less any related debt still outstanding that was issued to acquire those items. This compares to \$84,252,611, (65.9%) in 2005. 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 the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

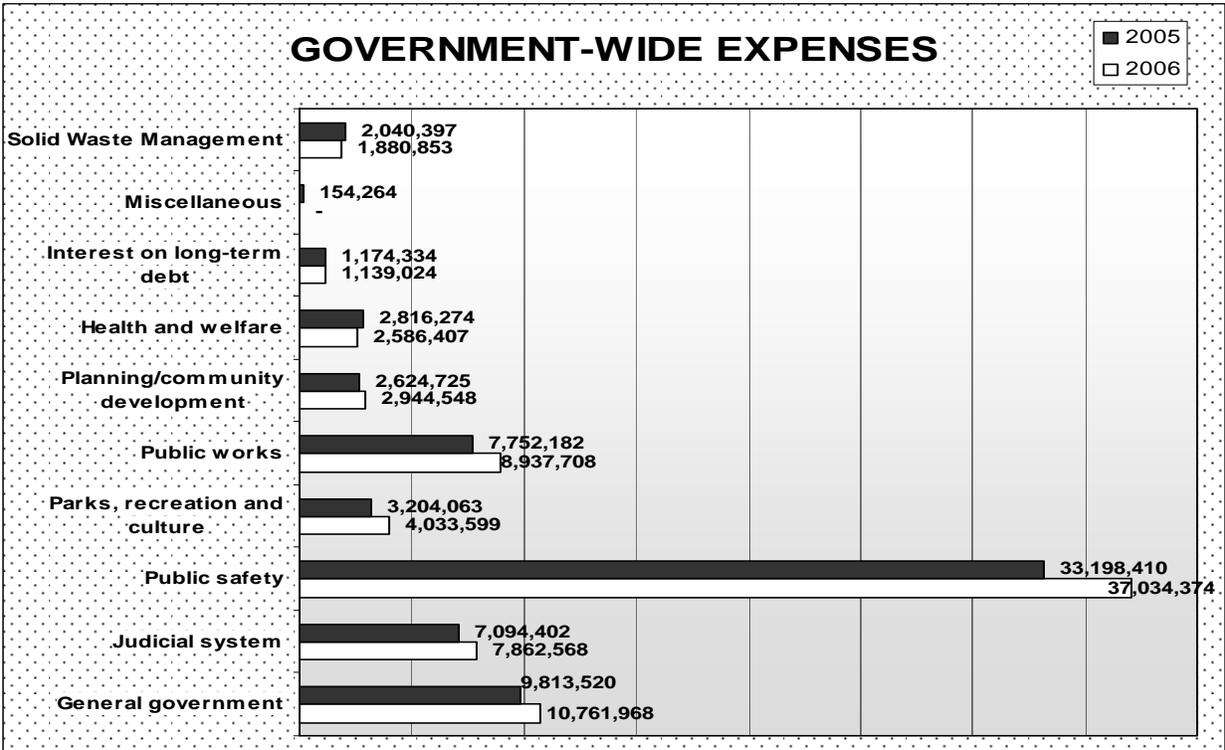
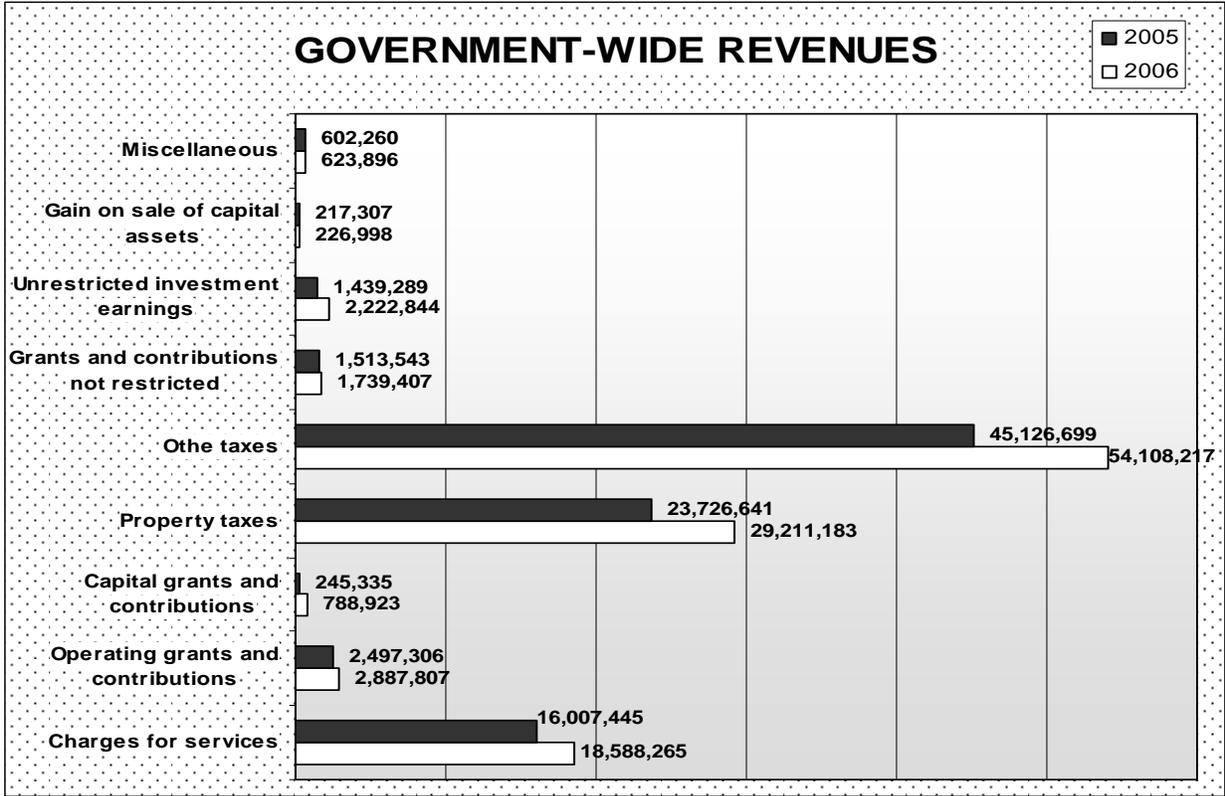
The County's unrestricted net assets are \$20,554,264 in 2006, which is 12.8 % of the total net assets as compared to \$13,109,260 in 2005.

Another portion of the County's net assets, \$37,501,445, (23.3 %), represents resources that are subject to external restrictions on how they may be used. This compares to \$30,538,080 (23.9%) in 2005. Of the 2006 total, \$21,042,322 is restricted for capital projects, \$8,459,529 is restricted for debt service, \$6,807,146 is for Public Safety, and \$1,192,448 is for other purposes.

The next table shows the changes in net assets for the years ending December 31, 2005 and December 31, 2006.

Douglas County Georgia's Changes in Net Assets

	Activities Governmental 2006	Activities Governmental 2005	Activities Business-Type 2006	Activities Business-Type 2005	Total 2006	Total 2005
Revenues:						
Program Revenues:						
Charges for services	\$ 16,604,697	\$ 14,211,217	\$ 1,983,568	\$ 1,796,228	\$ 18,588,265	\$ 16,007,445
Operating grants and contributions	2,733,485	2,497,306	154,322	-	2,887,807	2,497,306
Capital grants and contributions	788,923	245,335	-	-	788,923	245,335
General Revenues:						
Property taxes	29,211,183	23,726,641	-	-	29,211,183	23,726,641
Other taxes	54,108,217	45,126,699	-	-	54,108,217	45,126,699
Grants and contributions not restricted	1,739,407	1,513,543	-	-	1,739,407	1,513,543
Unrestricted investment earnings	2,198,788	1,427,225	24,056	12,064	2,222,844	1,439,289
Gain on sale of capital assets	226,998	217,307	-	-	226,998	217,307
Miscellaneous	623,896	602,260	-	-	623,896	602,260
Total revenues	108,235,594	89,567,533	2,161,946	1,808,292	110,397,540	91,375,825
Expenses:						
General government	10,761,968	9,813,520	-	-	10,761,968	9,813,520
Judicial system	7,862,568	7,094,402	-	-	7,862,568	7,094,402
Public safety	37,034,374	33,198,410	-	-	37,034,374	33,198,410
Parks, recreation and culture	4,033,599	3,204,063	-	-	4,033,599	3,204,063
Public works	8,937,708	7,752,182	-	-	8,937,708	7,752,182
Planning/community development	2,944,548	2,624,725	-	-	2,944,548	2,624,725
Health and welfare	2,586,407	2,816,274	-	-	2,586,407	2,816,274
Interest on long-term debt	1,139,024	1,174,334	-	-	1,139,024	1,174,334
Miscellaneous	-	154,264	-	-	-	154,264
Solid Waste Management	-	-	1,880,853	2,040,397	1,880,853	2,040,397
Total expenses	75,300,196	67,832,174	1,880,853	2,040,397	77,181,049	69,872,571
Increase in net assets before transfers	32,935,398	21,735,359	281,093	(232,105)	33,216,491	21,503,254
Transfers	-	-	-	-	-	-
Increase in net assets	32,935,398	21,735,359	281,093	(232,105)	33,216,491	21,503,254
Net assets January 1	127,659,507	105,118,103	240,444	472,548	127,899,951	105,590,651
Prior period adjustment	-	806,045	-	-	-	806,045
Net assets, December 31	\$ 160,594,905	\$ 127,659,507	\$ 521,537	\$ 240,443	\$ 161,116,442	\$ 127,899,950



Governmental Activities

Governmental activities increased the County's net assets by \$21,735,359 in 2005 and by \$32,935,398 in 2006. Key elements of the 2006 increase are as follows:

- ◆ **Governmental Revenues.** Taxes continue as the main source of revenue of the County, amounting to 95% of the revenues in 2006 compared to 94% in 2005. Sales tax revenues increased in 2006 by \$7,989,379, which accounts for 24% of the increase in the change of net assets. The general property taxes increased by \$5,484,542 over 2005 due to growth of the digest and an increase in the millage rate.
- ◆ **Governmental Functional Expenses:** As reflected in the summary of changes in Net Assets, the County expended 60 % of the appropriations for judicial and public safety expenditures. This compares to 59% expended for judicial and public safety in 2005. The County continues to commit substantial financial resources for the safety of its citizens. In addition, the County increased spending in parks and recreation, public works, and health and welfare to improve the quality of life to its citizens.

Business-type activities:

Business-type activities increased the County's net assets by \$281,093 in 2006. This total was due to the Solid Waste Management Revenues. This compares to a decrease of \$232,105 in 2005.

Financial Analysis of the Government's Funds

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. As stated earlier, funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bonding covenants. The Board of Commissioners establishes other funds to control and manage money for particular purposes (like the purchase or construction on major capital facilities within the County) or to show that it is properly using certain taxes and grants (like the one cent Special Local Option Sales Tax).

Governmental funds. Most of the County's basic services are included in governmental funds, such as public safety, public works, parks, recreation, and culture, and general government. These focus on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Such information is useful in assessing Douglas County's financing requirements. Specifically, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Douglas County's governmental funds reported combined ending fund balances of \$60,026,145, an increase of \$13,653,836 in comparison with the prior year. This was a \$9,697,905 increase in the unreserved fund balance and an increase of \$3,955,931 in the reserved fund balance. This reserved fund balance of \$32,021,842 has already been committed to (1) liquidate encumbrances of the prior period (\$783,324), (2) to be used for capital outlay (\$21,066,326), (3) to be used for debt service (\$8,623,754), (4) to be used for prepaid items (\$966,547), (5) advances to other funds (\$372,354) and (6) inventory (\$209,537).

The general fund is the chief operating fund of the County. As a measure of the general fund's liquidity, it may be useful to compare both unreserved and reserved fund balance to total fund expenditures for the year. At the end of the current fiscal year, unreserved fund balance of the general fund was \$19,969,957, or 30% of general fund expenditures for the year. The reserved fund balance for the general fund was \$2,308,427, or 3.4% of general fund expenditures for the year. Total fund balance reached \$22,278,384, or 33.5% of general fund expenditures for the year. Of the general fund balance, 90% is unreserved or available for spending at year end.

The fund balance of the County's general fund increased by \$6,919,756 during the current fiscal year. This was due to revenues exceeding expenditures by \$6,351,016 and the sale of capital assets of \$438,846 and transfers in of \$129,894. The Board of Commissioners have thus maintained their policy of at least a 10 % reserve in the fund balance.

Key changes in the general fund revenues from 2005 to 2006 are as follows:

- ◆ Revenues from taxes increased by \$9,496,749 in 2006. General property taxes increased by \$4,847,843 primarily as a result of the growth of the digest by about 11 % and an increase in the millage rate by 9/10 of a mill. In addition, due to the improved economy, the sales taxes increased by \$3,535,0626. Also, as a result of the improved economy, the Insurance Premium Taxes have increased by \$151,537 this year. Recording intangible taxes reflected an increase of \$484,348 due to a backlog of real estate filings being processed in 2006.
- ◆ License and permit revenues decreased by \$423,385 due to a slower economy and fewer permits issued.
- ◆ There was an increase in Courts and Law Enforcement revenue in the amount of \$868,567. Clerk of State Court and State Court had an increase in the number of cases filed and fines collected which resulted in \$346,377 more in 2006 compared to 2005. Clerk of Superior Court revenues increased by \$221,040 due to an increase in filings such as civil cases, notary and trade names.
- ◆ Finally, due to favorable interest rates on investments, interest earnings increased by \$277,061. Also, Other Financing Sources (Transfers In) decreased by \$481,169. In 2005, funds were transferred from the Courthouse Capital Fund to the General Fund for various capital purchases in the amount of \$242,360. These funds were not available to transfer to the General Fund for capital purchases in 2006.

Total general fund expenditures increased by \$7,370,621 in fiscal year 2006. Key factors in this increase were:

- ◆ An increase in salary and benefits for all employees in all functions of the government totaled over \$2 million.
- ◆ Also, in general government there was an increase of \$976,314 which was due to the increase in salary and benefits as well as capital purchases in various departments. Board of Elections increased by \$149,983 primarily due to more elections held in 2006; Tax Commissioner increased \$88,780 in order to purchase an interactive voice response system, computers and an updated telephone system; Tax Appraisal increased over \$100,000 due to purchasing three vehicles and seventeen new computers; Grant expenditures increased \$125,439 primarily as a result of two grants for the Sheriff's department.

- ◆ In the judicial system there was an increase of \$664,106. Juvenile Court expenditures increased by \$342,991 primarily due to two new positions and guardian-ad-litem expenses charged to this department (these expenditures were charged in Juvenile Programs in 2005). The District Attorney increased by \$116,928 due to increases in employee supplements, upgrades to the case management software and replacement computers and telephones. Finally, the Solicitor's office increased by \$120,641 which was due to the employment of a new investigator and legal staff assistant as well as the purchase of a vehicle.
- ◆ In public safety there was an increase of \$2,837,082. Both the Sheriff and Fire departments increased their staff by a total of seventeen employees. The Sheriff also purchased twenty-two vehicles.
- ◆ In public works there was an increase of \$539,360 which was primarily due to the purchase of two pieces of equipment totaling \$220,000 and the payoff of a lease purchase agreement.
- ◆ In planning and community development there was an increase of \$1,275,589 which was primarily due to Rideshare adding a parking lot totaling \$829,000 as well as new vans totaling \$385,000.

Proprietary Funds. Douglas County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. At the end of the current fiscal year net assets invested in capital assets net of related debt and restricted net assets were \$2,739,345 and \$0 respectively. Unrestricted net assets had a balance of \$(2,217,808). This compares to 2005 with net assets invested in capital assets net of related debt and restricted net assets of \$2,362,632 and \$0 respectively. Unrestricted net asset in 2005 were \$(2,122,188). Other factors concerning the finances of this fund have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget for 2006 totaled a \$4,074,302 increase in appropriations. Some of the more significant amendments are briefly summarized as follows:

- ◆ Public Safety budget increased \$740,075. Both the Sheriff's Department and the Fire Department received insurance reimbursements on automobile accidents totaling \$83,509. These departments also received grants in the amount of \$40,000 for the Sheriff's Department and \$26,600 for the Fire Department. Donations received in 2006 to these two departments that were not in the original budget were \$15,432. A total of \$148,105 in encumbrances rolled forward from the 2005 fiscal year. The Sheriff's Department had needs arise for items not in their original budget. These amendments were for \$30,000 for plans for a new building, \$98,265 for a digital recording system and \$44,000 for a telephone system.
- ◆ Parks and Recreation's \$501,000 increase resulted from the proceeds from the sale of land. These funds are to be used for a new park in the area of the land that was sold. This accounts for the majority of the \$654,356 increase in the parks, recreation and culture budget. The remainder of the increase includes \$5,389 received as an insurance reimbursement, \$4,500 in donations, \$43,793 in encumbrances rolled over from 2005, and \$36,000 needed for additional program activities.
- ◆ Public Works' budget also increased. The increase was \$1,102,563. There were several

areas that contributed considerably to this increased. A few of them are \$203,404 received from the sale/trade in of equipment, \$108,000 given by a corporation to reconstruct roadways they damaged, \$72,941 from a 2005 State project carried forward, \$55,412 for 2005 encumbrances rolled forward and \$126,236 received from a developer for the future installation of traffic signals at a subdivision.

- ◆ In Planning and Community Development there was an increase of \$1,258,572 the majority of which was for the County’s Rideshare program. They received Federal and State grants totaling \$1,025,030 and \$1,250 in donations. Due to increased fuel prices, the Rideshare increased fares and their fuel expenditures by \$75,000 in 2006.

During the year, revenues (including transfers in) exceeded the budgetary estimates by \$4,693,893 and expenditures were less than budgetary estimates by \$4,068,820 thus, what was budgeted to be a \$1,842,957 loss turned out to be a \$6,919,756 gain, or an improvement of \$8,762,713 in the County’s planned financial position.

Capital Asset and Debt Administration

Capital Assets. Douglas County’s investment in capital assets for its governmental and business-type activities as of December 31, 2006 amounts to \$103,060,733 (net of related debt). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

Douglas County, Georgia's Capital Assets

	Governmental Funds	Business-Type Activity	Total
Land	\$ 14,769,581	\$ 1,574,386	\$ 16,343,967
Buildings	63,673,915	406,241	64,080,156
Machinery & Equipment	6,098,151	2,470,526	8,568,677
Infrastructure	40,305,083		40,305,083
Construction in progress	13,334,156		13,334,156
Computers	672,954	40,360	713,314
Improvements	4,268,374		4,268,374
Vehicles	15,640,625	494,579	16,135,204
Total Governmental Funds Capital Assets	\$ 158,762,839	\$ 4,986,092	\$ 163,748,931

Additional information on the County’s capital assets can be found in the capital asset schedules and in the notes to the financial statements of this report.

Long-term Debt. At the end of the current fiscal year, the County had total long-term debt of \$19,665,899 for governmental activities and \$1,519,283 for business-type activities.. Of the governmental activities amount \$9,575,000 are revenue bonds through an intergovernmental agreement with the Douglas County Development Authority. The County intends to make payments on these bonds from the revenues received pursuant to the County’s one percent special local option sales tax. (SPLOST) However, the revenues from the SPLOST are not pledged to such payments. Another \$5,405,000 of this debt consists of certificates of participation with the Association of County Commissioner’s Government (A.C.C.G.) and was issued in 2003 for the expansion of the Douglas County Jail .

Douglas County, Georgia's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Certificates of Participation	\$ 5,405,000	\$ 6,105,000	\$ -	\$ -	\$ 5,405,000	\$ 6,105,000
Special Assessment Debt	530,000	615,000	-	-	530,000	615,000
Revenue Bonds	9,575,000	18,510,000	-	-	9,575,000	18,510,000
Premium on Issue	74,008	90,292	-	-	74,008	90,292
Capital Leases	81,318	291,506	409,433	-	490,751	291,506
Compensated Absences	3,168,547	2,454,163	29,426	20,965	3,197,973	2,475,128
Claims and Judgments	832,026	724,533	-	-	832,026	724,533
Closure and Post-Closure	-	-	1,489,857	1,335,109	1,489,857	1,335,109
	<u>\$ 19,665,899</u>	<u>\$ 28,790,494</u>	<u>\$ 1,928,716</u>	<u>\$ 1,356,074</u>	<u>\$ 21,594,615</u>	<u>\$ 30,146,568</u>

Douglas County maintains an “Aa2” rating from Moody’s Investors Services, Inc. for the uninsured bonds and an Aaa rating on the insured bonds with M.B.I.A. Insurance Corporation.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of the assessed value of all taxable property (tax digest) within said county. The current debt limitation for Douglas County is \$363,557,405 which is significantly in excess of the County’s outstanding general obligation debt.

During the current year the County’s governmental activities had an increase of \$107,493 in claims and judgments and an increase of \$714,384 in compensated absences. Business-type activities’ total outstanding debt increased by \$165,209. All other outstanding debt balances went down.

Additional information on the County’s long-term debt can be found on the comparative schedule of general long-term debt and in the notes to the financial statements.

Next Year’s Budget - During the year the fund balance was increased by \$6,919,756. This compares to a \$3,798,782 increase in 2005. The County has no plans to increase the millage rate in 2007.

Requests for Information - This financial report is designed to provide a general overview of Douglas County, Georgia’s finances for those with an interest in the government’s finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Office of the Finance Director, 8700 Hospital Drive, Douglasville, Georgia 30134.

BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide statement of net assets and government-wide statement of activities which include all of the primary government's governmental activities, business-type activities and component units. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements.

DOUGLAS COUNTY, GEORGIA
STATEMENT OF NET ASSETS
December 31, 2006

	Primary Government			Component Unit
	Governmental	Business-type	Total	Douglas County
	Activities	Activities		Board of Health
Assets:				
Cash and cash equivalents	\$ 59,285,653	\$ 103,271	\$ 59,388,924	\$ 903,518
Investments, at fair value	10,021,045	-	10,021,045	-
Receivables, net	5,287,973	86,951	5,374,924	-
Internal balances	373,488	(373,488)	-	-
Due from other governments and agencies	9,357,909	-	9,357,909	8,760
Prepaid items and other assets	1,176,084	-	1,176,084	-
Capital Assets:				
Nondepreciable capital assets	28,103,737	1,574,386	29,678,123	-
Depreciable capital assets, net	87,166,634	1,164,959	88,331,593	139,519
Unamortized bond costs	186,343	-	186,343	-
Total assets	200,958,866	2,556,079	203,514,945	1,051,797
Liabilities:				
Accounts payable	5,178,331	67,859	5,246,190	24,253
Accrued liabilities	2,535,224	43,500	2,578,724	-
Accrued interest payable	164,225	-	164,225	-
Due to other governments	10,578,595	-	10,578,595	-
Due to others	2,128,346	-	2,128,346	-
Deferred revenue	113,301	-	113,301	-
Noncurrent liabilities:				
Due within one year	12,631,380	128,562	12,759,942	138,794
Due in more than one year	7,034,559	1,794,621	8,829,180	57,748
Total liabilities	40,363,961	2,034,542	42,398,503	220,795
Net Assets				
Invested in capital assets, net of related debt	100,321,388	2,739,345	103,060,733	139,519
Restricted for:				
Capital Projects	21,042,322	-	21,042,322	-
Debt Service	8,459,529	-	8,459,529	-
Public Safety	6,807,146	-	6,807,146	-
Other Purposes	1,192,448	-	1,192,448	11,551
Unrestricted	22,772,072	(2,217,808)	20,554,264	679,932
Total net assets	\$ 160,594,905	\$ 521,537	\$ 161,116,442	\$ 831,002

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

DOUGLAS COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the year ended December 31, 2006

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Unit Douglas County Board of Health
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary Government								
Governmental Activities:								
General government	\$ 10,761,968	\$ 2,373,144	\$ 3,521	\$ -	\$ (8,385,303)	\$ -	\$ (8,385,303)	\$ -
Judicial system	7,862,568	8,121,487	423,065	-	681,984	-	681,984	-
Public safety	37,034,374	4,331,868	275,287	-	(32,427,219)	-	(32,427,219)	-
Parks, recreation and culture	4,033,599	328,590	15,000	-	(3,690,009)	-	(3,690,009)	-
Public works	8,937,708	835,630	1,381,890	-	(6,720,188)	-	(6,720,188)	-
Planning/community development	2,944,548	613,978	481,548	788,923	(1,060,099)	-	(1,060,099)	-
Health and welfare	2,586,407	-	153,174	-	(2,433,233)	-	(2,433,233)	-
Interest and fiscal charges	1,139,024	-	-	-	(1,139,024)	-	(1,139,024)	-
Total governmental activities	75,300,196	16,604,697	2,733,485	788,923	(55,173,091)	-	(55,173,091)	-
Business Type-Activities:								
Solid waste	1,880,853	1,983,568	154,322	-	-	257,037	257,037	-
Total business-type activities	1,880,853	1,983,568	154,322	-	-	257,037	257,037	-
Total primary government	77,181,049	18,588,265	2,887,807	788,923	(55,173,091)	257,037	(54,916,054)	-
Component Unit								
Douglas County Board of Health	2,051,853	849,730	1,376,432	-	-	-	-	174,309
Total component units	\$ 2,051,853	\$ 849,730	\$ 1,376,432	\$ -	-	-	-	174,309
General revenues:								
Taxes:								
General property taxes					29,211,183	-	29,211,183	-
Recording intangibles					1,771,650	-	1,771,650	-
Real estate transfer taxes					500,561	-	500,561	-
Alcoholic beverage tax					605,654	-	605,654	-
Sales taxes					45,961,851	-	45,961,851	-
Insurance premium tax					3,310,551	-	3,310,551	-
Franchise tax					841,024	-	841,024	-
Occupation taxes					1,112,198	-	1,112,198	-
Other taxes					4,728	-	4,728	-
Grants and contributions not restricted to specific programs					1,739,407	-	1,739,407	-
Interest earned					2,198,788	24,056	2,222,844	-
Other					623,896	-	623,896	-
Gain on sale of capital assets					226,998	-	226,998	-
Total general revenues					88,108,489	24,056	88,132,545	-
Change in net assets					32,935,398	281,093	33,216,491	174,309
Net assets - beginning					127,659,507	240,444	127,899,951	656,693
Net assets - ending					\$ 160,594,905	\$ 521,537	\$ 161,116,442	\$ 831,002

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

DOUGLAS COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2006

	General	Parks Debt Service Fund	2002 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash and cash equivalents	\$ 16,176,533	\$ 5,694,955	\$ 25,158,755	\$ 10,498,475	\$ 57,528,718
Investments	-	-	10,021,045	-	10,021,045
Receivables (net of allowance for uncollectible):					
Interest	-	57,591	130,333	644	188,568
Taxes - property	2,695,363	-	-	51	2,695,414
Accounts	1,518,812	-	-	284,983	1,803,795
Intergovernmental	4,077,593	-	5,167,530	112,786	9,357,909
Due from other funds	3,270,853	2,722,499	-	411,735	6,405,087
Advance to other funds	372,354	-	-	-	372,354
Inventory	209,537	-	-	-	209,537
Prepaid items	966,547	-	-	-	966,547
Total assets	\$ 29,287,592	\$ 8,475,045	\$ 40,477,663	\$ 11,308,674	\$ 89,548,974
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	\$ 1,636,264	\$ -	\$ 3,331,785	\$ 182,387	\$ 5,150,436
Accrued liabilities	2,451,712	-	-	83,512	2,535,224
Intergovernmental payable	-	-	10,578,595	-	10,578,595
Due to other funds	404,444	-	5,565,709	394,236	6,364,389
Due to others	-	-	-	2,128,346	2,128,346
Deferred revenue	2,516,788	-	121,718	127,333	2,765,839
Total liabilities	7,009,208	-	19,597,807	2,915,814	29,522,829
Fund balances:					
Reserved for:					
Encumbrances	735,985	-	-	47,339	783,324
Advances to other funds	372,354	-	-	-	372,354
Capital outlay	24,004	-	20,879,856	162,466	21,066,326
Debt service	-	8,475,045	-	148,709	8,623,754
Inventory	209,537	-	-	-	209,537
Prepaid items	966,547	-	-	-	966,547
Unreserved, designated for, reported in:					
General fund	46,563	-	-	-	46,563
Special revenue funds	-	-	-	8,166,731	8,166,731
Unreserved - undesignated reported in:					
General fund	19,923,394	-	-	-	19,923,394
Special revenue funds	-	-	-	(132,385)	(132,385)
Total fund balance	22,278,384	8,475,045	20,879,856	8,392,860	60,026,145
Total liabilities and fund balances	\$ 29,287,592	\$ 8,475,045	\$ 40,477,663	\$ 11,308,674	\$ 89,548,974

DOUGLAS COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
December 31, 2006

Total Governmental Fund Balances	\$	60,026,145
 Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$ 43,492,468		115,270,371
Bond issuance costs and discounts are reported as expenditures in the governmental funds: Issuance cost total \$ 667,427 and accumulated amortization is \$ 481,084		186,343
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		2,652,538
Special assessment debt with government commitment is included as other long-term debt on the Statement of Net Assets and therefore a receivable from the affected taxpayers is needed to reflect the actual party responsible for the debt.		530,000
Long-term liabilities, including bonds payable and similar long-term obligations, are not due and payable in the current period and therefore are not reported in the funds.		
Interest payable	\$	(164,225)
Capital leases		(81,318)
Certificates of participation		(5,405,000)
Unamortized premium on COPS		(26,537)
Revenue bonds		(9,575,000)
Unamortized premium on bonds		(47,471)
Special assessment debt with government commitment		(530,000)
Compensated absences		(3,168,587)
Claims and judgments		(100,000)
		(19,098,138)
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.		1,027,650
Rounding		(4)
Net Assets of Governmental Activities	\$	160,594,905

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

DOUGLAS COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2006

	General	Parks Debt Service Fund	2002 SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 56,140,830	\$ -	\$ 25,623,650	\$ 133,694	\$ 81,898,174
Licenses and permits	2,283,273	-	-	-	2,283,273
Intergovernmental	4,271,973	-	799,936	114,056	5,185,965
Charges for services	3,935,540	-	-	2,573,340	6,508,880
Courts and law enforcement	5,040,178	-	-	3,114,316	8,154,494
Use of money and property	527,831	298,695	1,057,556	293,467	2,177,549
Miscellaneous revenues	622,396	-	90,000	-	712,396
Total revenues	72,822,021	298,695	27,571,142	6,228,873	106,920,731
Expenditures:					
Current:					
General government	9,898,524	-	3,292	-	9,901,816
Judicial system	7,504,774	-	-	232,385	7,737,159
Public safety	33,492,139	-	-	2,664,666	36,156,805
Parks, recreation and culture	4,039,816	-	-	-	4,039,816
Public works	4,694,535	-	-	-	4,694,535
Planning/community development	3,831,937	-	-	-	3,831,937
Health and welfare	2,587,990	-	-	-	2,587,990
Intergovernmental	-	-	3,103,024	-	3,103,024
Debt service:					
Principal	210,442	8,935,000	-	785,000	9,930,442
Interest and fiscal fees	210,848	841,425	-	238,837	1,291,110
Capital projects:					
Public safety	-	-	2,172,198	-	2,172,198
Parks, recreation and culture	-	-	3,846,546	-	3,846,546
Public works	-	-	4,154,537	184,432	4,338,969
Total expenditures	66,471,005	9,776,425	13,279,597	4,105,320	93,632,347
Excess (deficiency) of revenues over expenditures	6,351,016	(9,477,730)	14,291,545	2,123,553	13,288,384
Other financing sources (uses):					
Sale of capital assets	438,846	-	-	-	438,846
Transfers in	129,894	12,281,415	-	904,254	13,315,563
Transfers out	-	-	(12,281,415)	(1,034,148)	(13,315,563)
	568,740	12,281,415	(12,281,415)	(129,894)	438,846
Net change in fund balances	6,919,756	2,803,685	2,010,130	1,993,659	13,727,230
Fund balances, January 1,	15,358,628	5,671,360	18,869,726	6,399,201	46,298,915
Fund balances, December 31	\$ 22,278,384	\$ 8,475,045	\$ 20,879,856	\$ 8,392,860	\$ 60,026,145

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

DOUGLAS 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 December 31, 2006

Net change in Fund Balance - Total Governmental Funds \$ 13,727,230

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 13,533,595		
Depreciation expense	<u>(4,548,585)</u>		8,985,010

In the statements of activities, only the gain/ loss on the sale of assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differ from the change in fund balance by the net book value of the assets sold

Book value of assets sold for a gain	(169,498)		
Book value of assets sold for a loss - expensed to general government	<u>(140,620)</u>		(310,118)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Deferred revenues	1,106,619		
Capital asset contribution	<u>-</u>		1,106,619

The principal paid by the taxpayers who are responsible for the special assessment debt is recorded as tax revenue in the governmental funds but is offset against a long-term receivable in the Statement of Net Assets and is therefore not reported on the Statement of Activities.

(85,000)

Repayment of bond principal and similar long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Capital leases	210,188		
Revenue bonds payable	8,935,000		
Certificates of participation payable	700,000		
Special assessment debt	<u>85,000</u>		9,930,188

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

Amortization of bond issuance costs	(104,955)		
Amortization of bond premiums	16,284		
Interest expense - debt obligations	<u>136,056</u>		47,385

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences			(714,424)
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Internal service funds are used by management to charge the costs of certain activities such as insurance to individuals funds. The net revenue (expenses) of the Internal service funds is reported with governmental activities.

248,511

Rounding			<u>(3)</u>
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Change in Net Assets of Governmental Activities			\$ <u><u>32,935,398</u></u>
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**DOUGLAS COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 December 31, 2006**

	Business-Type Activity Enterprise Fund Solid Waste		Governmental Activities Internal Service Fund
Assets			
Current assets:			
Cash and investments	\$ 103,271	\$	1,756,935
Receivables (net of allowance for uncollectibles):			
Accounts	86,951		65,070
Interest	-		5,126
Due from other funds	3,948		28,666
Total current assets	194,170		1,855,797
Noncurrent assets:			
Capital assets:			
Non depreciable assets	1,574,386		-
Depreciable assets	1,164,959		-
Total noncurrent assets	2,739,345		-
Total assets	\$ 2,933,515	\$	1,855,797
Liabilities:			
Current liabilities:			
Accounts payable	\$ 67,859	\$	27,891
Other accrued liabilities	172,062		-
Claims payable	-		732,026
Due to other funds	5,082		68,230
Advances from other funds	372,354		-
Total current liabilities	617,357		828,147
Long-term liabilities:			
Closure and postclosure care costs	1,489,857		-
Compensated absences	7,693		-
Lease payable	297,071		-
Total long-term liabilities	1,794,621		-
Total liabilities	2,411,978		828,147
Net assets			
Invested in capital assets	2,739,345		-
Unrestricted	(2,217,808)		1,027,650
Total net assets	\$ 521,537	\$	1,027,650

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

DOUGLAS COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
For the year ended December 31, 2006

	Business-Type Activity	Governmental Activities
	Enterprise Fund	Internal Service Fund
	Solid Waste	
Operating Revenues:		
Transfer fees	\$ 866,079	\$ -
Dumping fees	922,900	-
Recycling sales	193,762	-
Other	827	-
Charges for services	-	8,311,379
Total operating revenues	1,983,568	8,311,379
Operating Expenses:		
Salaries and employee benefits	527,912	-
Operating expenses	971,903	239,897
Benefits and claims	-	7,889,217
Maintenance and repairs	31,550	-
Depreciation	131,658	-
Bad debts	(16,882)	-
Closure/postclosure costs	217,472	-
Total operating expenses	1,863,613	8,129,114
Operating income (loss)	119,955	182,265
Nonoperating revenues (expenses):		
Intergovernmental	154,322	-
Interest earned	24,056	66,246
Interest paid	(17,240)	-
	161,138	
Changes in net assets	281,093	248,511
Total net assets, beginning of year	240,444	779,139
Total net assets, end of year	\$ 521,537	\$ 1,027,650

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

**DOUGLAS COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the year ended December 31, 2006**

	Business-Type Activity Enterprise Fund Solid Waste	Governmental Activities Internal Service Fund
Cash flows from operating activities:		
Cash received from customers	\$ 1,999,472	\$ 8,020,196
Cash payments to suppliers	(1,028,925)	(8,023,288)
Cash paid to employees	(518,852)	-
Net cash provided (used) by operating activities	451,695	(3,092)
Cash flows from non-capital financing activities:		
Increase (decrease) in due to other funds	(738,372)	-
Net cash provided (used) by non-capital financing activities	(738,372)	-
Cash flows from capital and related financing activities:		
Proceeds from grant	154,322	-
Proceeds from capital lease	508,372	-
Payments on capital leases	(98,939)	-
Interest paid on capital debt	(17,240)	-
Purchase of capital assets	(508,372)	-
Net cash provided (used) by capital and related financing activities	38,143	-
Cash flows from investing activities:		
Interest on investments	24,056	62,836
Net cash provided by investing activities	24,056	62,836
Net increase (decrease) in cash and cash equivalents	(224,478)	59,744
Cash and cash equivalents at beginning of year	327,749	1,697,191
Cash and cash equivalent at end of year	\$ 103,271	\$ 1,756,935
Reconciliation of operating income to net cash provided (required) by operating activities:		
Operating income	\$ 119,955	\$ 182,265
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	131,658	-
Landfill closure/postclosure costs	217,472	-
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(1,149)	(42,399)
Increase (decrease) in payables	37,098	105,826
(Increase) decrease in due from other funds	-	52,493
Increase (decrease) in due to other funds	-	(301,277)
Increase (decrease) in other accrued liabilities	9,384	-
Increase (decrease) in closure/postclosure costs	(62,723)	-
Net cash provided (used) by operating activities	\$ 451,695	\$ (3,092)

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

**DOUGLAS COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2006**

	Agency Funds	Pension Trust Fund General Employees' Pension
Assets:		
Cash and cash equivalents	\$ 7,945,261	\$ 58,566
Receivables:		
Taxes	7,243,453	-
Other	32,997	17,493
Intergovernmental	54	-
Investments, at fair value:		
U.S. government and agency obligations	-	1,742,548
Corporate bonds	-	2,198,386
Stocks and other securities	-	4,282,953
	\$ 15,221,765	\$ 8,299,946
Liabilities:		
Accounts payable	\$ -	\$ 58,566
Due to other governments	505,839	-
Taxes payable to others upon collection	7,243,453	-
Funds held in trust for others	7,472,473	-
	\$ 15,221,765	\$ 58,566
Net Assets		
Net assets		
Held in trust for retirement benefits		\$ 8,241,380

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

DOUGLAS COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
Pension Trust Fund
For the Year Ended December 31, 2006

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Additions	
Contributions:	
Employer	\$ 2,525,622
Plan members	5,589,831
	<hr/>
	8,115,453
	<hr/>
Investment income:	
Net decrease in fair value of investments	(43,259)
Dividends	287,251
	<hr/>
Net investment income	243,992
	<hr/>
Total Additions	8,359,445
	<hr/>
Deductions	
Benefits	83,521
Miscellaneous	34,544
	<hr/>
Total Deductions	118,065
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Change in Net Assets	8,241,380
Net Assets Beginning of Year	-
	<hr/>
Net Assets End of Year	\$ 8,241,380
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**NOTES TO THE
FINANCIAL STATEMENTS**

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

I Summary of Significant Accounting Policies

The accompanying financial statements report on the financial activities of Douglas County, Georgia and have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental and financial reporting principles. The more significant of the government's accounting policies are discussed below.

(A) Reporting Entity

Douglas County (the County) is a political subdivision of the State of Georgia created by legislative act in 1870. The County is governed by an elected Board of Commissioners who are governed by State statutes and regulations. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the County (the primary government) and the component unit. The component unit discussed below is included in the County's reporting entity because of the significance of its operational or financial relationship with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14 "The Financial Reporting Entity", which was adopted by the County as of January 1, 1996, the financial statements of the component unit have been included as a discretely presented component unit. The component unit columns in the combined financial statements include the financial data for the County's one component unit, as reflected in its most recently audited financial statements. This unit is reported in columns separate from the County's financial information to emphasize that it is legally separate from the County.

A brief description of the discretely presented component unit is as follows:

Douglas County Board of Health

The Douglas County Health Department is responsible for providing environmental and physical health services to the citizens of Douglas County. Douglas County Board of Health was created by a state legislative act. During fiscal year 2006, it operated under a seven member board and a full-time executive director. The County by virtue of its appointments and the presence of the Chairman of the Board of Commissioners on the Board controls a majority of Board of Health governing positions. Although the County does not have the authority to approve or modify the Board of Health's operational and capital budget, it does have the ability to control the amount of funding it provides to the Board of Health. Such funding is significant to the overall operations of the Board of Health.

Complete financial statements of the individual component unit can be obtained directly from its administration office.

Douglas County Board of Health
6770 Selman Drive
Douglasville, Georgia 30210

The financial information presented from the component unit is as of June 30, 2006.

Certain county officials collect and disburse taxes, fees, fines, and other trust and agency receipts. 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

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

certain nonmajor governmental funds from these officials recorded as revenue. Operating costs for these officials are included as a part of the County's General Fund. These units include:

Tax Commissioner	State Court
Sheriff	Probate Court
Magistrate Court	Superior Court Clerk
	Juvenile Court

Douglas County participates in the West Georgia Regional Library System. The library system is considered a joint venture with Carroll, Haralson, Heard and Paulding Counties (See Note IV, D).

The Atlanta Regional Commission (ARC) is considered a joint venture with Douglas County and several other governments of metropolitan Atlanta.

(B) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's functions and business-type activities. The functions are also supported by general government revenues, which include taxes, interest revenue and other items not properly included among program revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues include charges to customers for goods, services, or privileges provided, operating grants and contributions, and capital grants and contributions. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while the capital grants reflect capital-specific grants. The net cost (by function or business-type activity) is normally covered by general revenue.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the later are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

(C) Measurement focus, basis of accounting, and financial statement presentation

The measurement focus describes the types of transactions and events that are reported in a fund's operating statement. 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.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

fund financial statements, except for agency funds which have no measurement focus. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Government gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

The focus for proprietary fund measurement is upon determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for the enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The generally accepted accounting principles applicable are those similar to businesses in the private sector.

The county's internal service fund is presented in the proprietary funds financial statements. Because principal users of internal services are the County's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the costs of these services are reported in the appropriate functional activity.

The County's fiduciary funds are presented in the fiduciary fund financial statements by type. Since by definition, these assets are held for the benefit of a third party and cannot be used to address activities or obligations of the County, these funds are not incorporated into the government-wide statements.

The focus of the Governmental Funds' measurement in the funds statements is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual are property taxes, alcoholic beverage taxes, sales taxes, licenses, interest revenue and charges for services. Sales taxes collected and held by the state and merchants at year-end on behalf of the government also are recognized as revenue. Fines are not susceptible to accrual because generally they are not measurable until received in cash. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Grant revenues which are unearned at year-end are recorded as unearned revenues. Under the terms of grant agreements, the Government funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the Government's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activity categories. Nonmajor funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise categories combined) for the determination of major funds. County management may electively add funds as major funds, when it is determined the funds have specific community or management focus.

The County uses the following major funds:

Major Funds:

a. Governmental Funds:

- (1) The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- (2) The **2002 Special Purpose Local Option Sales Tax Capital Project Fund** is utilized to account for the proceeds of a 1 percent local option sales tax approved in March 19, 2002 for the raising of not more than \$60,945,000 for the purpose of various capital outlay projects covering water and sewer facilities for the City of Villa Rica, public safety facilities, recreation facilities, a senior citizen center; and not more than \$41,055,000 for road, street and bridge purposes. The County has entered into an Intergovernmental Agreement with the Cities of Austell, Douglasville, and Villa Rica relating to the ownership and operation of certain projects and the allocation of the "SPLOST" collections including interest earned.
- (3) The **Parks Debt Service Fund** accounts for the resources accumulated and payments made for principal and interest on the series 2002 Development Authority of Douglas County Revenue Bonds.

b. Business-type Funds:

- (1) The **Solid Waste Disposal Fund** accounts for the operating revenue and expense relating to the disposal of solid waste.

Additionally, the County reports the following non-major fund types:

Special Revenue Funds

The special revenue funds account for revenue sources that are legally or administratively restricted to expenditure for specific purposes (not including expendable trusts or major capital projects.)

Debt Service Fund

The debt service fund accounts for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Capital Projects Funds

The capital projects funds account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Internal Service Fund:

The Group Health Insurance and Workers' Compensation Internal Service Funds provide self-funding for medical and dental claims and workers compensation.

Fiduciary Fund Types:

Agency Funds account for assets held by the County as an agent for individuals, private organizations, other governments and other County departments.

Pension Trust Fund is used to account for activities related to the public employees retirement system. The County maintains an Employee Retirement System Trust Fund that accounts for the assets and activities of the County's pension plan.

Non-Current Governmental Assets and Liabilities:

GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these balances to be maintained and incorporated into the Governmental column of the government-wide Statement of Net Assets.

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 extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. 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 applies all applicable FASB pronouncements issued on or after November 30, 1989 in accounting and reporting for its proprietary operations, unless they conflict with GASB guidance.

(D) Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

(E) Inventories and Prepaid Items

Certain governmental fund-types had a de minimis amount of expendable supplies on hand at December 31, 2006. Accordingly, none are shown on the balance sheets at year end. The County uses the purchase method of accounting for the purchase of materials and supplies or services. These items are charged directly to the expenditure account.

Prepaid items represent payments made to vendors for whom the benefits are applicable to future accounting periods. Since these assets represent financial resources which are not available for current appropriation or expenditure from the governmental funds, there is a corresponding reservation of the respective fund's fund balance for them.

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

(F) Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance of uncollectibles.

(G) Capital Assets

Capital assets, which include property, plant equipment and infrastructure assets (e.g. roads, bridges, sidewalks, culverts and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of two years. Roads, bridges and culverts are defined by the County as projects with an individual cost of \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The county has included all of its infrastructure assets (roads, bridges and culverts) regardless of acquisition date using actual costs or estimated costs using the backtracking method.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the assets constructed. No business-type capital projects were in process in 2006.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and structure	25-50
Land Improvements	10-20
Vehicles	5
Machinery and equipment	5-20
Infrastructure	20-50

(H) Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and were levied on August 17, 2006 by the Board of Commissioners. Tax bills were mailed September 12, 2006 and became delinquent on November 15, 2006. State law requires that the collection period must be at least 60 days from the mailing date. Motor vehicle taxes are assessed and collected on the owner's birth date or by company name for business.

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Property taxes include amounts levied against all real property, public utility property, tangible personal property and timber located in the County.

The State, through the Property Tax Division, has been given the statutory duty of reviewing county tax digests to determine if the digests meet the criteria mandated in statute case laws and regulation for level of assessment, uniformity and equalization.

State statutes establishes the procedure for the State to equalize county property tax digests between and within counties and compel county boards of tax assessors to make adjustments in property valuations so as to insure uniformity and equity.

As directed by the legislature, the State has adopted a three-year digest review cycle in which each county's tax digest is reviewed extensively to determine the level of assessment, uniformity and equalization in each property class. In any given year, one third of the county tax digests are subject to extensive statistical testing. Counties, which do not meet the criteria, set forth in the statute and regulations are allowed an opportunity during the three year cycle to correct any deficiencies by the next review year. The other counties that are not being extensively reviewed are examined for level of assessment to equalize the state levy and public utility assessments. The State approves any county's digest as being reasonably uniform and equalized if the digest meets certain standards.

For those digests submitted by counties in their digest review year, the State completes the review on or before August 1 of the following tax year or within 30 days of the date the ratio study results are provided by the State Auditor. Based upon this review, the State will approve any digest when it is found to be reasonably uniform and equalized by having met the following state established standards:

The average level of assessment for each class of property meets the state standards of 36% to 44%;

The average measure of overall equalization, the coefficient of dispersion, meets the state standard of 15% or less for residential properties and 20% or less for all other property classes;

The bias ratio, or statistical measure of price related differential, meets the state standard of 95% to 110%.

The State conditionally approves the digest and assesses a penalty of \$5.00 per taxable parcel of real property if a county's review year digest contains the same or similar deficiencies as the previous review year digest. If the overall average assessment level does not meet state standards, the county is assessed additional state tax in the amount equal to the difference between the state's one-quarter of a mill that would have been produced if the digest had been at the proper assessment level and the amount the digest actually produces for collection purposes.

For those counties submitting their digest during a non-review year, digests are evaluated by the State based on the overall average assessment ratio deviation from the proper assessment ratio of 36% to 44%.

Beginning with the 2000 tax year digest reviews, in order to measure the compliance of each county in meeting state standards for digest approval, the State utilizes the information provided by the State Auditor from the sales ratio studies developed for each county. Each county's ratio study measures the statistical standards of level of assessment, uniformity and equalization.

The Georgia Code requires the State to annually propose assessments for public utility property and to insure that these properties are assessed at the same overall average assessment level as other property in the county. Each utility company is required to annually return their properties indicating

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

location, description, type of property and valuation. The Revenue Commissioner's staff inspects these returns to insure the accuracy of each utility company's declarations. In the 1983 legislative session, a bill was passed establishing preferential assessment of tangible real property devoted to bona fide agricultural purposes. By statute, all real property is assessed at 40% of fair market value, however, the new legislation provided for a 30% level of assessment or 75% of the value at which other taxable real property is assessed.

In making application for preferential assessment, qualifying taxpayers must have signed a covenant (contract) agreeing to continuously maintain the property in agricultural pursuits for a period of 10 years.

In 1991, the Legislature embraced the "current use" valuation concept. This bill provided for the assessment for ad valorem tax purposes of certain qualifying properties based on current use value rather than fair market value. This is under an assessment program known as conservation use covenants.

Prior to 1992, timber was taxed annually as part of the tax digest. Along with Conservation Use Valuation, the amendment to the Georgia Constitution, which was approved by the electorate in 1991, also provided for a one-time assessment on harvested timber versus the annual taxation of timber as part of the value of real estate. Timber is now taxed once at its current value when harvested.

Douglas County bills and collects its own real property taxes as well as the County School System and State of Georgia and incorporated cities. The County also collects its own personal property taxes as well as those of the County School System, State of Georgia, and incorporated cities. Collection and remittance of taxes, for all of entities except the County, are accounted for in the Tax Commissioner Agency Fund. The County's property tax transaction is reported in the General Fund and Debt Service Fund.

(I) Local Option Sales Tax

The County receives 79.067 of a 1% local option sales tax levied on all retail sales made within the County. The proceeds of such tax collected each year are used to reduce, on a dollar-for-dollar basis, the millage equivalent amount of property taxes, which would otherwise be required to be levied in the subsequent year. This allocation was renegotiated with municipalities within Douglas County during 2004. The impact of these negotiations yielded no significant change to the allocation to be received for Douglas County, Georgia.

(J) Compensated Absences

Annual leave is earned at the rate of ten days per year after one year of service, twelve days per year after five years of service, eighteen days per year after ten years of service, twenty days per year after fifteen years of service, twenty four days per year after twenty two years of service and twenty five days per year after twenty four years for the remainder of employment. There is no requirement that annual leave be taken; however, there is a 35-day maximum accumulation of annual leave days. Upon termination, all employees are paid for all accumulated annual leave.

Sick leave is earned at the rate of seven hours for each month of service for all employees except firefighters who earn ten and one half hours for each month of service and is allowed to accumulate indefinitely. Unused sick leave is forfeited upon termination of employment and is therefore not recorded as a liability except as provided under the next section.

An employee retiring after fifteen (15) years of service receives five (5) day's pay for each year employed by the County. (Provided the employee has accumulated enough sick hours during their

DOUGLAS COUNTY, GEORGIA
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employment period - 800 hours for employees on 40 hour payroll; 1,200 hours for employees on 56 hour payroll).

The current pay rate, including certain additional employer-related fringe benefits, is used to calculate compensated absences accruals at December 31. The entire liability for compensated absences is reported in the government-wide and proprietary fund statements, whereas, only the matured portion resulting from employee resignations and retirements is reported in the governmental fund statements.

(K) Cash, Cash Equivalents and Investments

The county's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, funds on deposit with the Georgia Fund I (local government investment pool) and other short-term investments with original maturities of three months or less from the date of acquisition. For the purpose of the proprietary fund type statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

The statutes of the State of Georgia authorize the County to invest in U.S. Government obligations; obligations fully insured or guaranteed by the U. S. Government or by a government agency of the United States; obligations of any Corporation of the U. S. Government; State of Georgia obligations and other States; obligations of other counties, municipal corporations and political subdivisions of the State of Georgia, repurchase agreements when collateralized by U.S. Government or agency obligations; prime banker's acceptances; and pooled investment programs sponsored by the State of Georgia for the investment of local government funds (Georgia Fund I).

In accordance with the provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, the County has reported the investments at December 31, 2006 at fair value. Fair value of the external investment pool, Georgia Fund 1, is equal to the value of the pool shares. Money market investments and those investments which had a remaining maturity at the time of purchase of one year or less are recorded at amortized cost or cost plus accrued interest, which approximates fair value. The fair value of all other investments are calculated using quoted market prices because these prices have been determined to be the most reliable and verifiable and are the most understood by investors, creditors and other users of financial information.

The Georgia Fund 1 (a local government investment pool created under OCGA 36-83-8) is not SEC registered, but is operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The Office of Treasury and Fiscal Services (OTFS) assumes the daily responsibility of managing the assets of the pool. The Georgia State Depository Board prescribes cash management policies and procedures for the state and provides oversight for the pool. The Board meets quarterly and is comprised of the Governor, the Commissioner of Insurance, the state accounting office, the Commissioner of Transportation, the Commissioner of Banking & Finance, the State Revenue Commissioner, and the Director of the Office of Treasury and Fiscal Services. State law requires the board to formulate such policies to maximize efficient and effective utilization of the state's cash resources. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The fair value of the County's position in the pool is the same as the value of pool shares (\$1 per share value).

All investment income including changes in the fair market value of investments has been reported as revenue in the operating statements.

DOUGLAS COUNTY, GEORGIA
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(L) Long-Term Obligations

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. Bonds payable are reported net of applicable bond premium or discount. 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 recognized 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. Premiums received on debt issuances are 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.

(M) Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

(N) Interfund Transactions

Interfund transactions are reflected as either 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.

(O) Contributed Capital and Capital Contributions – Proprietary Funds

Grants, entitlements and shared revenues restricted for the acquisition or construction of capital assets were recorded as contributed capital prior to the implementation of GASB Statement 33, *Accounting and Financial Reporting for Nonexchange Transactions*. As required by GASB 33, the County has begun recognizing capital contributions as revenue in the current year rather than as contributed capital.

(P) Comparative Data/Reclassifications

Comparative total data for the prior year have not been presented in the fund financial statements, except for the General Fund RSI. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

(Q) Net Assets

Net assets are comprised of three categories: Net assets invested in capital assets, net of related debt; Restricted net assets; and Unrestricted net assets. The first category reflects the portion of net assets which is associated with non-liquid, capital assets, less the outstanding debt (net) related to these capital assets. The related debt (net) is the debt less the outstanding liquid assets and any

DOUGLAS COUNTY, GEORGIA
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associated unamortized costs. Restricted net assets are restricted assets, net of related debt. Net assets which are neither restricted nor related to capital assets are reported as unrestricted net assets.

II Stewardship, Compliance and Accountability

(A) Deficit Fund Balances/Net Assets

The Special Tax District special revenue fund had a deficit fund balance of \$16,582 as of December 31, 2006. The deficit is currently funded by amounts owed to other funds, which will be repaid by future tax collections. The Group Health internal service fund deficit of \$589,484 will be funded by General Fund transfers. The GRTA Arterial Road capital project fund deficit of \$142,164 will be funded by revenues from the State of Georgia per contractual agreements.

(B) Budgetary Information

The annual budget document is the financial plan for the operation of Douglas County. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the county.

The County prepares a separately issued budget report. An annual operating budget is prepared for the General, Special Revenue and Debt Service Funds on a basis consistent with generally accepted accounting principles. The department and agency heads begin budget preparation in July. The County's finance department formulates and remits the budget to the Board of Commissioners. The Board of Commissioners with the assistance of the County Administrator, Finance Director and the Financial Analyst conducts budget hearings with all departments and agencies. After a review by the budget committee and public hearing, a final budget is approved when the budget resolution is adopted.

The County Financial Analyst is delegated the authority to transfer funds from one budget line-item to another within a department. No increase in the overall budget can be made without the approval of the Board of Commissioners.

The General, Special Revenue and Debt Service Fund(s) are subject to budgetary control at the department level. Unencumbered appropriations in the annual operating budget lapse at fiscal year end. The County's expenditures were within the authorization provided by the operating budget and supplemental appropriations thereto, as approved by the Board of Commissioners.

(C) Capital Improvements Budget

Major capital facilities and improvements, which are accounted for by the County within the Capital Projects Funds, are subject to budgetary control on a project basis. The County's finance department prepares the budget for projects based upon architectural and engineering estimates and other factors. Appropriations covering capital projects are normally approved by the Board of Commissioners at the time that the annual operating budgets are approved. No increase in the overall capital projects budget can be made without the approval of the Board of Commissioners and amendment to the budget. Appropriations for a specific project do not lapse until completion of the project. During the fiscal year ended December 31, 2006, the County's expenditures for capital improvement projects were within the authorization provided in the budget.

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(D) Excess of Expenditures over Appropriations

General Fund:

All budgeted departments ended the year at their respective budget or with a favorable variance.

Special Revenue:

Expenditures exceeded appropriations in the following funds:

Law Enforcement Confiscated Funds \$ 49,584

All amounts were funded from available fund balances. The importance of budget amendments will be reviewed with the elected officials who control these funds.

(E) Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

III Detailed Notes on all Funds

(A) Deposits and Investments

A reconciliation of cash and investments as shown on the statements of net assets follows:

	Cash and Cash Equivalents	Investments	Total
Cash on hand	\$ 37,601	\$ -	\$ 37,601
Balances per note below	62,559,254	23,944,346	86,503,600
Total Cash and Investments	\$ 62,596,855	\$ 23,944,346	\$ 86,541,201
Statements of net assets (page 35)			
Primary Government:			
Cash and Cash Equivalents		\$ 59,388,924	
Investments		10,021,045	
		69,409,969	
Component Unit		903,518	
Statement of fiduciary net assets		16,227,714	
Total		\$ 86,541,201	

Deposits

The deposits of the County are governed by Georgia General Statutes (45-8-12; 13; etal) which allow depositories to collateralize excess deposits above Federal depository insurance coverage by one of two methods. Under the Dedicated Method, all deposits exceeding the Federal depository insurance coverage are collateralized with securities held by the County's agent in the County's name. Under the Georgia State Pledging Pool Program Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the director of the Office of Treasury and Fiscal Services agent in the name of the director. The State has selected the

DOUGLAS COUNTY, GEORGIA
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Georgia Bankers Association as agent. Since the director is acting in a fiduciary capacity for the County, these deposits are considered to be held by the County's agent in the County's name. The amount of the pledged collateral is based on an approved averaging method for non-interest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the director the adequacy of their pooled collateral covering uninsured deposits. The director does not confirm this information with the County or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the director of the Office of Treasury and Fiscal Services enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

Custodial credit risk – 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 December 31, 2006, the County (including the component unit) had a carrying amount of \$62,559,254 and bank balance of \$65,361,137. \$65,283,083 of the County's deposits were either covered by federal depository insurance, collateralized through the Georgia Public Funds Pledging Pool or other authorized securities listed herein. \$78,054 deposits were exposed to custodial risk as follows:

Uncollateralized	\$78,054
------------------	----------

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 45-8-13.1), 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

Interest rate risk – Interest rate risk is the risk that the market value of securities in the County's portfolio will fall due to changes in general interest rates. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk – State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial credit risk – Investments - Custodial credit risk for investments is the risk that, in the

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event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Concentration of credit risk – Douglas County places no limit on the amount it may invest in any one issuer.

In its investment of both public and pension trust funds, the County follows state statutes. As of December 31, 2006, the investments of the Government were:

<u>Type of Investment</u>	<u>Average Credit Rating</u>	<u>Fair Value</u>	<u>Investment Maturities (in years)</u>	
			<u>Less than One</u>	<u>6 - 10</u>
Primary Government:				
Repurchase Agreements	NR	\$ 15,713,444	\$ 15,713,444	\$ -
Money Market	NR	7,015	7,015	-
Pension Trust Fund:				
U.S. Government/Agency	NR	1,742,548	1,742,548	-
Corporate Bonds	AAA	2,198,386	-	2,198,386
Domestic Stocks	NR	4,282,953	NA	-
Total Investments		<u>\$ 23,944,346</u>	<u>\$ 17,463,007</u>	<u>\$ 2,198,386</u>

DOUGLAS COUNTY, GEORGIA
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(B) Receivables

Receivables as of year end for the County's individual major funds and nonmajor governmental and Internal Service Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

		2002	Parks	Nonmajor	Solid	Internal	
	General	SPLOST	Debt	Governmental	Waste	Service	Total
			Service	Funds			
Primary Government:							
Taxes - property	\$ 2,741,529	\$ -	\$ -	\$ 51	\$ -	\$ -	\$ 2,741,580
Accounts	2,975,464	-	-	301,859	116,641	65,070	3,459,034
Interest	-	130,333	57,592	644	-	5,126	193,695
Intergovernmental	4,077,593	5,167,530	-	112,786	-	-	9,357,909
Gross receivables	9,794,586	5,297,863	57,592	415,340	116,641	70,196	15,752,218
Less: allowance for uncollectibles	(1,502,818)	-	-	(16,876)	(29,690)	-	(1,549,384)
Net total receivables	8,291,768	5,297,863	57,592	398,464	86,951	70,196	14,202,834
Component unit:							
Intergovernmental	8,760	-	-	-	-	-	8,760
Gross receivables	8,760	-	-	-	-	-	8,760
Less: allowance for uncollectibles	-	-	-	-	-	-	-
Net total net receivables	8,760	-	-	-	-	-	8,760
Total reporting entity	\$ 8,300,528	\$ 5,297,863	\$ 57,592	\$ 398,464	\$ 86,951	\$ 70,196	\$ 14,211,594
Reconcile to Statement of Net Assets:							
Totals above					\$ 14,211,594		
GASB 34 adjusting for special assessment debt					530,000		
					\$ 14,741,594		

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable:		
General Fund	\$ 1,492,714	\$ -
Nonmajor governmental funds	51	-
Charges for services:		
General Fund	725,699	-
Nonmajor governmental funds	31,909	-
Grant funds received prior to meeting eligibility requirements:		
General Fund	185,074	113,301
Major Capital Project Fund	121,718	-
Nonmajor governmental funds	95,373	-
Total deferred/unearned revenue	\$ 2,652,538	\$ 113,301

DOUGLAS COUNTY, GEORGIA
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(C) Capital Assets

Capital asset activity for the year ended December 31, 2006 was as follows:

Primary Government

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 14,268,823	\$ 500,758	\$ -	\$ 14,769,581
Construction in progress	8,692,903	10,418,692	5,777,439	13,334,156
Total capital assets, not being depreciated	22,961,726	10,919,450	5,777,439	28,103,737
Capital assets, being depreciated:				
Buildings	63,673,915		-	63,673,915
Improvements other than buildings	3,436,117	832,257	-	4,268,374
Machinery and equipment	5,769,227	625,463	296,539	6,098,151
Infrastructure	36,314,788	3,990,295		40,305,083
Computers	662,708	10,246		672,954
Vehicles	13,466,907	2,908,463	734,745	15,640,625
Total capital assets being depreciated	123,323,662	8,366,724	1,031,284	130,659,102
Less accumulated depreciation for:				
Buildings	11,268,467	1,520,802	-	12,789,269
Improvements other than buildings	1,157,623	124,872	-	1,282,495
Machinery and equipment	3,472,748	387,582	133,444	3,726,886
Infrastructure	16,949,448	1,376,749		18,326,197
Computers	342,169	114,166		456,335
Vehicles	6,499,454	1,024,414	612,582	6,911,286
Total accumulated depreciation	39,689,909	4,548,585	746,026	43,492,468
Total capital assets, being depreciated, net	83,633,753	3,818,139	285,258	87,166,634
Governmental activities capital assets, net	\$ 106,595,479	\$ 14,737,589	\$ 6,062,697	\$ 115,270,371

DOUGLAS COUNTY, GEORGIA
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	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated				
Land and improvements	\$ 1,574,386	\$ -	\$ -	\$ 1,574,386
Total capital assets, not being depreciated	1,574,386	-	-	1,574,386
 Capital assets, being depreciated:				
Buildings and structures	406,241	-	-	406,241
Machinery and equipment	1,962,154	508,372	-	2,470,526
Computer software	40,360	-	-	40,360
Vehicles	494,579	-	-	494,579
Total capital assets being depreciated	2,903,334	508,372	-	3,411,706
 Less accumulated depreciation for:				
Buildings and structures	119,560	14,125	-	133,685
Machinery and equipment	1,654,798	88,334	-	1,743,132
Computer software	15,286	5,572	-	20,858
Vehicles	325,444	23,628	-	349,072
Total accumulated depreciation	2,115,088	131,659	-	2,246,747
Total capital assets being depreciated, net	788,246	376,713	-	1,164,959
Business-type activities capital assets, net	\$ 2,362,632	\$ 376,713	\$ -	\$ 2,739,345

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 950,433
Judicial system	82,963
Public safety	1,228,842
Parks, recreation, and culture	513,423
Public works	1,544,261
Planning/Community Development	191,511
Health and welfare	37,152
Total depreciation expense - governmental activities	\$ 4,548,585
 Business-type activities:	
Landfill	131,659
Total depreciation expense - business-type activities	\$ 131,659

(D) Interfund Receivables, Payables and Transfers

Receivables/Payables

Outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding and other miscellaneous receivables and payables between funds that are the result of a time lag between the dates that transactions are recorded in the accounting system and payments between the funds are

DOUGLAS COUNTY, GEORGIA
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made. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Balances to which a fiduciary fund is a party are treated as external receivables and payables.

Transfers

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or are used to 1) move in revenues from the fund where they are authorized for collection by statute or budget to the fund where statute or budget requires expenditure, 2) move receipts restricted to debt service from funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Resources are accumulated in a fund or component unit to support and simplify the administration of various projects or programs. The government-wide statement of activities eliminates transfers as reported within the segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement

The composition of interfund balances, transfers, and advances to/from other funds as of December 31, 2006 is as follows:

Interfund Receivables/Payables

	Due to other funds					Total
	General Fund	2002 SPLOST Fund	Solid Waste Fund	Nonmajor Governmental Funds	Internal Service	
Due from other funds:						
General Fund	\$ -	\$ 2,843,210	\$ -	\$ 363,361	\$ 64,282	\$ 3,270,853
Parks Debt Service Fund	-	2,722,499	-	-	-	2,722,499
Solid Waste Fund	-	-	-	-	3,948	3,948
Nonmajor Governmental Funds	404,444	-	-	7,291	-	411,735
Internal Service Funds	-	-	5,082	23,584	-	28,666
	<u>\$ 404,444</u>	<u>\$ 5,565,709</u>	<u>\$ 5,082</u>	<u>\$ 394,236</u>	<u>\$ 68,230</u>	<u>\$ 6,437,701</u>

Transfers In/Out

	Transfer In:			Total
	General Fund	Parks Debt Service Fund	Nonmajor Governmental Funds	
Transfer Out:				
General Fund	\$ -	\$ -	\$ -	\$ -
2002 SPLOST Fund	-	12,281,415	-	12,281,415
Nonmajor Governmental Funds	129,894	-	904,254	1,034,148
Total	<u>\$ 129,894</u>	<u>\$ 12,281,415</u>	<u>\$ 904,254</u>	<u>\$ 13,315,563</u>

Advances To/From Other Funds

	Payable from:	
	Solid Waste	Total
Payable to:		
General Fund	\$ 372,354	\$ 372,354

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The amounts payable to the general fund relate to working capital loans made to the solid waste enterprise fund. None of the balance is scheduled to be collected in the subsequent year.

(E) Operating Leases

All operating leases expired at December 31, 2005.

(F) Capital Leases

Equipment

The County has entered into equipment lease agreements for financing various equipment. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

In March 2006, the County entered into an equipment lease agreement with the Association of County Commissioners of Georgia for the acquisition of a compactor in the amount of \$508,372. The lease will be paid from fees collected by the Solid Waste enterprise fund.

The following is an analysis of machinery and equipment capital assets leased under capital leases as of December 31, 2006:

	Governmental Activities	Business-type Activities
Machinery and Equipment	\$ <u>291,716</u>	\$ <u>508,372</u>

The following is a schedule by years of future minimum payments under capital leases, and the present value of the net minimum lease payments at December 31, 2006:

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Governmental activities Year ending December 31,	Capital Leases
2007	\$ 83,775
2008	7,012
Total minimum lease payments	90,787
Less: amount representing interest	(3,781)
Less: amount representing maintenance	(5,688)
Present value of minimum lease payments	\$ 81,318
Business-type activities	
Year ending December 31,	Capital Leases
2007	\$ 127,797
2008	139,414
2009	139,414
2010	34,854
Total minimum lease payments	441,479
Less: amount representing interest	(32,046)
Present value of minimum lease payments	\$ 409,433

Building

Certificates of Participation – In April 2003, the County issued \$6,785,000 of Certificates of Participation through the Association County Commissioners of Georgia Leasing Program (ACCG). These Certificates represent fractionalized interests in Base Rentals to be paid under an annually renewable public purpose master lease. The County entered into a building lease purchase agreement with ACCG to finance the construction of a jail annex for administration and law enforcement staff and beds and support area for inmates, pay certain issuance costs and fund a reserve fund.

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(G) Long-Term Obligations

	Balance January 1, 2006	Additions	Payments/ Retirement	Balance December 31, 2006	Amounts Due Within One Year
Governmental activities:					
Capital leases	\$ 291,506	\$ -	\$ 210,188	\$ 81,318	\$ 74,354
Special assessment debt with government commitment	615,000	-	85,000	530,000	95,000
Revenue Bonds	18,510,000	-	8,935,000	9,575,000	9,575,000
Premium on issue	57,166	-	9,695	47,471	-
Certificates of Participation	6,105,000	-	700,000	5,405,000	705,000
Premium on issue	33,126	-	6,589	26,537	-
Compensated absences	2,454,163	2,108,441	1,394,057	3,168,547	1,450,000
Claims and judgments	724,533	107,493	-	832,026	732,026
	<u>\$ 28,790,494</u>	<u>\$ 2,215,934</u>	<u>\$ 11,340,529</u>	<u>\$ 19,665,899</u>	<u>\$ 12,631,380</u>
Business-Type Activities:					
Closure and postclosure costs	\$ 1,335,109	\$ 217,472	\$ 62,724	\$ 1,489,857	\$ -
Compensated absences	20,965	15,684	7,223	29,426	16,200
Capital leases	-	508,372	98,939	409,433	112,362
	<u>\$ 1,356,074</u>	<u>\$ 741,528</u>	<u>\$ 168,886</u>	<u>\$ 1,928,716</u>	<u>\$ 128,562</u>

For the governmental activities, claims and judgments and compensated absences are generally liquidated by the general fund.

Special Assessment Debt with Government Commitment

During 1992 the County entered into an agreement with the Douglasville/Douglas County Water and Sewer Authority whereby the Authority would issue debt for public domain improvements, such as roads, sidewalks and water and sewer infrastructure. The improvements were made in a geographic area known as Community Improvement District No. 1. The debt is to be retired from the proceeds of a special property tax levy on the taxpayers of Community Improvement District No. 1. The obligation of the Douglasville/Douglas County Water and Sewer Authority is included in General Long-Term Debt as Special Assessment Debt with Government Commitment. The obligation of the County to make the payments required by the agreement is a general obligation of the County.

The following is a summary of the County's outstanding special assessment debt with government commitment:

Year Issued	Purpose	Interest Rate (%)	Interest Date	Issue Date	Maturity Date	Authorized and Issued	Retired	Outstanding
1995	Infrastructure	3.7%	6/1, 12/1	5/19/92	12/1/11	\$ 1,400,000	\$ 870,000	\$ 530,000

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Annual debt service requirement for special assessment debt with government commitment are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 95,000	\$ 33,655	\$ 128,655
2008	100,000	27,623	127,623
2009	105,000	21,272	126,272
2010	110,000	14,605	124,605
2011	<u>120,000</u>	<u>7,620</u>	<u>127,620</u>
Total	\$ <u>530,000</u>	\$ <u>104,775</u>	\$ <u>634,775</u>

Revenue Bonds

On May 23, 2002 the County received \$41,898,514 into the Parks and Recreation Construction fund pursuant to a bond closing by the Development Authority of Douglas County. This amount consisted of \$40,390,000 par and \$1,508,514 of net premium.

The Development Authority of Douglas County Revenue Bonds (Parks and Recreation Projects), Series 2002 (the "Bonds"), were issued by the Development Authority of Douglas County (the "Authority"), a public body corporate and politic of the State of Georgia. The proceeds from the sale of the Bonds will be used for the purpose of (i) financing all or a portion of the costs of the acquisition, construction, development and equipping of recreation facilities and parks (the "Project"); and (ii) paying the costs of issuance of the Bonds.

The Bonds are limited obligations of the Authority. The Bonds are payable solely from payments to be made by the County pursuant to an Intergovernmental Contract, dated as of May 15, 2002 (the "Contract"), between the Authority and the County. The County's obligation to make payments to the Authority sufficient in time and amount to enable the Authority to pay the principal of and interest on the Bonds is absolute and unconditional, is secured by a pledge of the County's full faith and credit and taxing powers and will not expire so long as any of the Bonds remain outstanding and unpaid. The County intends to make payments with respect to the Project from the revenues received pursuant to the County's one percent special local option sales and use tax (the "SPLOST"). However, the revenues from the SPLOST are not pledged to such payments. The County has agreed to make payments directly to the Sinking Fund Custodian. Payment of the principal of and interest on \$6,910,000 in principal amount of the Bonds maturing on September 1, 2007 when due will be guaranteed by a municipal bond insurance policy to be issued simultaneously with the delivery of the Bonds by MBIA Insurance Corporation. The remaining Bonds will not be insured.

As the County is responsible, under the related documents to make payments to a trustee sufficient to pay principal and interest on the bonds, the related transactions, including the liability for the bonds, have been recorded in the County's financial statements and not in those of Development Authority of Douglas County.

The following is a summary of the County's outstanding contractual obligation with the Development Authority of Douglas County:

<u>Year Issued</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Interest Date</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Retired</u>	<u>Outstanding</u>
2002	Parks & Recreation	2.5-5%	3-1, 9-1	5/15/02	9/1/07	\$ 40,390,000	\$ 30,815,000	\$ 9,575,000

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Annual debt service requirement for the contractual obligation with the Development Authority of Douglas County:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 9,575,000	\$ 438,775	\$ 10,013,775
Total	\$ 9,575,000	\$ 438,775	\$ 10,013,775

Certificates of Participation

The following is a summary of the County's outstanding certificate of participation with the Association County Commissioners of Georgia:

<u>Year Issued</u>	<u>Purpose</u>	<u>Interest Rate (%)</u>	<u>Interest Date</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Authorized and Issued</u>	<u>Retired</u>	<u>Outstanding</u>
2003	Jail Annex	1.5-5%	6-1, 12-1	4/1/03	12/1/13	\$ 6,785,000	\$ 1,380,000	\$ 5,405,000

Annual debt service requirement for the contractual obligation with the Association County Commissioners of Georgia:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 705,000	\$ 181,707	\$ 886,707
2008	720,000	165,493	885,493
2009	740,000	146,772	886,772
2010	760,000	125,682	885,682
2011	800,000	87,683	887,683
2012-2013	<u>1,680,000</u>	<u>91,290</u>	<u>1,771,290</u>
Total	\$ 5,405,000	\$ 798,627	\$ 6,203,627

(H) Short-Term Tax Anticipation Notes

On June 8, 2006, the County issued \$9,000,000 in tax anticipation notes to finance the general operations of the County through December 2006. The notes bear interest at a rate of 3.77 percent and were paid on December 31, 2006 from 2006 property tax revenues collected between September and December. Principal and interest amounts repaid were \$9,191,327.50.

The borrowings were allocated to the General Fund.

Short-term debt activity for the year ended December 31, 2006, was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax anticipation notes	\$ -	\$ 9,000,000	\$ 9,000,000	\$ -

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

(I) Fund Balances/Net Assets Reserves and Designations

1. Primary Government

Reserves are used to indicate that a portion of the fund balance or retained earnings is not appropriable for expenditure or is legally segregated for a specific future use. The following reserves are used by the County:

a. General, Special Revenue and Capital Projects Funds

- (1) Reserved for encumbrances – restricted for payment of open commitments.
- (2) Reserved for prepaid expenditures – restricted for contracts already purchased.
- (3) Reserved for debt service – restricted for payment of advance funding.
- (4) Reserved for advances – restricted for payment of advance funding.
- (5) Reserved for construction and capital outlay – restricted for projects financed by general obligation bond proceeds and similar long-term obligations, sales tax revenues and transfers from the General Fund.

Designations of fund balances are not legally required segregations but are segregated for a specific purpose. The following designations of fund balance are used by the County:

General, Special Revenue and Capital Projects funds

Designated for subsequent years' expenditures – designated for future capital outlays.

2. Component Units

Reserves represent those portions of the fund equity not appropriated for expenditure or legally segregated for a specific future use. The following are used by the Board of Health:

a. Special Revenue Funds:

- (1) Reserved for encumbrances – restricted for payment of open commitments.

(J) Landfill Closure and Postclosure Care Cost

State and federal laws and regulations require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for a period thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill capacity used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$1,489,857 as of December 31, 2006, which is based on 100% of Phase I section I, the original solid waste landfill, and 60.91% of the C & D landfill Phase I, sections II and section III. This liability is recorded in the Solid Waste Enterprise Fund. It is estimated that an additional \$1,582,511 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity, which is in the next 6 to 8 years. The estimated total current cost of the landfill closure and postclosure care, \$3,271,760 is based on the amount that would be paid if all equipment, facilities,

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2006. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The Government expects to finance the costs for the estimated landfill closure and postclosure care costs as they become due during the coming thirty years through the regular operations of the Government.

IV Other Information

(A) Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The State Constitution provides that the County (a political subdivision) may be immune for most forms of bodily injury and property damage arising out of its operations, if such losses are not insured. It is the policy of the County to utilize immunity as a legal defense against liability claims whenever the risk of loss is not insured and immunity may be asserted.

The County purchases commercial automotive liability insurance to cover its automobiles, trucks, and other on-road vehicles. Beyond the limits of the liability policies, the County asserts immunity and has never had to pay a claim in excess of those policies. Therefore, no reserve is established for these risk exposures.

Building and contents, and contractor's equipment are insured through an "all risk" property damage insurance policy and the County retains the first \$2,500-10,000 of each loss. This retention level is funded by an annual contingency appropriation. The appropriated limit has never been reached in any year.

During 1991, the County established a health care and employee benefits trust to provide employee benefits for losses of life and disability and for medical claims. The County is partially self-insured for these risks. Any claim exceeding \$100,000 per year per employee or total claims exceeding approximately \$6,936,110 per year are covered by a commercial insurance carrier. The contract has been based on a 12/15 run out formula on specific claims and on a 12/12 run out on aggregate claims.

Effective October 1, 1992, the County established a self-insured workers' compensation program. The program has a specific occurrence stop loss of \$350,000 for all employees except police and fire with \$500,000 with an aggregate stop loss liability of \$1,600,000 based on an annual policy term. Claims in excess of these amounts are covered by a commercial insurance carrier.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Budgeted transfers are made for both programs from the other funds to the Risk Management Internal Service Fund. These transfers are based on information supplied by an independent risk management consultant.

A third party administrator is employed to review and process claims for these self-insurance programs.

As required by GASB Statement No. 10 "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", liabilities for claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claim liabilities are calculated considering

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors.

The changes in the liabilities for self-insurance for the last three years is as follows:

	Workers'	Health and	
	Compensation	Dental	Total
Balance, December 31, 2003	\$ 117,216	\$ 914,857	\$ 1,032,073
Claims and changes in estimates	509,792	4,903,446	5,413,238
Payments	(521,899)	(5,414,430)	(5,936,329)
Balance, December 31, 2004	105,109	403,873	508,982
Claims and changes in estimates	704,166	6,777,526	7,481,692
Payments	(709,275)	(6,656,866)	(7,366,141)
Balance, December 31, 2005	100,000	524,533	624,533
Claims and changes in estimates	669,153	7,247,937	7,917,090
Payments	(661,280)	(7,148,317)	(7,809,597)
Balance, December 31, 2006	\$ 107,873	\$ 624,153	\$ 732,026

(B) Commitments and Contingencies

Grants

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

Litigation

Various claims and legal proceedings arising in the course of providing general governmental services are pending against the County seeking monetary damages and other relief. The amount of liability from all claims and actions cannot be determined with certainty, but in the opinion of management and legal council, the ultimate liability from all pending legal proceedings, asserted legal claims, and known potential legal claims which are probable of assertion should not materially affect the financial position of the County at December 31, 2006.

(C) Retirement Plans

Primary Government:

Defined Contribution Plan

Effective January 1, 2006, the County terminated its single employer sponsored money purchase retirement plan covering substantially all employees.

Employer account balance will remain in the plan until retirement or separation from service. Employees were granted the right to buy back service years in the defined benefit plan initiated January 1, 2006, discussed herein from their account assets.

Defined Benefit Plan - 1979

Effective December 31, 1978, the County terminated the Douglas County Employee Defined Benefit Plan a single employer defined benefit pension plan. Employees who were retired as of

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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the time of termination are being paid their benefits from employer contributions made to the trust prior to its termination. These payments are the sole responsibility of the Metropolitan Life Insurance Company of North America. All other employees with vested benefits as of the termination of this Plan are to receive payments from the Douglas County, Georgia General Fund. During 2006, 27 employees who have retired were paid \$ 29,279 in benefits. Benefits are being paid on a pay-as-you-go basis. The plan is administered by the Douglas County Board of Commissioners.

Since the plan is funded with annual appropriations on a cash basis (i.e. no trust fund assets are maintained) financial statements are not prepared. There are no assets to report.

Due to the de minimis amount of pension expenditures and the limited number of individuals involved (approximately 2% of active employees) all required payments are reported in the General Fund under the caption general appropriations.

The annual required contribution for the current year was determined as part of the December 31, 2006 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7% investment rate of return and (b) level dollar amortization method. The unfunded actuarial accrued liability is being amortized over the lives of the participants as the plan is pay as you go on a closed basis. The remaining amortization period at December 31, 2006 was 8.5 years.

Membership

Active Participants	
Retirees and beneficiaries currently receiving benefits	27
Active plan participants or terminated plan participants entitled to but not yet receiving benefits	<u>18</u>
Total	<u>45</u>

Annual Pension Cost and Net Pension Obligation (NPO)

Development of Annual Required Contribution (ARC)	
a. Employer normal cost	
b. Actuarial Accrued Liability	250,846
c. Actuarial value of assets	<u>-</u>
d. Unfunded Actuarial Accrued Liability (UAAL)	250,846
e. Amortization of AAL	29,279

Annual Pension Cost and Net Pension Obligation (NPO)	
a. ARC	29,279
b. Annual Pension Cost	29,279
c. Contributions made	29,279
d. Increase (decrease) in NPO	-
e. NPO (beginning of year)	-
f. NPO (end of year)	-

DOUGLAS COUNTY, GEORGIA
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Schedule of Employer Contributions

<u>Year Ending December 31,</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Net Pension Obligation (Asset)</u>
2002	\$ 32,196	100%	-
2003	30,427	100%	-
2004	29,479	100%	-
2005	31,467	100%	-
2006	29,279	100%	-

Defined Benefit Plan - 2006

Plan Description

The County sponsors a defined benefit pension plan named the Douglas County Board of Commissioners Douglas County Defined Benefit Pension Plan, the "Plan". The Plan was established on January 1, 2006, and provides retirement, disability, and death benefits to plan participants. The plan assets shall be used only for the payment of benefits to the members of the plan, in accordance with the terms of the plan.

All full time employees and employees receiving county supplements participate in the plan. Benefits vest after 5 years. Participants may retire at Normal Retirement, which is the later of age 65, or 5 years of vesting service. Early Retirement eligibility is the later of age 55 or 10 years of vesting service. Employees are required to contribute 3% of their base wages to fund the benefit. The benefit is 2.5% of Compensation times service after December 31, 2005, plus 1.25% of Compensation times service prior to January 1, 2006. The 1.25% portion of the benefit is offset by the value of previous retirement benefits provided by the county. Compensation is defined as the highest five years of base wages during employment with the County.

Certain employees as designated by the Board of Commissioners (the "Board") are eligible for a qualified government excess benefit arrangement under the plan. The Board in its absolute discretion may revoke any designation of participation at any time.

Additional information for the pension plan trust can be obtained from the plan administrator:

Human Resources Director
Douglas County Board of Commissioners
8700 Hospital Drive
Douglasville, GA 30134

Summary of Significant Accounting Policies

Basis of Accounting – Douglas County Board of Commissioners Douglas County Defined Benefit Pension Plan financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer 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.

Method Used to Value Investments – Investments are reported at fair value. Short term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Administration and Funding Policy

The County administers the Plan, and the County's responsibility includes pension disbursements and general administration of the Plan under the authority of the Douglas County Pension Board. The Pension Board has contracted with State Street Bank to act as custodian of the assets of the Plan. The accounting and financial reporting functions are performed 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. The Plan does not issue a stand-alone financial report. The benefit provisions and all other related plan requirements are established and may be amended by County Ordinance.

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the Board of Trustees, and must satisfy the minimum contribution requirement contained in the State of Georgia statutes.

County employees are required to contribute 3% of base wages to the plan. These are "pick up" contributions under IRC 414(h).

Participant counts as of January 1, 2006, (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees and beneficiaries receiving payment	-
Terminated vested plan participants	-
Active employees	<u>715</u>
Total	<u><u>715</u></u>
Covered Compensation	<u><u>\$ 28,078,827</u></u>

Annual Pension Cost

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

	<u>2006</u>
Derivation of Annual Pension Cost	
Normal Cost	\$ 2,172,222
Amortizations	275,114
Employee Contributions	5,589,831
Interest	<u>78,285</u>
Annual Required Contribution	<u><u>\$ 8,115,452</u></u>
Derivation of Net Pension Obligation	
Employer Annual Pension Cost	\$ 2,525,622
Actual Contributions	<u>2,525,622</u>
Net Pension Obligation as of January 1,	<u><u>\$ -</u></u>

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Excess Benefit Arrangements

	2006
A. Number of Plan Participants as of December 31	
a) Active Employees	1
b) Retirees receiving benefits	4
c) Terminated Vested Participants	-
d) Total	5
 B. Development of Annual Required Contribution (ARC)	
a) Employer Normal Cost	-
b) Amortization of UAAL:	
i) Actuarial Accrued Liability	403,635
ii) Actuarial Value of Assets	-
Unfunded AAL	403,635
Amortization of AAL	13,460
c) ARC	13,460
(AAL is amortized over the lives of the participants as plan is pay as you go)	
 C. Annual Pension Cost and Net Pension Obligation (NPO)	
a) ARC	13,460
b) Annual Pension Cost	13,460
c) Contributions Made	13,460
d) Increase (decreases) in NPO	-
e) NPO (beginning of year)	-
f) NPO (end of year)	-

In addition to the general group pension plan, the following pensions are in effect but are not under the direct control of the County:

1. Agricultural Extension Supplemental Teachers Retirement Fund

The County agent and designated employees in this office are partially paid by the County and are covered under a pension plan which requires that certain sums be contributed by the County to a state administered plan.

2. Probate Judges' Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

3. Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

4. Sheriffs' Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and Sheriff Deputies are covered under separate pension plans which require that certain sums from fees, fines or bond forfeitures be remitted by the Probate Judge or Clerks of

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

Superior Court and Magistrate Court to the pension plans before the payment of any costs or other claims.

5. Firefighters' Retirement Fund

The County fire department qualified employees may contribute to the Georgia Firefighters Pension Fund.

(D) Joint Ventures

West Georgia Regional Library

Douglas County assists with the operations of the West Georgia Regional Library through annual funding requests. In evaluating how to define the government unit for financial reporting purposes, Library System management has considered the criteria set forth in GASB Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity". Based upon the application of the above criteria, the West Georgia Regional Library is determined to be a joint venture. The Library Board consists of thirteen members, three members appointed by the Carroll County Library Board, four members appointed by the Douglas County Library Board and two members each appointed by the Library Boards of Haralson, Heard and Paulding Counties. The Board is without authority to determine the amount of its funding, except by submission of budget requests to local governmental units from which that Library receives support and to the State of Georgia for State and Federal funding. Membership in the Library and participation in library services is at the discretion of each participating governmental agency. The Board has the power to designate management, the power to retain unreserved fund balances of local funds for continued operations and is the lowest level of oversight responsibility for the Library's operations. The Library is not included in any other governmental "reporting entity" as defined by GASB Codification of Governmental Accounting and Financial Reporting Standards.

Complete financial statements of the Library System can be obtained directly from their administrative office. Address for the administrative office is as follows:

West Georgia Regional Library Board
710 Rome Street
Carrollton, Georgia 30117

Atlanta Regional Commission

Douglas County, in conjunction with cities and counties in the ten-county Atlanta Region are members of the Atlanta Regional Commission (ARC) (a regional development center (RDC)). Membership in an RDC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RDC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RDC. The County paid dues in the amount of \$ 108,300 for the year ended December 31, 2006. The RDC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County. The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RDC's as "public agencies" and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of an RDC beyond its resources

DOUGLAS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2006

(O.C.G.A. 50-8-39.1). Complete financial statements of the Atlanta Regional Commission can be obtained directly from their administrative office. Address for the administrative office is as follows:

Atlanta Regional Commission
40 Courtland Street, N.E.
Atlanta, Georgia 30303

(E) Other Postemployment Benefits

The County provides postretirement health and life insurance benefits to certain retirees, who meet the requirements of the local ordinances. The benefits vary depending upon the age and the years of service of the retiree. For those employees retiring before 1986, who elected to contribute \$100 per month towards their insurance premiums, the County pays the balance of their health and life insurance premiums. If an employee retires and is at least 62 years old and has 15 consecutive years of service, the County will pay 100% of the premiums for health and life insurance. If an employee retires and is at least 55 years old and has 25 consecutive years of service, the County will pay the premiums for health and life insurance on a graduating basis beginning at 50% at age 55-57 until age 62, (with graduations in between) at which time the County will pay 100% of the premiums. If an employee retires and is at least 55 years old and has 30 consecutive years of service, the County will pay the premiums for health and life insurance on a graduating basis beginning at 70% at age 55-57 until age 59 ½, (with graduations in between) at which time the County will pay 100% of the premiums. These employees are covered under the County's regular risk management plan. The County provides no dependent coverage. The retiree may pay COBRA premiums to provide for spousal coverage. Retirees may not convert the benefits into an in-lieu payment to secure coverage under independent plans.

As of year end, there were 27 employees who had retired and were receiving the 100 % premium-coverage benefit. There were 10 employees who had retired and were receiving the partial premium-coverage. The County finances the plan on a pay-as-you-go basis. For the year ended December 31, 2006, the County recognized as incurred \$370,123 of expenditures, which was net of \$37,225 of retiree contributions.

(F) Deferred Compensation Plan

The County offers its employees an optional deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the participant or other beneficiary) solely the property and rights of a Trust created by the County for the benefit of the participants. The County has adopted the provisions of GASB Statement No. 32 which required the removal of plan assets and liabilities from the financial statements of the County.

DOUGLAS COUNTY, GEORGIA
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(G) Hotel/Motel Tax

Douglas County has levied a 5% lodging tax. A summary of the transactions for the year ending December 31, 2006 follows:

Lodging tax receipts	\$ <u>27,616</u>	<u>100%</u>
Douglas County Chamber of Commerce	5,523	20%
Tourism & Historic Commission	<u>5,523</u>	<u>20%</u>
	11,046	40%
General Fund expenditures	<u>16,570</u>	<u>60%</u>
	\$ <u>27,616</u>	<u>100%</u>

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**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A**

**DOUGLAS COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) AND ACTUAL
For the year ended December 31, 2006**

	2006			Variance with Final Budget - Positive (Negative)	2005
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property taxes	\$ 25,753,000	\$ 25,753,000	\$ 25,588,422	\$ (164,578)	\$ 20,740,579
Auto ad valorem and mobile home	2,203,000	2,203,000	2,234,308	31,308	2,083,841
Recording intangible	1,300,000	1,300,000	1,771,650	471,650	1,287,302
Interest, penalties and fees on delinquent taxes	747,000	747,000	782,245	35,245	811,007
Real estate transfer tax	375,000	375,000	500,561	125,561	361,359
Alcoholic beverage tax	566,500	566,500	605,654	39,154	560,903
Local option sales tax	16,600,000	16,600,000	20,338,201	3,738,201	16,803,139
Railroad equipment tax	5,000	5,000	4,728	(272)	4,825
Insurance premium tax	3,270,000	3,270,000	3,310,551	40,551	3,159,014
Franchise tax	660,000	660,000	841,024	181,024	673,785
Bank business license tax	160,000	160,000	163,486	3,486	158,327
Total taxes	51,639,500	51,639,500	56,140,830	4,501,330	46,644,081
Licenses and permits	2,259,000	2,259,000	2,283,273	24,273	2,706,658
Intergovernmental revenues:					
Federal government	55,000	152,494	107,900	(44,594)	72,510
State of Georgia	2,445,900	3,730,468	3,263,770	(466,698)	2,408,753
Other counties, municipalities and agencies	1,134,400	1,188,590	900,303	(288,287)	957,531
Total intergovernmental	3,635,300	5,071,552	4,271,973	(799,579)	3,438,794
Charges for services:					
Tax Commissioner	845,000	845,000	976,333	131,333	864,164
Emergency medical service	800,000	800,000	781,311	(18,689)	500,330
Ride share	161,000	256,003	223,137	(32,866)	149,475
Library fees	85,000	85,000	82,810	(2,190)	87,530
Planning, zoning and maps	348,500	348,500	390,841	42,341	408,434
Prisoner housing fees	675,000	675,000	382,455	(292,545)	963,859
Parks and recreation	160,000	249,500	245,780	(3,720)	104,361
Street lights	660,000	660,000	835,630	175,630	755,023
Election fees	10,000	17,240	17,243	3	34,384
Total charges for services	3,744,500	3,936,243	3,935,540	(703)	3,867,560
Courts and Law Enforcement:					
Clerk of Superior Court	1,629,000	1,629,000	1,597,062	(31,938)	1,376,022
State Court	1,675,000	1,675,000	1,942,412	267,412	1,596,035
Magistrate Court	340,000	340,000	378,899	38,899	347,428
Probate Court	170,000	170,000	190,778	20,778	171,713
Sheriff	180,000	180,000	186,604	6,604	187,028
Juvenile Court	105,000	105,000	118,572	13,572	99,958
Jail maintenance surcharge	540,000	540,000	579,326	39,326	378,458
Other	12,000	47,000	46,525	(475)	14,969
Total courts and law enforcement	4,651,000	4,686,000	5,040,178	354,178	4,171,611

DOUGLAS COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) AND ACTUAL (continued)
For the year ended December 31, 2006

	2006			Variance with Final Budget - Positive (Negative)	2005
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Use of money and property:					
Interest	\$ 153,500	\$ 153,500	\$ 482,824	\$ 329,324	\$ 205,763
Rents	41,000	41,000	45,007	4,007	42,541
Total use of money and property	194,500	194,500	527,831	333,331	248,304
Miscellaneous revenue	225,000	465,885	622,396	156,511	605,771
Total general fund revenues	66,348,800	68,252,680	72,822,021	4,569,341	61,682,779
Expenditures:					
Current:					
General government:					
Board of Commissioners	633,226	691,664	660,166	31,498	599,496
Personnel	263,138	263,138	257,549	5,589	245,323
Finance	745,609	745,667	701,547	44,120	649,556
Purchasing	294,986	295,481	266,883	28,598	252,337
County attorney	500,467	410,067	376,108	33,959	458,485
Election board	273,621	311,615	304,305	7,310	154,322
Board of Tax Assessors	140,250	141,090	123,337	17,753	169,634
Tax Commissioner	979,769	981,989	916,699	65,290	827,919
Property appraisal	1,081,602	1,078,831	1,034,009	44,822	852,617
Tax Equalization Board	23,050	37,050	33,246	3,804	22,027
Data processing	922,014	996,765	962,864	33,901	892,979
Safety director	3,000	3,000	2,808	192	2,364
Building maintenance	1,169,663	1,306,345	1,139,809	166,536	1,151,218
Print shop	190,756	190,756	175,971	14,785	145,521
General appropriations	3,617,374	3,287,348	2,187,979	1,099,369	2,000,400
Voters' registration	131,484	131,640	117,239	14,401	91,205
Records retention	151,054	151,327	150,028	1,299	98,138
Grant expenditures	179,800	362,994	212,212	150,782	86,773
Public relations	274,106	290,406	275,765	14,641	221,896
Total general government	11,574,969	11,677,173	9,898,524	1,778,649	8,922,210
Judicial system:					
Superior Court	406,764	473,187	440,119	33,068	382,407
District Attorney	1,424,239	1,420,739	1,302,164	118,575	1,185,236
Clerk of Superior Court	1,531,867	1,539,684	1,497,573	42,111	1,413,109
Public Defender	1,109,106	1,109,106	1,028,307	80,799	1,037,602
State Court	244,372	244,664	200,053	44,611	217,401
Clerk of State Court	201,290	201,290	194,606	6,684	182,179
State Court solicitor	529,667	529,667	515,432	14,235	394,791
Public Defender - State Court	134,551	137,751	137,438	313	116,746
Magistrate Court	495,837	502,094	497,515	4,579	467,597
Probate Court	355,079	355,079	343,670	11,409	385,431
Juvenile Court	1,141,768	1,142,668	1,028,167	114,501	685,176
Victim witness	78,174	81,674	73,033	8,641	64,710
Indigent cases - death and conflict	280,000	290,746	246,697	44,049	308,283
Total judicial system	7,932,714	8,028,349	7,504,774	523,575	6,840,668

DOUGLAS COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) AND ACTUAL (continued)
For the year ended December 31, 2006

	2006				2005
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	Actual
Expenditures:					
Current:					
Public safety:					
Coroner	\$ 46,945	\$ 58,549	\$ 50,778	\$ 7,771	\$ 45,977
Sheriff	10,375,559	10,663,113	10,662,183	930	9,186,685
Jail	10,876,216	10,905,647	10,902,472	3,175	10,516,239
Fire Department and Emergency Medical Service	10,852,196	11,169,103	11,106,426	62,677	10,257,252
Emergency management	190,130	258,886	206,200	52,686	169,872
Animal Control	566,466	592,289	564,080	28,209	479,032
Total Public Safety	32,907,512	33,647,587	33,492,139	155,448	30,655,057
Parks, Recreation and Culture:					
Library	1,167,422	1,213,424	1,158,888	54,536	1,113,977
Parks and Recreation	2,230,118	2,781,913	2,600,631	181,282	1,783,745
Senior Services Center	172,565	229,124	219,401	9,723	925,746
Soccer Associations	40,000	40,000	40,896	29,104	-
Cultural Arts Council	50,000	50,000	50,000	-	30,000
Total Parks, Recreation and Culture	3,660,105	4,314,461	4,039,816	274,645	3,853,468
Public Works:					
Roads	2,024,318	2,605,946	2,399,345	206,601	1,920,720
Administration	411,341	753,500	495,225	258,275	357,395
Traffic operations	946,613	1,134,428	685,504	448,924	712,550
Engineering	436,168	425,168	380,800	44,368	389,068
Vehicle maintenance	791,029	792,990	733,661	59,329	775,442
Total Public Works	4,609,469	5,712,032	4,694,535	1,017,497	4,155,175
Planning/Community Development:					
Code enforcement officer	163,691	163,691	161,104	2,587	157,604
Development services administration	185,856	182,906	179,411	3,495	163,159
Clean community	15,000	15,000	15,000	-	15,000
Planning and zoning	280,753	426,704	417,307	9,397	303,768
Occupational tax	94,698	94,698	90,727	3,971	81,752
Permits and inspections	815,888	816,312	797,659	18,653	706,889
Geographic information system and mapping	225,014	228,014	180,530	47,484	170,908
Tourism	10,000	16,000	11,046	4,954	9,970
Industrial development	160,000	160,000	160,000	-	160,000
Ride Share Program	763,578	1,869,725	1,677,131	192,594	665,772
Agriculture Extension Service	146,362	146,362	142,022	4,340	121,526
Total Planning/Community Development	2,860,840	4,119,412	3,831,937	287,475	2,556,348
Health and Welfare:					
General health grant	617,000	617,000	617,000	-	605,000
Community Services Board	279,784	279,784	279,784	-	228,365
Public Welfare	4,000	11,290	11,290	-	5,160
Family and Children Services	482,966	522,966	522,966	-	481,036
Senior citizens services grant	350,400	404,589	404,589	-	348,641
Boys & Girls Club	20,000	20,000	20,000	-	-
Substance Abuse Intervention	637,811	639,229	618,533	20,696	102,270
Senior Citizens Transportation	102,100	120,100	113,828	6,272	59,429
Total Health and Welfare	2,494,061	2,614,958	2,587,990	26,968	1,829,901

**DOUGLAS COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP) AND ACTUAL (continued)
For the year ended December 31, 2006**

	2006			Variance with Final Budget - Positive (Negative)	2005
	Original Budget	Final Budget	Actual		Actual
Expenditures:					
Current:					
Debt Service:					
Principal	\$ 234,525	\$ 215,005	\$ 210,442	\$ 4,563	\$ 105,134
Interest	191,328	210,848	210,848	-	182,423
Total expenditures	<u>425,853</u>	<u>425,853</u>	<u>421,290</u>	<u>4,563</u>	<u>287,557</u>
Total expenditures	<u>66,465,523</u>	<u>70,539,825</u>	<u>66,471,005</u>	<u>4,068,820</u>	<u>59,100,384</u>
Excess (deficiency) of revenues over expenditures	<u>(116,723)</u>	<u>(2,287,145)</u>	<u>6,351,016</u>	<u>8,638,161</u>	<u>2,582,395</u>
Other financing sources (uses):					
Sale of capital assets	10,000	299,396	438,846	139,450	605,324
Transfers in	106,723	144,792	129,894	(14,898)	611,063
Total other financing sources	<u>116,723</u>	<u>444,188</u>	<u>568,740</u>	<u>124,552</u>	<u>1,216,387</u>
Net change in fund balances	-	(1,842,957)	6,919,756	8,762,713	3,798,782
Fund balance, January 1	<u>15,358,628</u>	<u>15,358,628</u>	<u>15,358,628</u>	-	<u>11,559,846</u>
Fund balance, December 31	<u>\$ 15,358,628</u>	<u>\$ 13,515,671</u>	<u>\$ 22,278,384</u>	<u>\$ 8,762,713</u>	<u>\$ 15,358,628</u>

DOUGLAS COUNTY, GEORGIA
Required Supplementary Information – Pension Schedules
December 31, 2006

Defined Benefit Plan - 1979

Schedule of Employer Contributions

Year Ending December 31,	Annual Required Contribution	Percentage Contributed
2002	\$ 32,196	100%
2003	30,427	100%
2004	29,479	100%
2005	31,467	100%
2006	29,279	100%

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) / (2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3)/(5)
12/31/99	-	\$ 339,123	\$ 339,123	-	N/A	N/A
12/31/00	-	333,235	333,235	-	N/A	N/A
12/31/01	-	321,107	321,107	-	N/A	N/A
12/31/02	-	303,933	303,933	-	N/A	N/A
12/31/03	-	280,873	280,873	-	N/A	N/A
12/31/04	-	262,577	262,577	-	N/A	N/A
12/31/05	-	250,846	250,846	-	N/A	N/A

	Additional Information 1979 Plan	Additional Information 2006 Plan
Valuation date	December 31, 2006	January 1, 2006
Actuarial cost method	Unit Credit	Projected Unit Credit
Amortization method	Level dollar	Level Dollar
Remaining amortization period	Approximately 14 years	Approximately 30 years
Asset valuation method	N/A	Market
Actuarial assumptions:		
Investment rate of return*	7.00%	8.0%
Projected salary increases	N/A	4.5%/4.0%
Cost-of-living adjustment	N/A	N/A
Inflation rate assumption	N/A	3.5%
Amortization period for UAAL	N/A	Closed

DOUGLAS COUNTY, GEORGIA
Required Supplementary Information – Pension Schedules
December 31, 2006

Defined Benefit Plan - 2006

Schedule of Employer Contributions

Year Ending December 31,	Annual Required Contribution	Percentage Contributed
2006	\$ 2,941,038	100%

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) / (2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3)/(5)
01/01/06	-	3,556,141	3,556,141	-	28,078,827	12.7%

Defined Benefit Plan - 2006 – Excess Benefit Arrangement

Schedule of Employer Contributions

Year Ending December 31,	Annual Required Contribution	Percentage Contributed
2006	\$ 13,460	100%

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2) - (1)	(4) Funded Ratio (1) / (2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3)/(5)
12/31/05	-	403,635	403,635	-	N/A	N/A

OTHER SUPPLEMENTARY INFORMATION

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

MAJOR FUNDS

Parks Debt Service Fund

2002 Special Purpose Local Option Sales Tax Capital Projects Fund

DOUGLAS COUNTY, GEORGIA
PARKS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Use of money and property	\$ 200,000	\$ 200,000	\$ 298,695	\$ 98,695
Total revenues	<u>200,000</u>	<u>200,000</u>	<u>298,695</u>	<u>98,695</u>
Expenditures:				
Debt service:				
Principal	8,935,000	8,935,000	8,935,000	-
Interest and fiscal charges	841,425	841,425	841,425	-
Total expenditures	<u>9,776,425</u>	<u>9,776,425</u>	<u>9,776,425</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(9,576,425)</u>	<u>(9,576,425)</u>	<u>(9,477,730)</u>	<u>98,695</u>
Other financing sources:				
Transfers in	10,000,000	10,000,000	12,281,415	2,281,415
Total other financing sources	<u>10,000,000</u>	<u>10,000,000</u>	<u>12,281,415</u>	<u>2,281,415</u>
Net change in fund balances	423,575	423,575	2,803,685	2,380,110
Fund balance, January 1	<u>5,671,360</u>	<u>5,671,360</u>	<u>5,671,360</u>	<u>-</u>
Fund balance, December 31	<u>\$ 6,094,935</u>	<u>\$ 6,094,935</u>	<u>\$ 8,475,045</u>	<u>\$ 2,380,110</u>

DOUGLAS COUNTY, GEORGIA
2002 SPECIAL PURPOSE LOCAL OPTION SALES TAX CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From inception and for the year ended December 31, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Taxes	\$ 102,000,000	\$ 66,487,713	\$ 25,623,650	\$ 92,111,363
Intergovernmental revenue	15,481,488	2,758,956	799,936	3,558,892
Use of money and property	5,790,440	3,692,164	1,057,556	4,749,720
Miscellaneous revenue	-	50,000	90,000	140,000
Total revenues	<u>123,271,928</u>	<u>72,988,833</u>	<u>27,571,142</u>	<u>100,559,975</u>
Expenditures:				
General government	500,000	491,651	3,292	494,943
Intergovernmental	22,256,740	21,585,890	3,103,024	24,688,914
Capital outlay	95,918,616	42,072,521	10,173,281	52,245,802
Total expenditures	<u>118,675,356</u>	<u>64,150,062</u>	<u>13,279,597</u>	<u>77,429,659</u>
Excess (deficiency) of revenues over expenditures	<u>4,596,572</u>	<u>8,838,771</u>	<u>14,291,545</u>	<u>23,130,316</u>
Other financing sources (uses):				
Transfers out	(46,495,086)	(31,867,563)	(12,281,415)	(44,148,978)
Bond proceeds	41,898,514	41,898,514	-	41,898,514
Total other financing sources	<u>(4,596,572)</u>	<u>10,030,951</u>	<u>(12,281,415)</u>	<u>(2,250,464)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 18,869,722</u>	<u>2,010,130</u>	<u>\$ 20,879,852</u>
Fund balance, January 1,			<u>18,869,726</u>	
Fund balance, December 31			<u>\$ 20,879,856</u>	

NONMAJOR GOVERNMENTAL FUNDS

Funds generally used to account for tax supported activities which include the nonmajor special revenue funds and the capital project funds of the County.

Debt Service Fund
Special Revenue Funds
Capital Projects Funds

**DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2006**

	<u>Total Nonmajor Debt Service Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 140,843	\$ 10,151,839	\$ 205,793	\$ 10,498,475
Taxes receivable	-	51	-	51
Accounts receivable	-	284,983	-	284,983
Interest receivable	575	-	69	644
Intergovernmental	-	4,420	108,366	112,786
Due from other funds	7,291	404,435	9	411,735
Total assets	\$ 148,709	\$ 10,845,728	\$ 314,237	\$ 11,308,674
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 64,051	\$ 118,336	\$ 182,387
Accrued salaries	-	83,512	-	83,512
Due to other funds	-	314,010	80,226	394,236
Due to others	-	2,128,346	-	2,128,346
Deferred revenue	-	31,960	95,373	127,333
Total liabilities	-	2,621,879	293,935	2,915,814
Fund balances				
Reserved for encumbrances	-	47,339	-	47,339
Reserved for debt service	148,709	-	-	148,709
Reserved for capital acquisitions and improvements	-	-	162,466	162,466
Unreserved - designated for specific fund purpose	-	8,166,731	-	8,166,731
Unreserved - undesignated	-	9,779	(142,164)	(132,385)
Total fund balance	148,709	8,223,849	20,302	8,392,860
Total liabilities and fund balances	\$ 148,709	\$ 10,845,728	\$ 314,237	\$ 11,308,674

DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the year ended December 31, 2006

	<u>Total Nonmajor Debt Service Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>	<u>Total Nonmajor Capital Project Funds</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:				
Taxes	\$ -	\$ 133,694	\$ -	\$ 133,694
Intergovernmental	-	-	114,056	114,056
Charges for services	-	2,573,340	-	2,573,340
Courts and law enforcement	-	3,114,316	-	3,114,316
Use of money and property	8,175	241,238	44,054	293,467
Total revenues	<u>8,175</u>	<u>6,062,588</u>	<u>158,110</u>	<u>6,228,873</u>
Expenditures:				
Current:				
Judicial system	-	232,385	-	232,385
Public safety	-	2,664,666	-	2,664,666
Miscellaneous	-	-	-	-
Debt Service:				
Principal	700,000	85,000	-	785,000
Interest and fiscal charges	199,254	39,583	-	238,837
Capital Outlay:				
Public works	-	-	184,432	184,432
Total expenditures	<u>899,254</u>	<u>3,021,634</u>	<u>184,432</u>	<u>4,105,320</u>
Excess (deficiency) of revenues over expenditures	<u>(891,079)</u>	<u>3,040,954</u>	<u>(26,322)</u>	<u>2,123,553</u>
Other financing sources (uses):				
Transfers in	899,254	5,000	-	904,254
Transfers out	-	(134,894)	(899,254)	(1,034,148)
Total other financing sources (uses)	<u>899,254</u>	<u>(129,894)</u>	<u>(899,254)</u>	<u>(129,894)</u>
Net change in fund balances	<u>8,175</u>	<u>2,911,060</u>	<u>(925,576)</u>	<u>1,993,659</u>
Fund balance, January 1	<u>140,534</u>	<u>5,312,789</u>	<u>945,878</u>	<u>6,399,201</u>
Fund balance, December 31	<u>\$ 148,709</u>	<u>\$ 8,223,849</u>	<u>\$ 20,302</u>	<u>\$ 8,392,860</u>

NONMAJOR DEBT SERVICE FUND

The Debt Service Fund is utilized to account for the accumulation and disbursement of money needed to comply with the interest and principal redemption requirements of the governmental fund type revenue bonds and contractual obligations.

Jail Annex Debt Service Fund – to account for the base rentals required to provide annual debt service payments pursuant to the issuance of \$6,785,000 Association County Commissioners of Georgia leasers program Certificates of Participation (Douglas County, Georgia Public Purpose Project Series 2003).

DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUND - JAIL ANNEX DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
December 31, 2006 and 2005

	2006	2005
Assets:		
Cash and cash equivalents	\$ 140,843	\$ 138,786
Interest receivable	575	421
Due from other funds	7,291	1,327
Total assets	\$ 148,709	\$ 140,534
 Liabilities and Fund Balance		
Fund balance:		
Reserved for debt service	\$ 148,709	\$ 140,534
Total fund balance	148,709	140,534
 Total liabilities and fund balance	 \$ 148,709	 \$ 140,534

DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUND - JAIL ANNEX DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 8,175	\$ 8,175
Total revenues	<u>-</u>	<u>-</u>	<u>8,175</u>	<u>8,175</u>
Expenditures:				
Debt service:				
Principal	700,000	700,000	700,000	-
Interest and fiscal charges	199,308	199,308	199,254	54
Total expenditures	<u>899,308</u>	<u>899,308</u>	<u>899,254</u>	<u>54</u>
Excess (deficiency) of revenues over expenditures	<u>(899,308)</u>	<u>(899,308)</u>	<u>(891,079)</u>	<u>8,229</u>
Other financing sources (uses):				
Transfers in	899,308	899,308	899,254	(54)
Total other financing sources (uses)	<u>899,308</u>	<u>899,308</u>	<u>899,254</u>	<u>(54)</u>
Net change in fund balances	-	-	8,175	8,175
Fund balance, January 1	<u>140,534</u>	<u>140,534</u>	<u>140,534</u>	<u>-</u>
Fund balance, December 31	\$ <u>140,534</u>	\$ <u>140,534</u>	\$ <u>148,709</u>	\$ <u>8,175</u>

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specified purposes.

Drug Abuse Treatment and Education Fund - To account for monies collected under Georgia law related to additional penalties on controlled substances offenses. Such monies are restricted for drug abuse treatment and education programs relating to controlled substances and marijuana.

Sidewalk Fund –To account for funds held for future sidewalk construction as mandated by the County's zoning and subdivision ordinances. These are monies funded totally by developer/builders.

Special Tax District - To account for tax collection levied against certain property owners to fund the debt service payments due on community improvement district special assessment debt.

Hotel/Motel Tax fund – To account for monies collected on all short-term room rentals by hotel and motels located in the unincorporated area of Douglas County.

Emergency Telephone System Fund - To account for monies collected under Georgia law by the telephone company on behalf of Douglas County. These monies are remitted to the County and are restricted to providing emergency 911 services to residents of the County.

Crime Victim Assistance Program Fund - To account for grant monies received for the purpose of providing counseling services to victims of crime and add on fine surcharges as required by the O.C.G.A.

Law Library - To account for fees received from Superior Court, Magistrate Court and Probate Court used to finance the Library's operations and reference materials.

District Attorney Fund – To account for monies forfeited under O.C.G.A. 16-13-49. These funds are held to provide payment for any and all necessary expenses for the operation of the District Attorney's Office.

Inmate Commissary Fund - To account for monies collected from inmates for purchase of supplies. The profit from these sales are used for the benefit of the general inmate population.

Law Enforcement Confiscated Monies - To account for monies confiscated under Federal and Georgia law by the Douglas County Sheriff's office related to controlled substances offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations.

Sheriff Other Programs– To account for monies donated by local individuals and businesses to fund the Douglas County Sheriff Office's Drug Abuse Resistance Education and Combined Accident Reduction effort programs.

**DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2006**

	Drug Treatment Abuse	Sidewalk Fund	Special Tax District	Emergency Telephone System	Victim Assistance	Law Library	District Attorney Fund	Inmate Commissary Fund	Law Enforcement Confiscated Funds	Sheriff Other Programs	Total Nonmajor Special Revenue Funds
Assets:											
Cash and cash equivalents	\$ 306,449	\$ 26,361	\$ -	\$ 3,600,722	\$ 246,068	\$ 151,466	\$ 2,558,858	\$ 134,276	\$ 3,090,788	\$ 36,851	\$ 10,151,839
Taxes receivable	-	-	51	-	-	-	-	-	-	-	51
Accounts receivable	-	-	-	240,057	-	-	-	44,926	-	-	284,983
Intergovernmental	1,312	-	-	-	3,108	-	-	-	-	-	4,420
Due from other funds	18,944	-	-	-	29,370	27,975	-	1,350	326,796	-	404,435
Total assets	\$ 326,705	\$ 26,361	\$ 51	\$ 3,840,779	\$ 278,546	\$ 179,441	\$ 2,558,858	\$ 180,552	\$ 3,417,584	\$ 36,851	\$ 10,845,728
Liabilities and Fund Balances											
Liabilities:											
Accounts payable	\$ 8,000	\$ -	\$ -	\$ 49,357	\$ -	\$ 6,694	\$ -	\$ -	\$ -	\$ -	\$ 64,051
Accrued salaries	-	-	-	78,006	5,506	-	-	-	-	-	83,512
Due to other funds	2,008	-	16,582	291,945	548	-	-	2,927	-	-	314,010
Due to others	-	-	-	-	-	-	2,128,346	-	-	-	2,128,346
Deferred revenue	-	-	51	31,909	-	-	-	-	-	-	31,960
Total liabilities	10,008	-	16,633	451,217	6,054	6,694	2,128,346	2,927	-	-	2,621,879
Fund balance:											
Reserved for encumbrances	-	-	-	47,339	-	-	-	-	-	-	47,339
Reserved for debt service	-	-	-	-	-	-	-	-	-	-	-
Unreserved - designated for specific fund purpose	316,697	-	-	3,342,223	272,492	172,747	430,512	177,625	3,417,584	36,851	8,166,731
Unreserved - Undesignated	-	26,361	(16,582)	-	-	-	-	-	-	-	9,779
Total fund balance	316,697	26,361	(16,582)	3,389,562	272,492	172,747	430,512	177,625	3,417,584	36,851	8,223,849
Total liabilities and fund balance	\$ 326,705	\$ 26,361	\$ 51	\$ 3,840,779	\$ 278,546	\$ 179,441	\$ 2,558,858	\$ 180,552	\$ 3,417,584	\$ 36,851	\$ 10,845,728

DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
COMBINING STATEMENTS OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
For the year ended December 31, 2006

	Drug Treatment Abuse	Sidewalk Fund	Special Tax District	Hotel-Motel Tax	Emergency Telephone System	Victim Assistance	Law Library	District Attorney Fund	Inmate Commissary Fund	Law Enforcement Confiscated Funds	Sheriff Other Programs	Total Nonmajor Special Revenue Funds
Revenues:												
Taxes	\$ -	\$ -	\$ 106,078	\$ 27,616	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133,694
Charges for services	-	35,275	-	-	2,237,911	-	-	-	292,300	-	7,854	2,573,340
Courts and law enforcement	128,204	-	-	-	-	195,752	123,984	390,139	-	2,276,237	-	3,114,316
Use of money and property	13,046	564	-	-	144,542	247	2,784	5,904	743	73,313	95	241,238
Total revenues	141,250	35,839	106,078	27,616	2,382,453	195,999	126,768	396,043	293,043	2,349,550	7,949	6,062,588
Expenditures:												
Current:												
Judicial system	-	-	-	-	-	143,184	89,201	-	-	-	-	232,385
Public safety	102,303	-	-	-	1,540,884	-	-	95,338	264,735	654,584	6,822	2,664,666
Public works	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:												
Principal	-	-	85,000	-	-	-	-	-	-	-	-	85,000
Interest and fiscal charges	-	-	39,583	-	-	-	-	-	-	-	-	39,583
Total expenditures	102,303	-	124,583	-	1,540,884	143,184	89,201	95,338	264,735	654,584	6,822	3,021,634
Excess (deficiency) of revenues over expenditures	38,947	35,839	(18,505)	27,616	841,569	52,815	37,567	300,705	28,308	1,694,966	1,127	3,040,954
Other financing sources (uses):												
Transfers in	-	-	-	-	-	-	-	5,000	-	-	-	5,000
Transfers out	-	-	-	(27,616)	-	(41,517)	-	(45,761)	-	(20,000)	-	(134,894)
	-	-	-	(27,616)	-	(41,517)	-	(40,761)	-	(20,000)	-	(129,894)
Net change in fund balances	38,947	35,839	(18,505)	-	841,569	11,298	37,567	259,944	28,308	1,674,966	1,127	2,911,060
Fund balance, January 1	277,750	(9,478)	1,923	-	2,547,993	261,194	135,180	170,568	149,317	1,742,618	35,724	5,312,789
Fund balance, December 31	\$ 316,697	\$ 26,361	\$ (16,582)	\$ -	\$ 3,389,562	\$ 272,492	\$ 172,747	\$ 430,512	\$ 177,625	\$ 3,417,584	\$ 36,851	\$ 8,223,849

DOUGLAS COUNTY, GEORGIA
DRUG TREATMENT ABUSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Revenues:				
Courts and law enforcement	\$ 131,000	\$ 131,000	\$ 128,204	\$ (2,796)
Use of money and property	3,000	3,000	13,046	10,046
Total revenues	<u>134,000</u>	<u>134,000</u>	<u>141,250</u>	<u>7,250</u>
Expenditures:				
Current:				
Public safety	106,525	106,525	102,303	4,222
Total expenditures	<u>106,525</u>	<u>106,525</u>	<u>102,303</u>	<u>4,222</u>
Excess (deficiency) of revenues over expenditures	27,475	27,475	38,947	11,472
Fund balances, January 1	<u>277,750</u>	<u>277,750</u>	<u>277,750</u>	<u>-</u>
Fund balances, December 31	<u>\$ 305,225</u>	<u>\$ 305,225</u>	<u>\$ 316,697</u>	<u>\$ 11,472</u>

DOUGLAS COUNTY, GEORGIA
 SIDEWALK EROSION FUND SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Charges for services	\$ -	\$ 35,275	\$ 35,275	\$ -
Use of money and property	-	-	564	564
Total revenues	<u>-</u>	<u>35,275</u>	<u>35,839</u>	<u>564</u>
Expenditures:				
Current:				
Public works	-	35,275	-	35,275
Total expenditures	<u>-</u>	<u>35,275</u>	<u>-</u>	<u>35,275</u>
Excess (deficiency) of revenues over expenditures	-	-	35,839	35,839
Fund balances, January 1	<u>(9,478)</u>	<u>(9,478)</u>	<u>(9,478)</u>	<u>-</u>
Fund balances, December 31	<u>\$ (9,478)</u>	<u>\$ (9,478)</u>	<u>\$ 26,361</u>	<u>\$ 35,839</u>

DOUGLAS COUNTY, GEORGIA
SPECIAL TAX DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Taxes	\$ 112,281	\$ 112,281	106,078	\$ (6,203)
Total revenues	<u>112,281</u>	<u>112,281</u>	<u>106,078</u>	<u>(6,203)</u>
Expenditures:				
Debt service:				
Principal	85,000	85,000	85,000	-
Interest	39,652	39,652	39,583	69
Total expenditures	<u>124,652</u>	<u>124,652</u>	<u>124,583</u>	<u>69</u>
 Excess (deficiency) of revenues over expenditures	 (12,371)	 (12,371)	 (18,505)	 (6,134)
 Fund balances, January 1	 <u>1,923</u>	 <u>1,923</u>	 <u>1,923</u>	 <u>-</u>
 Fund balances, December 31	 <u>\$ (10,448)</u>	 <u>\$ (10,448)</u>	 <u>\$ (16,582)</u>	 <u>\$ (6,134)</u>

DOUGLAS COUNTY, GEORGIA
HOTEL-MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 25,000	\$ 31,000	\$ 27,616	\$ (3,384)
Total revenues	25,000	31,000	27,616	(3,384)
Other financing sources (uses):				
Transfers out	(25,000)	(31,000)	(27,616)	3,384
	(25,000)	(31,000)	(27,616)	3,384
Net change in fund balance	-	-	-	-
Fund balances, January 1	-	-	-	-
Fund balances, December 31	\$ -	\$ -	\$ -	\$ -

DOUGLAS COUNTY, GEORGIA
EMERGENCY TELEPHONE SYSTEM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Charges for services	\$ 1,860,000	\$ 1,860,000	\$ 2,237,911	\$ 377,911
Use of money and property	30,000	30,000	144,542	114,542
Total revenues	<u>1,890,000</u>	<u>1,890,000</u>	<u>2,382,453</u>	<u>492,453</u>
Expenditures:				
Current:				
Public safety	1,604,288	1,606,958	1,540,884	66,074
Total expenditures	<u>1,604,288</u>	<u>1,606,958</u>	<u>1,540,884</u>	<u>66,074</u>
Excess (deficiency) of revenues over expenditures	285,712	283,042	841,569	558,527
Fund balances, January 1	<u>2,547,993</u>	<u>2,547,993</u>	<u>2,547,993</u>	<u>-</u>
Fund balances, December 31	<u>\$ 2,833,705</u>	<u>\$ 2,831,035</u>	<u>\$ 3,389,562</u>	<u>\$ 558,527</u>

DOUGLAS COUNTY, GEORGIA
CRIME VICTIM ASSISTANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Courts and law enforcement	\$ 180,000	\$ 180,000	\$ 195,752	\$ 15,752
Use of money and property	500	500	247	(253)
Total revenues	<u>180,500</u>	<u>180,500</u>	<u>195,999</u>	<u>15,499</u>
Expenditures:				
Current:				
Judicial system	156,649	156,649	143,184	13,465
Total expenditures	<u>156,649</u>	<u>156,649</u>	<u>143,184</u>	<u>13,465</u>
Excess (deficiency) of revenues over expenditures	23,851	23,851	52,815	28,964
Other financing sources (uses):				
Transfers out	(35,900)	(41,701)	(41,517)	184
	<u>(35,900)</u>	<u>(41,701)</u>	<u>(41,517)</u>	<u>184</u>
Net change in fund balance	(12,049)	(17,850)	11,298	29,148
Fund balances, January 1	<u>261,194</u>	<u>261,194</u>	<u>261,194</u>	<u>-</u>
Fund balances, December 31	<u>\$ 249,145</u>	<u>\$ 243,344</u>	<u>\$ 272,492</u>	<u>\$ 29,148</u>

DOUGLAS COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Courts and law enforcement	\$ 79,000	\$ 79,000	\$ 123,984	\$ 44,984
Use of money and property	350	350	2,784	2,434
Total revenues	<u>79,350</u>	<u>79,350</u>	<u>126,768</u>	<u>47,418</u>
Expenditures:				
Current:				
Judicial system	73,000	108,000	89,201	18,799
Total expenditures	<u>73,000</u>	<u>108,000</u>	<u>89,201</u>	<u>18,799</u>
Excess (deficiency) of revenues over expenditures	6,350	(28,650)	37,567	66,217
Fund balances, January 1	<u>135,180</u>	<u>135,180</u>	<u>135,180</u>	<u>-</u>
Fund balances, December 31	<u>\$ 141,530</u>	<u>\$ 106,530</u>	<u>\$ 172,747</u>	<u>\$ 66,217</u>

DOUGLAS COUNTY, GEORGIA
DISTRICT ATTORNEY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Courts and law enforcement	\$ 149,000	\$ 299,000	\$ 390,139	\$ 91,139
Use of money and property	1,000	1,000	5,904	4,904
Total revenues	150,000	300,000	396,043	96,043
Expenditures:				
Current:				
Public safety	245,824	350,063	95,338	254,725
Total expenditures	245,824	350,063	95,338	254,725
Excess (deficiency) of revenues over expenditures	(95,824)	(50,063)	300,705	350,768
Other financing sources (uses):				
Transfers in	-	-	5,000	5,000
Transfers out	-	(45,791)	(45,761)	30
	-	(45,791)	(40,761)	5,030
Net change in fund balances	(95,824)	(95,854)	259,944	355,798
Fund balances, January 1	170,568	170,568	170,568	-
Fund balances, December 31	\$ 74,744	\$ 74,714	\$ 430,512	\$ 355,798

DOUGLAS COUNTY, GEORGIA
 INMATE COMMISSARY SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Charges for services	\$ 282,500	\$ 282,500	\$ 292,300	\$ 9,800
Use of money and property	2,500	2,500	743	(1,757)
Total revenues	285,000	285,000	293,043	8,043
Expenditures:				
Current:				
Public Safety	215,000	275,000	264,735	10,265
	215,000	275,000	264,735	10,265
Excess (deficiency) of revenues over expenditures	70,000	10,000	28,308	18,308
Fund balances, January 1	149,317	149,317	149,317	-
Fund balances, December 31	\$ 219,317	\$ 159,317	\$ 177,625	\$ 18,308

DOUGLAS COUNTY, GEORGIA
LAW ENFORCEMENT CONFISCATED FUNDS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the year ended December 31, 2006

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Courts and law enforcement	\$ 300,000	\$ 300,000	\$ 2,276,237	\$ 1,976,237
Use of money and property	50,000	50,000	73,313	23,313
Total revenues	<u>350,000</u>	<u>350,000</u>	<u>2,349,550</u>	<u>1,999,550</u>
Expenditures:				
Current:				
Public safety	365,000	605,000	654,584	(49,584)
Total expenditures	<u>365,000</u>	<u>605,000</u>	<u>654,584</u>	<u>(49,584)</u>
Excess (deficiency) of revenues over expenditures	(15,000)	(255,000)	1,694,966	1,949,966
Other financing sources (uses):				
Transfers out	-	(20,000)	(20,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
Net change in fund balances	(15,000)	(275,000)	1,674,966	1,949,966
Fund balances, January 1	<u>1,742,618</u>	<u>1,742,618</u>	<u>1,742,618</u>	<u>-</u>
Fund balances, December 31	<u>\$ 1,727,618</u>	<u>\$ 1,467,618</u>	<u>\$ 3,417,584</u>	<u>\$ 1,949,966</u>

DOUGLAS COUNTY, GEORGIA
 SHERIFF OTHER PROGRAMS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 For the year ended December 31, 2006

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:				
Use of money and property	\$ -	\$ -	\$ 95	\$ 95
Charges for services	20,000	20,000	7,854	(12,146)
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>7,949</u>	<u>(12,051)</u>
Expenditures:				
Current:				
Public safety	17,500	17,500	6,822	10,678
Total expenditures	<u>17,500</u>	<u>17,500</u>	<u>6,822</u>	<u>10,678</u>
Excess (deficiency) of revenues over expenditures	2,500	2,500	1,127	(1,373)
Fund balances, January 1	<u>35,724</u>	<u>35,724</u>	<u>35,724</u>	<u>-</u>
Fund balances, December 31	<u>\$ 38,224</u>	<u>\$ 38,224</u>	<u>\$ 36,851</u>	<u>\$ (1,373)</u>

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NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

The County's Nonmajor Capital Project Funds are as follows:

Courthouse Project
Jail Annex
GRTA Arterial Road

DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUND
COMBINING BALANCE SHEET
December 31, 2006

	Courthouse Project	Jail Annex Capital Project Fund	GRTA Arterial Road Fund	Total Nonmajor Capital Projects Fund
Assets:				
Cash and cash equivalents	\$ 152,903	\$ 16,776	\$ 36,114	\$ 205,793
Intergovernmental receivable	-	-	108,366	108,366
Due from other funds	9	-	-	9
Interest receivable	-	69	-	69
	<u>152,912</u>	<u>16,845</u>	<u>144,480</u>	<u>314,237</u>
Total assets	\$ 152,912	\$ 16,845	\$ 144,480	\$ 314,237
Liabilities and Fund Balance				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 118,336	\$ 118,336
Due to other funds	-	7,291	72,935	80,226
Deferred revenue	-	-	95,373	95,373
Total liabilities	<u>-</u>	<u>7,291</u>	<u>286,644</u>	<u>293,935</u>
Fund balances:				
Reserved for capital acquisitions and improvements	152,912	9,554	-	162,466
Unreserved- undesignated	-	-	(142,164)	(142,164)
Total fund balances	<u>152,912</u>	<u>9,554</u>	<u>(142,164)</u>	<u>20,302</u>
Total liabilities and fund balance	\$ 152,912	\$ 16,845	\$ 144,480	\$ 314,237

DOUGLAS COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS - CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2006

	<u>Courthouse Project</u>	<u>Jail Annex Capital Project Fund</u>	<u>GRTA Arterial road Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 114,056	\$ 114,056
Use of money and property	41,838	610	1,606	44,054
Total revenues	<u>41,838</u>	<u>610</u>	<u>115,662</u>	<u>158,110</u>
Expenditures:				
Capital outlay:				
Parks, recreation and culture	-	-	-	-
Public works	-	-	184,432	184,432
Total expenditures	<u>-</u>	<u>-</u>	<u>184,432</u>	<u>184,432</u>
Excess (deficiency) of revenues over expenditures	<u>41,838</u>	<u>610</u>	<u>(68,770)</u>	<u>(26,322)</u>
Other financing sources (uses):				
Transfers out	(899,254)	-	-	(899,254)
Total other financing sources (uses)	<u>(899,254)</u>	<u>-</u>	<u>-</u>	<u>(899,254)</u>
Net change in fund balances	<u>(857,416)</u>	<u>610</u>	<u>(68,770)</u>	<u>(925,576)</u>
Fund balance, January 1	<u>1,010,328</u>	<u>8,944</u>	<u>(73,394)</u>	<u>945,878</u>
Fund balance, December 31	<u>\$ 152,912</u>	<u>\$ 9,554</u>	<u>\$ (142,164)</u>	<u>\$ 20,302</u>

DOUGLAS COUNTY, GEORGIA
COURTHOUSE CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From inception and for the year ended December 31, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Taxes	\$ -	\$ 374,551	\$ -	\$ 374,551
Use of money and property	2,010,000	3,111,681	41,838	3,153,519
Miscellaneous	<u>-</u>	<u>31,447</u>	<u>-</u>	<u>31,447</u>
Total revenues	<u>2,010,000</u>	<u>3,517,679</u>	<u>41,838</u>	<u>3,559,517</u>
Expenditures:				
Capital outlay - General government	<u>41,435,000</u>	<u>37,776,286</u>	<u>-</u>	<u>37,776,286</u>
Excess (deficiency) of revenues over expenditures	<u>(39,425,000)</u>	<u>(34,258,607)</u>	<u>41,838</u>	<u>(34,216,769)</u>
Other financing sources (uses):				
Transfers in	4,284,584	5,901,172	-	5,901,172
Transfers out	-	(5,782,653)	(899,254)	(6,681,907)
Certificate of participation	<u>35,150,416</u>	<u>35,150,416</u>	<u>-</u>	<u>35,150,416</u>
Total other financing sources	<u>39,435,000</u>	<u>35,268,935</u>	<u>(899,254)</u>	<u>34,369,681</u>
Net change in fund balance	<u>\$ 10,000</u>	<u>1,010,328</u>	<u>(857,416)</u>	<u>152,912</u>
Fund balance, January 1			<u>1,010,328</u>	
Fund balance, December 31			<u>\$ 152,912</u>	

DOUGLAS COUNTY, GEORGIA
JAIL ANNEX CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From inception and for the year ended December 31, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Use of money and property	\$ 125,000	\$ 32,071	\$ 610	\$ 32,681
Total revenues	<u>125,000</u>	<u>32,071</u>	<u>610</u>	<u>32,681</u>
Expenditures:				
Debt service - Issuance costs	192,246	186,166	-	186,166
Capital outlay - Public safety	6,632,758	6,571,122	-	6,571,122
Total expenditures	<u>6,825,004</u>	<u>6,757,288</u>	<u>-</u>	<u>6,757,288</u>
Excess (deficiency) of revenues over expenditures	<u>(6,700,004)</u>	<u>(6,725,217)</u>	<u>610</u>	<u>(6,724,607)</u>
Other financing sources:				
Transfer in	-	34,157	-	34,157
Transfer out	(137,272)	(137,272)	-	(137,272)
Premium on issue	52,276	52,276	-	52,276
Lease proceeds	6,785,000	6,785,000	-	6,785,000
Total other financing sources	<u>6,700,004</u>	<u>6,734,161</u>	<u>-</u>	<u>6,734,161</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 8,944</u>	<u>610</u>	<u>\$ 9,554</u>
Fund balance, January 1			<u>8,944</u>	
Fund balance, December 31			<u>\$ 9,554</u>	

DOUGLAS COUNTY, GEORGIA
GRTA ARTERIAL ROAD CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
From inception and for the year ended December 31, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Revenues:				
Intergovernmental	\$ 19,719,000	\$ 704,374	\$ 114,056	\$ 818,430
Use of money and property	-	1,754	1,606	3,360
Total revenues	<u>19,719,000</u>	<u>706,128</u>	<u>115,662</u>	<u>821,790</u>
Expenditures:				
Capital outlay - Public works	<u>19,719,000</u>	<u>779,522</u>	<u>184,432</u>	<u>963,954</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -</u>	<u>\$ (73,394)</u>	<u>\$ (68,770)</u>	<u>\$ (142,164)</u>
Fund balance, January 1			<u>(73,394)</u>	
Fund balance, December 31			<u>\$ (142,164)</u>	

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Group Health Insurance
Workers' Compensation

DOUGLAS COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
December 31, 2006

	Group Health Insurance	Workers' Compensation	Total
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and cash equivalents	\$ 18,869	\$ 1,738,066	\$ 1,756,935
Accrued interest receivable	21	5,105	5,126
Accounts receivable	65,070	-	65,070
Due from other funds	28,510	156	28,666
Total assets	\$ <u>112,470</u>	\$ <u>1,743,327</u>	\$ <u>1,855,797</u>
 Liabilities and Equity:			
Current liabilities:			
Accounts payable	\$ 19,152	\$ 8,739	\$ 27,891
Due to other funds	58,649	9,581	68,230
Claims payable, current portion	624,153	107,873	732,026
Total current liabilities	<u>701,954</u>	<u>126,193</u>	<u>828,147</u>
 Net assets			
Unrestricted	<u>(589,484)</u>	<u>1,617,134</u>	<u>1,027,650</u>
 Total liabilities and net assets	\$ <u>112,470</u>	\$ <u>1,743,327</u>	\$ <u>1,855,797</u>

**DOUGLAS COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS
For the year ended December 31, 2006**

	<u>Group Health Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
Operating revenues:			
Charges for services	\$ 7,689,360	\$ 622,019	\$ 8,311,379
Operating expenses:			
Claims	7,227,937	661,280	7,889,217
Administrative	219,958	19,939	239,897
Total operating expenses	<u>7,447,895</u>	<u>681,219</u>	<u>8,129,114</u>
Operating income (loss)	241,465	(59,200)	182,265
Nonoperating revenue (expenses):			
Interest earned	<u>230</u>	<u>66,016</u>	<u>66,246</u>
Change in net assets	241,695	6,816	248,511
Total net assets, January 1	<u>(831,179)</u>	<u>1,610,318</u>	<u>779,139</u>
Total net assets, December 31	<u>\$ (589,484)</u>	<u>\$ 1,617,134</u>	<u>\$ 1,027,650</u>

DOUGLAS COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2006

	<u>Group Health Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from customers	\$ 7,362,033	\$ 658,163	\$ 8,020,196
Cash payments to suppliers	(7,346,846)	(676,442)	(8,023,288)
Net cash provided (used) by operating activities	<u>15,187</u>	<u>(18,279)</u>	<u>(3,092)</u>
Cash flows from investing activities:			
Interest on investments	219	62,617	62,836
Net cash provided by investing activities	<u>219</u>	<u>62,617</u>	<u>62,836</u>
Net increase in cash and cash equivalents	15,406	44,338	59,744
Cash and cash equivalents at beginning of year	<u>3,463</u>	<u>1,693,728</u>	<u>1,697,191</u>
Cash and cash equivalents at end of year	<u>\$ 18,869</u>	<u>\$ 1,738,066</u>	<u>\$ 1,756,935</u>
Reconciliation of operating income to net cash provided (required) by operating activities:			
Operating income (loss)	\$ 241,465	\$ (59,200)	\$ 182,265
Adjustments to reconcile operating income to net cash provided by operating activities:			
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(42,399)	-	(42,399)
(Increase) decrease in due from other funds	25,930	26,563	52,493
Increase (decrease) in due to other funds	(310,858)	9,581	(301,277)
Increase (decrease) in payables	101,049	4,777	105,826
Net cash provided (used) by operating activities	<u>\$ 15,187</u>	<u>\$ (18,279)</u>	<u>\$ (3,092)</u>

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FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the County in a fiduciary capacity.

The County's Fiduciary-Agency Funds are as follows:

Tax Commissioner
Clerk of Superior Court
Magistrate Court
Probate Court
Juvenile Court
State Court
Sheriff

DOUGLAS COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENTS OF FIDUCIARY ASSETS AND LIABILITIES
December 31, 2006

	<u>Tax Commissioner</u>	<u>Clerk of Superior Court</u>	<u>Magistrate Court</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>State Court</u>	<u>Sheriff</u>	<u>Total</u>
Assets:								
Cash and cash equivalents	\$ 297,312	\$ 7,170,463	\$ 87,105	\$ 3,655	\$ 80,047	\$ 228,804	\$ 77,875	\$ 7,945,261
Receivable (net of allowance for uncollectible):								
Property taxes	7,243,453	-	-	-	-	-	-	7,243,453
Accounts	28,867	4,130	-	-	-	-	-	32,997
Intergovernmental	-	-	-	-	-	-	54	54
Total assets	\$ <u>7,569,632</u>	\$ <u>7,174,593</u>	\$ <u>87,105</u>	\$ <u>3,655</u>	\$ <u>80,047</u>	\$ <u>228,804</u>	\$ <u>77,929</u>	\$ <u>15,221,765</u>
Liabilities and Fund Balance								
Liabilities:								
Due to other governments	\$ 151,581	\$ 354,258	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 505,839
Taxes payable to others upon collection	7,243,453	-	-	-	-	-	-	7,243,453
Due to others	174,598	6,820,335	87,105	3,655	80,047	228,804	77,929	7,472,473
Total liabilities	\$ <u>7,569,632</u>	\$ <u>7,174,593</u>	\$ <u>87,105</u>	\$ <u>3,655</u>	\$ <u>80,047</u>	\$ <u>228,804</u>	\$ <u>77,929</u>	\$ <u>15,221,765</u>

DOUGLAS COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
For the year ended December 31, 2006

	January 1, 2006	Additions	Deductions	Reclassify Cash, Receivables and Interfund Payable	December 31, 2006
Tax Commissioner					
Assets:					
Cash and cash equivalents	\$ 579,167	\$ 114,085,370	\$ 114,318,931	\$ (48,294)	\$ 297,312
Taxes receivable	6,192,445	1,051,008	-	-	7,243,453
Accounts receivable	29,967	28,867	29,967	-	28,867
Total assets	\$ 6,801,579	\$ 115,165,245	\$ 114,348,898	\$ (48,294)	\$ 7,569,632
Liabilities:					
Due to other funds	\$ -	\$ 32,422,055	\$ 32,373,761	\$ 48,294	\$ -
Due to other governments	446,283	80,929,416	81,224,118	-	151,581
Taxes payable to others upon collection	6,192,445	1,051,008	-	-	7,243,453
Due to others	162,851	732,799	721,052	-	174,598
Total liabilities	\$ 6,801,579	\$ 115,135,278	\$ 114,318,931	\$ 48,294	\$ 7,569,632
Superior Court					
Assets:					
Cash and cash equivalents	\$ 1,398,097	\$ 20,511,747	\$ 14,374,690	\$ (364,691)	\$ 7,170,463
Accounts receivable	11,431	4,130	11,431	-	4,130
Intergovernmental	8,793	-	8,793	-	-
Total assets	\$ 1,418,321	\$ 20,515,877	\$ 14,394,914	\$ (364,691)	\$ 7,174,593
Liabilities:					
Due to other funds	\$ -	\$ 4,120,697	\$ 3,756,006	\$ 364,691	\$ -
Due to other governments	262,254	3,739,829	3,647,825	-	354,258
Due to others	1,156,067	12,701,875	7,037,607	-	6,820,335
Total liabilities	\$ 1,418,321	\$ 20,562,401	\$ 14,441,438	\$ 364,691	\$ 7,174,593
Magistrate Court					
Assets:					
Cash and cash equivalents	\$ 80,539	\$ 866,955	\$ 824,694	\$ (35,695)	\$ 87,105
Total assets	\$ 80,539	\$ 866,955	\$ 824,694	\$ (35,695)	\$ 87,105
Liabilities:					
Due to other funds	\$ -	\$ 412,464	\$ 376,769	\$ 35,695	\$ -
Due to others	80,539	454,491	447,925	-	87,105
Total liabilities	\$ 80,539	\$ 866,955	\$ 824,694	\$ 35,695	\$ 87,105

DOUGLAS COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES (continued)
 For the year ended December 31, 2006

	January 1, 2006	Additions	Deductions	Reclassify Cash, Receivables and Interfund Payable	December 31, 2006
Probate Court					
Assets:					
Cash and cash equivalents	\$ 343	\$ 258,171	\$ 238,774	\$ (16,085)	\$ 3,655
Total assets	\$ 343	\$ 258,171	\$ 238,774	\$ (16,085)	\$ 3,655
Liabilities:					
Due to other funds	\$ -	\$ 199,650	\$ 183,565	\$ 16,085	\$ -
Due to others	343	58,521	55,209	-	3,655
Total liabilities	\$ 343	\$ 258,171	\$ 238,774	\$ 16,085	\$ 3,655
Juvenile Court					
Assets:					
Cash and cash equivalents	\$ 76,241	\$ 44,223	\$ 36,549	\$ (3,868)	\$ 80,047
Total assets	\$ 76,241	\$ 44,223	\$ 36,549	\$ (3,868)	\$ 80,047
Liabilities:					
Due to other funds	\$ -	\$ 37,451	\$ 33,583	\$ 3,868	\$ -
Due to others	76,241	6,772	2,966	-	80,047
Total liabilities	\$ 76,241	\$ 44,223	\$ 36,549	\$ 3,868	\$ 80,047
State Court					
Assets:					
Cash and cash equivalents	\$ 102,685	\$ 3,334,607	\$ 2,711,067	\$ (497,421)	\$ 228,804
Total assets	\$ 102,685	\$ 3,334,607	\$ 2,711,067	\$ (497,421)	\$ 228,804
Liabilities:					
Due to other funds	\$ -	\$ 2,372,231	\$ 1,874,810	\$ 497,421	\$ -
Due to others	102,685	962,376	836,257	-	228,804
Total liabilities	\$ 102,685	\$ 3,334,607	\$ 2,711,067	\$ 497,421	\$ 228,804

DOUGLAS COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 For the year ended December 31, 2006

	January 1, 2006	Additions	Deductions	Reclassify Cash, Receivables and Interfund Payable	December 31, 2006
Sheriff					
Assets:					
Cash and cash equivalents	\$ 81,512	\$ 2,758,004	\$ 2,601,326	\$ (160,315)	\$ 77,875
Intergovernmental receivable	6	90,608	-	(90,560)	54
Total assets	\$ 81,518	\$ 2,848,612	\$ 2,601,326	\$ (250,875)	\$ 77,929
Liabilities:					
Due to other funds	-	1,477,885	1,227,010	250,875	-
Due to others	81,518	1,370,727	1,374,316	-	77,929
Total liabilities	\$ 81,518	\$ 2,848,612	\$ 2,601,326	\$ 250,875	\$ 77,929
Totals					
Assets:					
Cash and cash equivalents	\$ 2,318,584	\$ 141,859,077	\$ 135,106,031	\$ (1,126,369)	\$ 7,945,261
Receivables (net of allowance for uncollectibles):					
Property taxes	6,192,445	1,051,008	-	-	7,243,453
Accounts	41,398	32,997	41,398	-	32,997
Intergovernmental	8,799	90,608	8,793	(90,560)	54
Total assets	\$ 8,561,226	\$ 143,033,690	\$ 135,156,222	\$ (1,216,929)	\$ 15,221,765
Liabilities:					
Due to other funds	-	41,042,433	39,825,504	1,216,929	-
Due to other governments	708,537	84,669,245	84,871,943	-	505,839
Taxes payable to others upon collection	6,192,445	1,051,008	-	-	7,243,453
Due to others	1,660,244	16,287,561	10,475,332	-	7,472,473
Total liabilities	\$ 8,561,226	\$ 143,050,247	\$ 135,172,779	\$ 1,216,929	\$ 15,221,765

STATISTICAL SECTION

The statistical section includes selected financial and general information presented on a multi-year comparative basis. The statistics are used to provide detail data on the physical, economic social and political characteristics of the County government. They are intended to provide the financial report user with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements.

STATISTICAL SECTION

This part of the Douglas 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 government's overall financial health.

<u>Contents:</u>	<u>Page</u>
<p>Financial Trends</p> <p><i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i></p> <p>Schedules #1 - #4</p>	<p>122-128</p>
<p>Revenue Capacity</p> <p><i>These schedules contain information to help the reader access the County's most significant local revenue source, the property tax.</i></p> <p>Schedules #5 - #8</p>	<p>129-136</p>
<p>Debt Capacity</p> <p><i>These schedules present information to help the reader access the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i></p> <p>Schedules #9 - #11</p>	<p>137-139</p>
<p>Demographic and Economic Information.....</p> <p><i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i></p> <p>Schedules # 12- #15</p>	<p>140-143</p>
<p>Operating Information.....</p> <p><i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i></p> <p>Schedules #16 - #18</p>	<p>144-149</p>

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

Douglas County, Georgia
Net Assets by Component, Last Four Fiscal Years
(Accrual Basis of Accounting)
Schedule 1

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Governmental Activities				
Invested in capital assets, net of related debt	\$ 100,321,388	\$ 81,889,979	\$ 84,241,469	\$ 60,985,619
Restricted	37,501,445	30,538,080	9,090,154	31,552,971
Unrestricted	<u>22,772,072</u>	<u>15,231,448</u>	<u>11,786,480</u>	<u>(4,855,024)</u>
Total Governmental Activities Net Assets	<u>\$ 160,594,905</u>	<u>\$ 127,659,507</u>	<u>\$ 105,118,103</u>	<u>\$ 87,683,566</u>
Business-type Activities				
Invested in capital assets, net of related debt	\$ 2,739,345	\$ 2,362,632	\$ 2,110,170	\$ 2,546,337
Restricted	-	-	-	-
Unrestricted	<u>(2,217,808)</u>	<u>(2,122,188)</u>	<u>(1,637,622)</u>	<u>(1,697,043)</u>
Total Business-type Net Assets	<u>\$ 521,537</u>	<u>\$ 240,444</u>	<u>\$ 472,548</u>	<u>\$ 849,294</u>
Primary Government				
Invested in capital assets, net of related debt	\$ 103,060,733	\$ 84,252,611	\$ 86,351,639	\$ 63,531,956
Restricted	37,501,445	30,538,080	9,090,154	31,552,971
	<u>20,554,264</u>	<u>13,109,260</u>	<u>10,148,858</u>	<u>(6,552,067)</u>
Total Primary Government Net Assets	<u>\$ 161,116,442</u>	<u>\$ 127,899,951</u>	<u>\$ 105,590,651</u>	<u>\$ 88,532,860</u>
Component Unit - Douglas County Board of Health				
Invested in capital assets, net of related debt	\$ 139,519	\$ 26,925	\$ 45,102	\$ 68,301
Restricted	11,551	15,811	11,763	402,354
Unrestricted	<u>679,932</u>	<u>613,957</u>	<u>476,466</u>	<u>-</u>
Total Component Unit - Douglas County Board of Health Net Assets	<u>\$ 831,002</u>	<u>\$ 656,693</u>	<u>\$ 533,331</u>	<u>\$ 470,655</u>

Douglas County, Georgia
Changes in Net Assets, Last Four Fiscal Years
(Accrual Basis of Accounting)
Schedule 2

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Primary Government				
Expenses				
Governmental Activities:				
General government	\$ 10,761,968	\$ 9,813,520	\$ 10,078,423	\$ 11,180,769
Judicial system	7,862,568	7,094,402	6,963,907	6,390,194
Public safety	37,034,374	33,198,410	34,084,698	30,628,801
Parks, recreation and culture	4,033,599	3,204,063	2,609,149	2,265,236
Public works	8,937,708	7,752,182	6,974,706	4,439,668
Planning/community development	2,944,548	2,624,725	2,486,420	3,931,990
Health and welfare	2,586,407	2,816,274	2,126,200	2,005,827
Miscellaneous	-	154,264	333,347	162,647
Interest and fiscal charges	1,139,024	1,174,334	1,315,216	1,528,845
Total Governmental Activities Expenses	<u>75,300,196</u>	<u>67,832,174</u>	<u>66,972,066</u>	<u>62,533,977</u>
Business Type-Activities:				
Solid Waste	1,880,853	2,040,397	1,893,844	1,715,471
Total Business-Type Activities Expenses	<u>1,880,853</u>	<u>2,040,397</u>	<u>1,893,844</u>	<u>1,715,471</u>
	<u>77,181,049</u>	<u>69,872,571</u>	<u>68,865,910</u>	<u>64,249,448</u>
Component Unit				
Douglas County Board of Health	2,051,853	2,048,128	2,030,375	1,952,956
Total Component Unit Expenses	<u>2,051,853</u>	<u>2,048,128</u>	<u>2,030,375</u>	<u>1,952,956</u>
Program Revenues				
Governmental Activities:				
Charges for services:				
General government	\$ 2,373,144	\$ 2,699,035	\$ 2,418,720	\$ 2,247,741
Judicial system	8,121,487	5,633,608	6,510,968	5,780,911
Public safety	4,331,868	4,373,751	3,696,669	3,040,263
Parks, recreation and culture	328,590	191,891	114,367	103,253
Public works	835,630	755,023	735,427	592,645
Planning/community development	613,978	557,909	353,935	257,315
Health and welfare	-	-	-	-
Miscellaneous	-	-	-	-
Interest and fiscal charges	-	-	-	-
Operating grants and contributions	2,733,485	2,497,306	2,934,111	1,652,846
Capital grants and contributions	788,923	245,335	739,541	554,515
Total Governmental Activities Program Revenues	<u>20,127,105</u>	<u>16,953,858</u>	<u>17,503,738</u>	<u>14,229,489</u>
Business-type activities:				
Charges for services:				
Solid Waste	1,983,568	1,796,228	1,960,208	1,560,606
Operating grants and contributions	154,322	-	-	-
Capital grants and contributions	-	-	-	-
Total Business-Type Activities Program Revenues	<u>2,137,890</u>	<u>1,796,228</u>	<u>1,960,208</u>	<u>1,560,606</u>
Total Primary Government Program Revenues	<u>22,264,995</u>	<u>18,750,086</u>	<u>19,463,946</u>	<u>15,790,095</u>
Component Unit				
Douglas County Board of Health				
Charges for services	849,730	821,692	620,677	617,014
Operating grants and contributions	1,376,432	1,349,798	1,472,374	1,521,402
Capital grants and contributions	-	-	-	-
Total Component Unit Revenues	<u>2,226,162</u>	<u>2,171,490</u>	<u>2,093,051</u>	<u>2,138,416</u>
Net (Expense)/Revenue				
Governmental activities	(55,173,091)	(50,878,316)	(49,468,328)	(48,304,488)
Business-type activities	257,037	(244,169)	66,364	(154,865)
Total Primary Government Net (Expense)/Revenue	<u>\$ (54,916,054)</u>	<u>\$ (51,122,485)</u>	<u>\$ (49,401,964)</u>	<u>\$ (48,459,353)</u>
Net (Expense)/Revenue				
Component Unit	174,309	123,362	62,676	185,460
Total Component Unit Net (Expense)/Revenue	<u>\$ 174,309</u>	<u>\$ 123,362</u>	<u>\$ 62,676</u>	<u>\$ 185,460</u>

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Taxes:				
General property taxes	\$ 29,211,183	\$ 23,726,641	\$ 21,462,170	\$ 19,746,460
Auto ad valorem and mobile home	-	-	-	-
Recording intangibles	1,771,650	1,287,302	1,625,117	1,431,718
Real estate transfer taxes	500,561	361,359	423,401	597,159
Penalties, interest and fees on delinquent taxes	-	-	-	-
Alcoholic beverage tax	605,654	560,903	540,382	518,847
Hotel, motel tax	-	-	-	77,237
Sales taxes	45,961,851	37,972,472	35,149,747	31,374,328
Railroad equipment tax	-	-	-	-
Insurance premium tax	3,310,551	3,159,014	2,958,219	2,733,979
Franchise tax	841,024	673,785	603,512	512,401
Occupation tax	1,112,198	1,107,039	997,221	781,575
Other taxes	4,728	4,825	4,903	5,026
Grants and contributions not restricted to specific programs	1,739,407	1,513,543	1,513,537	1,485,433
Special item - Gain on sale of capital assets	-	-	-	-
Increase/decrease in fair market value	-	-	-	-
Interest earned	2,198,788	1,427,225	1,350,527	958,571
Other	623,896	602,260	561,956	475,653
Gain on sale of capital assets	226,998	217,307	-	-
Transfers:				
Transfers out	-	-	-	-
Transfers in	-	-	-	-
Total Governmental Activities	<u>88,108,489</u>	<u>72,613,675</u>	<u>67,190,692</u>	<u>60,698,387</u>
Business-type activities:				
Interest earned	24,056	12,064	6,246	3,296
Total Business-Type Activities	<u>24,056</u>	<u>12,064</u>	<u>6,246</u>	<u>3,296</u>
Total Primary Government	<u>\$ 88,132,545</u>	<u>\$ 72,625,739</u>	<u>\$ 67,196,938</u>	<u>\$ 60,701,683</u>
Change in net assets before restatement				
Governmental activities	32,935,398	21,735,359	17,722,364	12,393,899
Business-type activities	281,093	(232,105)	72,610	(151,569)
Total Primary Government	<u>33,216,491</u>	<u>21,503,254</u>	<u>17,794,974</u>	<u>12,242,330</u>
Change in net assets before restatement				
Component Unit - Douglas County Board of Health	174,309	123,362	62,676	185,460
Total Component Unit	<u>174,309</u>	<u>123,362</u>	<u>62,676</u>	<u>185,460</u>
Restatement				
Governmental activities	-	806,045	(287,827)	-
Business-type activities	-	-	(449,356)	994,658
Total Primary Government	<u>-</u>	<u>806,045</u>	<u>(737,183)</u>	<u>994,658</u>
Restatement				
Component Unit - Douglas County Board of Health	-	-	-	-
Total Component Unit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets after restatement				
Governmental activities	32,935,398	22,541,404	17,434,537	12,393,899
Business-type activities	281,093	(232,105)	(376,746)	843,089
Total Primary Government	<u>33,216,491</u>	<u>22,309,299</u>	<u>17,057,791</u>	<u>13,236,988</u>
Change in net assets after restatement				
Component Unit - Douglas County Board of Health	174,309	123,362	62,676	185,460
Total Component Unit	<u>174,309</u>	<u>123,362</u>	<u>62,676</u>	<u>185,460</u>

Douglas County, Georgia
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 3

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
General Fund					
Reserved	\$ 2,308,427	\$ 2,365,019	\$ 1,432,334	\$ 944,413	\$ 1,282,643
Unreserved, Designated	46,563	22,614	65,010	39,037	87,428
Unreserved, Undesignated	<u>19,923,394</u>	<u>12,970,995</u>	<u>10,062,502</u>	<u>6,173,720</u>	<u>8,081,695</u>
Total General Fund	<u>22,278,384</u>	<u>15,358,628</u>	<u>11,559,846</u>	<u>7,157,170</u>	<u>9,451,766</u>
All Other Governmental Funds					
Reserved					
Special Revenue Funds	47,339	-	28,049	3,902	19,869
Debt Service Funds	8,623,754	5,811,894	4,915,144	4,427,649	3,969,973
Capital Projects Funds	21,042,322	19,888,998	20,256,868	31,199,843	26,854,766
Unreserved, Designated					
Special Revenue Funds	8,166,731	5,320,344	4,118,776	4,402,024	3,707,950
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Unreserved, Undesignated					
Special Revenue Funds	9,779	(7,555)	(1,496)	-	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	<u>(142,164)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>37,747,761</u>	<u>31,013,681</u>	<u>29,317,341</u>	<u>40,033,418</u>	<u>34,552,558</u>
Total Governmental Funds					
Reserved	32,021,842	28,065,911	26,632,395	36,575,807	32,127,251
Unreserved, Designated	8,213,294	5,342,958	4,183,786	4,441,061	3,795,378
Unreserved, Undesignated	<u>19,791,009</u>	<u>12,963,440</u>	<u>10,061,006</u>	<u>6,173,720</u>	<u>8,081,695</u>
	<u>\$ 60,026,145</u>	<u>\$ 46,372,309</u>	<u>\$ 40,877,187</u>	<u>\$ 47,190,588</u>	<u>\$ 44,004,324</u>

Douglas County, Georgia
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 3

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$ 4,156,602	\$ 1,572,165	\$ 1,391,670	\$ 1,541,801	\$ 1,553,970
29,067	26,161	151,218	110,192	71,113
<u>4,307,696</u>	<u>4,952,037</u>	<u>4,463,590</u>	<u>3,526,005</u>	<u>4,368,668</u>
<u>8,493,365</u>	<u>6,550,363</u>	<u>6,006,478</u>	<u>5,177,998</u>	<u>5,993,751</u>
27,205	47,858	54,490	71,789	72,797
-	-	20,296,464	15,447,057	11,149,671
375,702	285,261	1,014,725	1,307,446	10,247,160
2,545,345	1,611,668	897,154	529,477	588,018
-	-	-	-	-
4,736,311	6,777,122	-	-	-
-	(4,195)	(17,613)	(30,008)	-
-	-	-	-	-
-	-	-	-	-
<u>7,684,563</u>	<u>8,717,714</u>	<u>22,245,220</u>	<u>17,325,761</u>	<u>22,057,646</u>
4,559,509	1,905,284	22,757,349	18,368,093	23,023,598
7,310,723	8,414,951	1,048,372	639,669	659,131
<u>4,307,696</u>	<u>4,947,842</u>	<u>4,445,977</u>	<u>3,495,997</u>	<u>4,368,668</u>
<u>\$ 16,177,928</u>	<u>\$ 15,268,077</u>	<u>\$ 28,251,698</u>	<u>\$ 22,503,759</u>	<u>\$ 28,051,397</u>

Douglas County, Georgia
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 4

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Revenues:				
Taxes	\$ 81,898,174	\$ 67,966,419	\$ 63,677,094	\$ 57,609,895
Licenses and permits	2,283,273	2,706,658	2,168,316	2,281,472
Intergovernmental	5,185,965	4,549,428	6,790,045	2,189,661
Charges for services	6,508,880	6,367,228	5,682,701	4,673,926
Courts and law enforcement	8,154,494	5,620,316	6,538,735	5,751,011
Use of money and property	2,177,549	1,448,350	1,601,635	752,680
Miscellaneous revenues	712,396	655,771	560,695	462,127
Total Revenues	<u>106,920,731</u>	<u>89,314,170</u>	<u>87,019,221</u>	<u>73,720,772</u>
Expenditures:				
Current:				
General government	9,901,816	8,925,498	9,163,004	10,399,013
Judicial system	7,737,159	7,068,545	6,928,242	6,332,694
Public safety	36,156,805	32,749,474	32,766,526	29,941,868
Parks, recreation and culture	4,039,816	2,927,722	2,368,337	2,102,446
Public works	4,694,535	4,185,175	3,644,727	3,494,165
Planning/community development	3,831,937	2,556,348	3,298,100	3,992,972
Health and welfare	2,587,990	2,755,647	2,094,856	2,021,725
Miscellaneous	-	154,264	333,347	162,647
Intergovernmental	3,103,024	2,563,659	2,374,136	-
Debt Service:				
Principal	9,930,442	9,202,452	7,958,959	6,119,351
Interest and fiscal fees	1,291,110	1,628,916	1,870,859	2,592,378
Capital Projects:				
General government	-	-	-	-
Public safety	2,172,198	1,458,254	5,169,175	6,380,939
Parks, recreation and culture	3,846,546	4,412,452	9,568,239	2,722,735
Public works	4,338,969	3,909,360	5,762,782	1,108,851
Total Expenditures	<u>93,632,347</u>	<u>84,497,766</u>	<u>93,301,289</u>	<u>77,371,784</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>13,288,384</u>	<u>4,816,404</u>	<u>(6,282,068)</u>	<u>(3,651,012)</u>
Other Financing Sources (Uses):				
Capital leases	-	605,324	216,426	-
Transfers in	13,315,563	11,643,403	10,896,864	9,623,847
Transfers out	(13,315,563)	(11,643,403)	(10,896,864)	(9,623,847)
Sale of assets	438,846	-	-	-
Bond proceeds	-	-	-	-
Premium on issue	-	-	-	52,276
Certificates of participation proceeds	-	-	-	6,785,000
Total Other Financing Sources (Uses)	<u>438,846</u>	<u>605,324</u>	<u>216,426</u>	<u>6,837,276</u>
Net Change in Fund Balances	<u>13,727,230</u>	<u>5,421,728</u>	<u>(6,065,642)</u>	<u>3,186,264</u>
Debt Service as a Percentage of Noncapital Expenditures	13.48%	14.50%	13.50%	12.97%

Douglas County, Georgia
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 4

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
\$	47,656,486	\$ 39,397,063	\$ 37,289,297	\$ 44,172,390	\$ 40,843,412	\$ 37,330,511
	1,345,889	1,529,926	1,476,606	1,448,731	1,208,998	934,515
	5,284,354	3,230,829	2,531,458	1,741,717	1,517,109	2,232,565
	5,528,165	3,671,455	3,371,973	3,341,913	3,237,278	3,118,630
	4,487,418	4,152,051	3,384,772	3,071,232	2,681,295	2,989,276
	678,152	488,397	1,158,152	1,326,676	1,254,673	1,971,769
	694,290	975,025	257,426	941,285	1,012,885	443,769
	<u>65,674,754</u>	<u>53,444,746</u>	<u>49,469,684</u>	<u>56,043,944</u>	<u>51,755,650</u>	<u>49,021,035</u>
	22,195,150	7,009,510	6,584,456	5,648,281	5,772,376	7,981,658
	5,795,039	5,061,852	4,419,972	4,033,105	3,408,770	-
	28,707,992	27,296,297	24,376,689	21,688,344	20,663,721	21,865,026
	2,344,044	2,168,989	2,334,250	1,864,754	1,750,675	1,775,369
	4,667,866	4,943,099	4,277,378	3,478,870	3,336,665	4,050,839
	4,104,670	1,713,017	1,470,524	1,660,829	1,512,421	-
	2,913,712	2,770,349	2,699,295	2,677,559	2,596,251	2,551,465
	367,146	-	-	4,555	1,836	-
	-	-	-	-	-	-
	70,000	65,000	15,115,000	7,125,000	6,840,000	6,645,000
	92,464	109,940	673,864	1,225,868	1,480,676	1,680,649
	218,177	378,543	365,386	377,579	9,165,647	20,000,654
	76,506	-	-	-	-	-
	8,593,879	831,234	52,770	-	-	-
	1,122,298	-	-	-	-	-
	<u>81,268,943</u>	<u>52,347,830</u>	<u>62,369,584</u>	<u>49,784,744</u>	<u>56,529,038</u>	<u>66,550,660</u>
	<u>(15,594,189)</u>	<u>1,096,916</u>	<u>(12,899,900)</u>	<u>6,259,200</u>	<u>(4,773,388)</u>	<u>(17,529,625)</u>
	151,071	485,811	-	-	-	-
	5,456,878	2,348,978	-	23,873	-	-
	(6,068,081)	(3,021,851)	(535,000)	(535,133)	(488,584)	(465,000)
	-	-	451,279	-	-	-
	41,898,514	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>41,438,382</u>	<u>(187,062)</u>	<u>(83,721)</u>	<u>(511,260)</u>	<u>(488,584)</u>	<u>(465,000)</u>
	<u>25,844,193</u>	<u>909,854</u>	<u>(12,983,621)</u>	<u>5,747,940</u>	<u>(5,261,972)</u>	<u>(17,994,625)</u>
	0.23%	0.34%	25.49%	16.90%	17.57%	17.89%

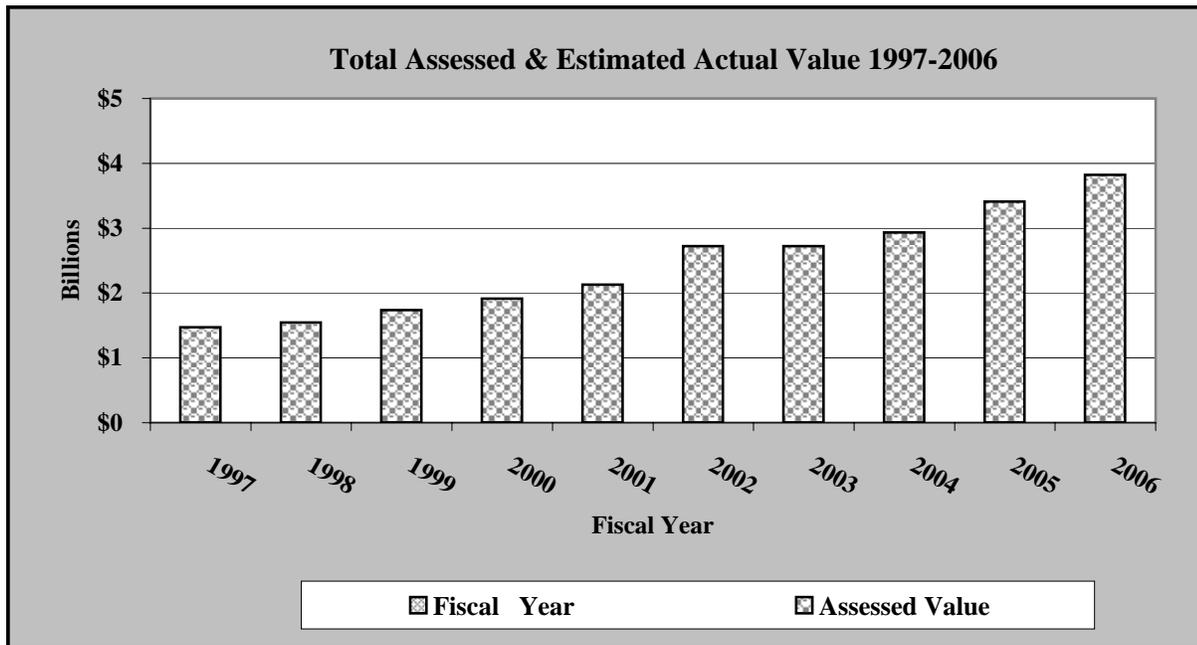
Douglas County, Georgia
Assessed and Estimated Actual Value
of Taxable Property
Last Ten Years
1997-2006
Schedule 5

Fiscal Year	Real Property		Privately Owned Public Utilities	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1997	\$ 1,210,907,279	\$ 3,027,268,198	\$ 93,203,738	\$ 233,009,345
1998	1,282,936,128	3,207,340,320	88,724,000	221,810,000
1999	1,447,694,865	3,619,237,163	90,151,727	225,379,318
2000	1,575,199,138	3,937,997,845	91,009,016	227,522,540
2001	1,754,487,220	4,386,218,050	88,113,655	220,284,138
2002	2,337,558,212	5,843,895,530	85,037,275	212,593,188
2003	2,344,760,105	5,861,900,263	90,829,815	227,074,538
2004	2,552,703,228	6,381,758,070	87,430,101	218,575,253
2005	2,983,089,220	7,457,723,050	88,060,862	220,152,155
2006	3,238,221,481	8,095,553,703	97,473,189	243,682,973

Source: Douglas County Tax Commissioner

Douglas County, Georgia
Assessed and Estimated Actual Value
of Taxable Property
Last Ten Years
1997-2006
Schedule 5

Personal and Business		Total Value		Ratio of Total Assessed to Total Estimated Actual Value
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
\$ 166,017,617	\$ 415,044,043	\$ 1,470,128,634	\$ 3,675,321,586	40%
176,157,089	440,392,723	1,547,817,217	3,869,543,043	40%
199,751,088	499,377,720	1,737,597,680	4,343,994,201	40%
249,128,281	622,820,703	1,915,336,435	4,788,341,088	40%
285,516,194	713,790,485	2,128,117,069	5,320,292,673	40%
302,569,270	756,423,175	2,725,164,757	6,812,911,893	40%
286,359,651	715,899,128	2,721,949,571	6,804,873,929	40%
292,095,132	730,237,830	2,932,228,461	7,330,571,153	40%
336,931,585	842,328,963	3,408,081,667	8,520,204,168	40%
485,318,387	1,213,295,968	3,821,013,057	9,552,532,644	40%



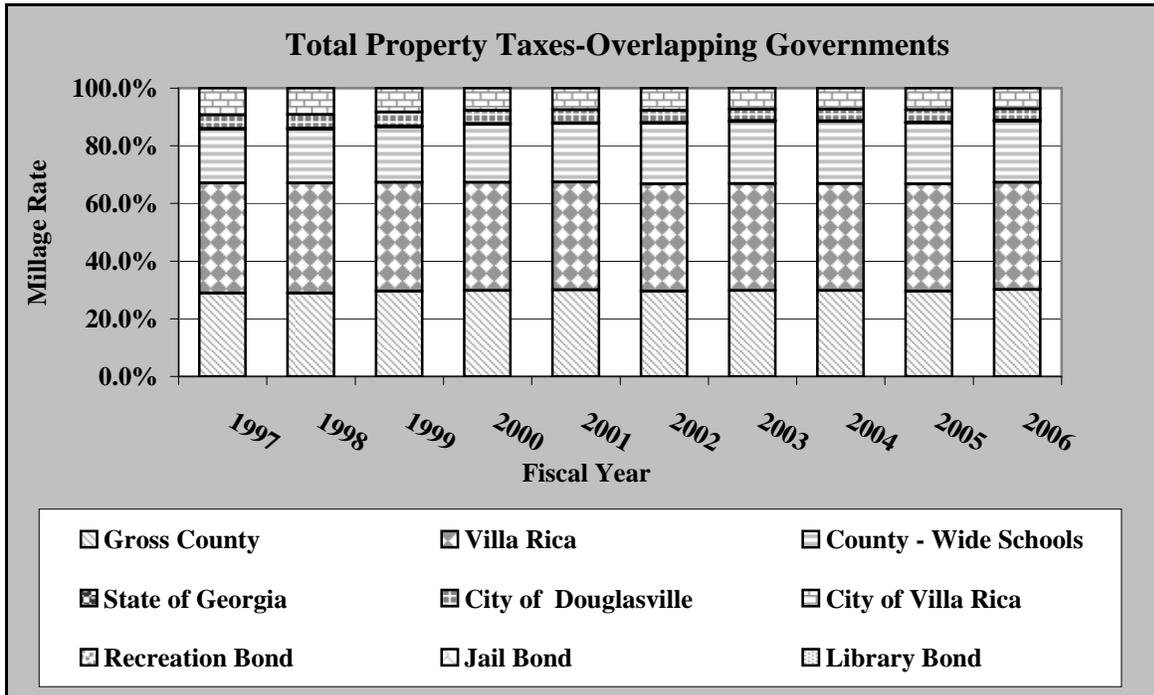
Douglas County, Georgia
Total Property Tax Rates - All Overlapping Governments
Per \$1,000 of Assessed Value
Last Ten Years
1997-2006
Schedule 6

Fiscal Year	Gross County	Villa Rica	County - Wide Schools	State of Georgia
1997	28.030	37.030	18.10	0.25
1998	28.030	36.930	18.10	0.25
1999	27.830	35.630	18.10	0.25
2000	29.814	37.514	20.10	0.25
2001	28.956	36.156	19.52	0.25
2002	27.498	34.698	19.52	0.25
2003	28.778	35.798	20.80	0.25
2004	28.383	35.304	20.50	0.25
2005	26.899	33.794	19.30	0.25
2006	28.790	35.615	20.30	0.25

Source: Douglas County Tax Commissioner

Douglas County, Georgia
Total Property Tax Rates - All Overlapping Governments
Per \$1,000 of Assessed Value
Last Ten Years
1997-2006
Schedule 6

City of Douglasville	City of Villa Rica	Recreation Bond	Jail Bond	Library Bond
4.600	9.000	-	-	-
4.600	8.900	-	-	-
4.600	7.800	-	-	-
4.591	7.700	-	-	-
4.405	7.200	-	-	-
3.897	7.200	-	-	-
3.897	7.020	-	-	-
3.854	6.921	-	-	-
3.854	6.850	-	-	-
3.854	6.825	-	-	-



**Douglas County, Georgia
Principal Property Taxpayers
Current and Nine Years Prior
Schedule 7**

Taxpayer	2006			1997		
	Assessed Value	Rank	Percentage of Total County Assessed Value	Assessed Value	Rank	Percentage of Total County Assessed Value
Google, Inc.	\$ 87,758,920	1	2.30%	\$ -		0.00%
GreyStone Power Company	32,897,026	2	0.86%	16,235,652	2	1.10%
BellSouth Telecommunications	18,041,425	3	0.47%	13,808,928 ⁽¹⁾	3	0.94%
Georgia Power Company	15,636,077	4	0.41%	11,666,344	5	0.79%
Arbor Place II, LLC	12,669,442	5	0.33%			0.00%
Tree Terrace Associates	10,534,318	6	0.28%	7,590,661	6	0.52%
Georgia Transmission Corporation	10,403,414	7	0.27%			0.00%
Lytos-Creekside II, inc.	8,567,225	9	0.22%	6,026,671	10	0.41%
	8,340,032	8	0.22%			0.00%
Pinnacle Homes at Douglasville, LTD.	7,631,955	10	0.20%			0.00%
MCI Telecommunications				26,184,414	1	1.78%
Mitsubishi Motor Sales of America				13,261,878	4	0.90%
Medical Center West, Inc.				7,218,169	7	0.49%
				6,418,853	8	0.44%
Oglethorpe Power Corp				6,083,281	9	0.41%
Totals	\$ 212,479,834		5.56%	\$ 114,494,851		7.79%
Total Taxes Levied	\$ 3,821,013,057			\$ 1,470,128,634		

Source: Douglas County Tax Commissioner

(1) Known then as Southern Bell Telephone and Telegraph

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Douglas County, Georgia
Property Tax Levies and Collections
Last Ten Years
1997-2006
Schedule 8

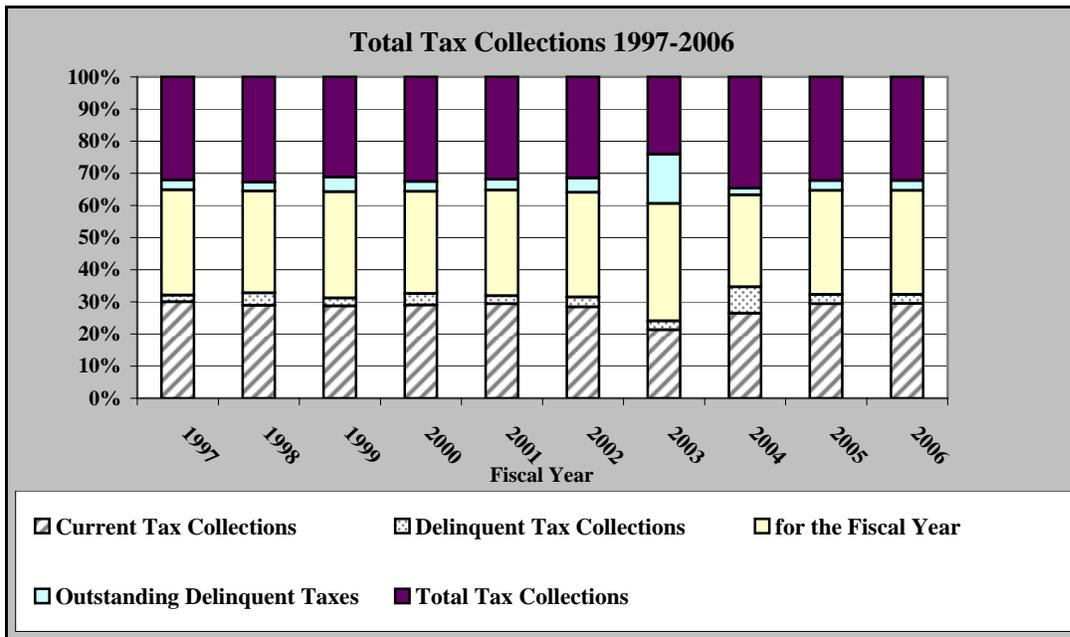
Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Tax Collections
		Amount	Percentage Of Levy	
1997	\$ 14,838,654	\$ 13,616,381	92.0%	\$ 940,989
1998	13,226,527	12,084,523	91.8%	1,596,560
1999	14,654,735	12,746,382	87.0%	1,104,736
2000	16,307,009	14,897,884	91.4%	1,854,721
2001	17,779,437	15,907,059	89.5%	1,305,084
2002	19,388,479	16,943,329	87.4%	1,852,627
2003	19,290,638	11,252,333	58.4%	1,455,238
2004	20,590,111	19,005,522	92.3%	5,918,035
2005	22,245,517	20,238,357	91.0%	1,964,960
2006	27,759,495	25,306,480	91.2%	2,301,219

Source: Douglas County Tax Commissioner

Note: Includes County Maintenance and Operations Tax and Community Improvement District as of fiscal year end.

Douglas County, Georgia
Property Tax Levies and Collections
Last Ten Years
1997-2006
Schedule 8

Total Collections to Date			
Total Tax Collections	Total Collections As Percentage Of Levy	Outstanding Delinquent Taxes	Taxes as Percent of Current Levy
\$ 14,557,370	98.10%	\$ 1,395,075	9.4%
13,681,083	103.44%	1,175,953	8.9%
13,851,118	94.52%	2,012,520	13.7%
16,752,605	102.73%	1,563,706	9.6%
17,212,143	96.81%	1,831,045	10.3%
18,795,956	96.94%	2,637,100	13.6%
12,707,571	65.87%	8,116,354	42.1%
24,923,557	121.05%	1,550,021	7.5%
22,203,317	99.81%	2,135,858	9.6%
27,607,699	99.45%	2,652,493	9.6%



Douglas County, Georgia
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years
Schedule 9

Fiscal Year	Governmental Activities				Business-Type Activities	Total Primary Government	Personal Income ⁽¹⁾	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
	Revenue Bonds	Special Assessment Bonds	Certificates Of Participation	Capital Leases	Capital Leases				
1997	\$ -	\$ 1,155,000	\$ 28,905,000	\$ -	\$ 166,013	\$ 30,226,013	\$ 1,903,376,790	1.59%	\$ 349.78
1998	-	1,100,000	22,120,000	-	-	23,220,000	1,852,234,032	1.25%	260.48
1999	-	1,040,000	15,055,000	-	-	16,095,000	1,961,353,620	0.82%	176.96
2000	-	980,000	-	-	-	980,000	2,149,405,506	0.05%	10.63
2001	-	915,000	-	465,375	-	1,380,375	2,296,175,502	0.06%	14.38
2002	40,390,000	845,000	-	559,314	-	41,794,314	2,489,334,100	1.68%	423.66
2003	34,430,000	770,000	6,785,000	474,963	-	42,459,963	2,645,861,040	1.60%	416.21
2004	26,795,000	695,000	6,785,000	442,430	-	34,717,430	2,772,835,500	1.25%	326.60
2005	18,510,000	615,000	6,105,000	291,506	-	25,521,506	2,966,221,700	0.86%	226.05
2006	9,575,000	530,000	5,405,000	81,318	409,433	16,000,751	3,210,446,100	0.50%	133.01

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

⁽¹⁾ Information can be found on the Schedule #13 of Demographic & Economic Statistics

Personal income equals per capita income multiplied by population

Douglas County, Georgia
Computation of Legal Debt Limit
Last Ten Fiscal Years
Schedule 10

	Fiscal Year				
	2006	2005	2004	2003	2002
Debt limit - 10% of assessed value	\$ 382,101,306	\$ 340,808,167	\$ 293,222,846	\$ 272,194,957	\$ 272,516,476
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 382,101,306</u>	<u>\$ 340,808,167</u>	<u>\$ 293,222,846</u>	<u>\$ 272,194,957</u>	<u>\$ 272,516,476</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

	Fiscal Year				
	2001	2000	1999	1998	1997
Debt limit - 10% of assessed value	\$ 212,811,707	\$ 191,533,644	\$ 173,759,768	\$ 154,781,722	\$ 147,012,863
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 212,811,707</u>	<u>\$ 191,533,644</u>	<u>\$ 173,759,768</u>	<u>\$ 154,781,722</u>	<u>\$ 147,012,863</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Note: Under state finance law, the county's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

Douglas County, Georgia
Pledge-Revenue Coverage, Last Ten Fiscal Years
Schedule 11

Fiscal Year	Special Assessment				Lease Purchase - Certificates of Participation			
	Special Assessment	Debt Service		Coverage	Sales Tax	Debt Service		Coverage
	Collections	Principal	Interest		Collections	Principal	Interest	
1997	\$ 187,030	\$ 55,000	\$ 73,173	1.46	\$ 10,215,807	\$ 6,520,000	\$ 1,515,788	1.27
1998	125,400	55,000	70,368	1.00	11,661,144	6,785,000	1,248,412	1.45
1999	110,654	60,000	67,453	0.87	11,952,327	7,065,000	968,531	1.49
2000	117,550	60,000	64,183	0.95	402,075	15,055,000 ⁽¹⁾	303,911	0.03
2001	105,169	65,000	60,822	0.84	-	-	-	-
2002	121,372	70,000	57,118	0.95	-	-	-	-
2003	112,621	75,000	53,058	0.88	-	-	-	-
2004	118,764	75,000	48,632	0.96	-	-	-	-
2005	128,081	80,000	44,132	1.03	-	-	-	-
2006	106,078	85,000	39,052	0.86	-	-	-	-

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

⁽¹⁾ In September 2000, the County purchased United State Treasury State and Local Government Series Obligations (SLGs) for placement in an irrevocable trust to satisfy the principal and interest requirements of certificates of participation. For financial accounting and reporting purposes, all bonds refunded are considered retired.

Douglas County, Georgia
Miscellaneous Statistical Data
December 31, 2006
Schedule 12

Date Founded

October 17, 1780

Website

www.celebratedouglascounty.com

Form of Government

Board of Commissioners

Area:

Square miles	199.3
Miles of streets ⁽⁶⁾ :	786.2
Paved	727.6
Unpaved	58.6
Number of Streetlights	4,551

Education:

Public Elementary Schools ⁽¹⁾	20
Public Middle Schools ⁽¹⁾	6
Public High Schools ⁽¹⁾	4
Private Schools	7
Special Schools	1
Adult Education Schools	1

Population ⁽⁵⁾

120,300

Transportation:

Buses:

Douglas County Rideshare
 Georgia Regional Transportation Authority

Rail Service:

Norfolk Southern's ATL-BHM Main lines traverse the county
 Norfolk Southern's Austell Multi-Modal rail yard
 CSX operates regular freight service in Douglas County

Health Services:

Cobb/Douglas Community Services Board
 Douglas County Board of Health
 Wellstar Douglas Hospital

Source:

- (1) Douglas County Board of Education
- (2) Douglas County Sheriff's Department
- (3) Douglas County Fire Department
- (4) Douglas County Libraries
- (5) Douglas County Parks and Recreation
- (6) The 2007 Georgia County Guide
- (7) Atlanta Regional Commission

Public Safety:

Fire Department ⁽³⁾:

Number of stations	9
Number of firefighters	166
Fire/EMS dispatches	12,950

Sheriff's Department ⁽²⁾:

Number of precincts	2
Number of deputies	216
Service calls	88,406

Recreation and Culture:

(County-owned facilities) ⁽⁵⁾

Number of park properties	12
Total acreage of parks including undeveloped	1799
Number of aquatic centers	1
Number of tennis centers	4*
*5 courts on 1 site, 2 on 3 sites	
Bocce court	1
Skateboard complex	1

Number of libraries ⁽⁴⁾

Number of volumes	186,504
Number of audio/visual media	26,110

Cultural Arts Council of Douglasville/Douglas County

Douglas County Chamber of Commerce

Communications:

Newspapers:

Douglas County Sentinel (Legal Organ)
 Chapel Hill News and Views
 Hometown Advantage
 The Douglas Neighbor

Television:

Douglas County Access Cable TV Channel -
 DCTV 23

**Douglas County, Georgia
Demographic Statistics
Last ten Years
1997-2006
Schedule 13**

Fiscal Year	Population	Per Capita Income			Unemployment Rate			School Enrollment ⁽⁶⁾	Labor Force
		County	State	Country	County	State			
1997	86,415 ⁽²⁾	22,026 ⁽²⁾	23,911 ⁽⁴⁾	25,412 ⁽⁴⁾	3.1 ⁽¹⁾	4.5 ⁽¹⁾	16,604	49,519 ⁽¹⁾	
1998	89,144 ⁽²⁾	20,778 ⁽³⁾	22,900 ⁽³⁾	24,164 ⁽³⁾	3.1 ⁽¹⁾	4.2 ⁽¹⁾	16,862	51,863 ⁽¹⁾	
1999	90,955 ⁽²⁾	21,564 ⁽³⁾	23,882 ⁽³⁾	24,164 ⁽³⁾	2.9 ⁽¹⁾	4.0 ⁽¹⁾	17,003	52,811 ⁽¹⁾	
2000	92,174 ⁽²⁾	23,319 ⁽³⁾	25,839 ⁽³⁾	27,203 ⁽³⁾	2.5 ⁽¹⁾	3.7 ⁽¹⁾	17,541	51,479 ⁽¹⁾	
2001	96,006 ⁽³⁾	23,917 ⁽³⁾	27,324 ⁽³⁾	28,546 ⁽³⁾	2.7 ⁽¹⁾	4.0 ⁽¹⁾	18,196	51,893 ⁽¹⁾	
2002	98,650 ⁽³⁾	25,234 ⁽³⁾	27,794 ⁽³⁾	29,469 ⁽³⁾	4.2 ⁽¹⁾	5.1 ⁽¹⁾	18,775	53,023 ⁽¹⁾	
2003	102,015 ⁽³⁾	25,936 ⁽³⁾	28,523 ⁽³⁾	30,413 ⁽³⁾	4.5 ⁽¹⁾	4.7 ⁽¹⁾	19,738	54,360 ⁽¹⁾	
2004	106,300 ⁽⁷⁾	26,085 ⁽³⁾	28,281 ⁽³⁾	30,906 ⁽³⁾	4.4 ⁽³⁾	4.7 ⁽³⁾	19,773	55,515 ⁽¹⁾	
2005	112,900 ⁽⁷⁾	26,273 ⁽³⁾	30,074 ⁽³⁾	33,040 ⁽³⁾	4.8 ⁽³⁾	4.6 ⁽³⁾	22,487	57,478 ⁽⁵⁾	
2006	120,300 ⁽⁷⁾	26,687 ⁽³⁾	29,782 ⁽³⁾	33,050 ⁽³⁾	5.4 ⁽³⁾	5.3 ⁽³⁾	23,998	62,734 ⁽⁵⁾	

Data Source:

- (1) U.S. Department of Labor at <http://www.bls.gov>
- (2) Georgia Statistics System at <http://www.georgiastatistics.uga.edu>
- (3) The Department of Community Affairs-Community Indicators at <http://www.dca.state.ga.us/commind/Sel1.asp>
- (4) Bureau of Economic Analysis-Regional Economic <http://www.bea.gov/>
- (5) Development Authority of Douglas County <http://www.choosedouglascounty.com>
- (6) Douglas County Board of Education
- (7) Atlanta Regional Commission <http://www.atlantaregional.com/regionaldata/main.pdf>

Douglas County, Georgia
Douglasville - Douglas County Water & Sewer Authority
December 31, 2006
Schedule 14

	*Douglasville - Douglas County Water & Sewer Authority ⁽¹⁾ :		
Average daily consumption (G)	9,581,985	Number of pumping stations	61
Water storage capacity (MG)	11.8	Number of wastewater treatment plants	7
Average daily demand (G)	12,558,238	Sewer treatment capacity (MGD)	7.49
Water supply sources:		Miles of sewer lines	287
Bear Creek		Miles of sewers constructed in 2006	15
Dog River		Number of water treatment plants	1
Cobb-Marietta Water Authority		Number of wastewater accounts	14,045
Cobb County Water System		Number of water accounts	39,605
Miles of water mains	947	Number of stormwater accounts	41,384
Miles of water mains constructed in 2006	141		

Note:

*Douglasville - Douglas County Water & Sewer Authority is an independent authority.

Source:

(1) Douglasville-Douglas County Water and Sewer Authority

**Douglas County, Georgia
Principal Employers
Current Year and Nine Years Prior
Schedule 15**

Employer	2006		1997	
	Employees	Percentage of Total County Employment	Employees	Percentage of Total County Employment
Silver Line Building Products Corp.	1,500	2.51%	*	*
Wal-Mart	911	1.53%	*	*
Inner Harbour, Ltd.	700	1.17%	*	*
Wellstar Douglas Hospital	549	0.92%	*	*
APL Logistics	370	0.62%	*	*
Publix Supermarkets	355	0.59%	*	*
Kroger	350	0.59%	*	*
Bellsouth	324	0.54%	*	*
Benton-Georgia, Inc.	300	0.50%	*	*
GreyStone Power	232	0.39%	*	*
Total County Employment	59,696		*	

* Information not available

Source: Douglas County Development Authority

Douglas County, Georgia
 Full-time Equivalent County Employees by Function
 Last Eight Fiscal Years
 Schedule 16

	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
GENERAL FUND								
General Government								
Board of Commissioners	8	5	6	6	6	6	6	5
Finance	11	12	12	13	13	13	10	7
Purchasing	5	5	5	5	4	4	4	3
Legal Services	2	2	4	3	3	3	3	2
Information Services	8	8	8	8	8	7	7	7
Personnel	4	4	4	4	4	4	4	5
Tax Commissioner	14	14	13	13	13	13	12	12
Tax Appraisal	18	19	18	19	17	17	17	17
Building Maintenance	3	4	5	5	5	5	5	6
Courthouse Maintenance	1	1	1	2	2	2	7	7
Election Board	2	2	2	2	2	2	2	2
Voter Registration	2	2	2	2	1	1	1	1
Printing	3	3	3	3	3	3	3	3
Records Retention	2	2	2	2	2	2	2	-
Communications	3	2	2	2	1	1	1	-
TOTAL GENERAL GOVERNMENT	86	85	87	89	84	83	84	77
Judicial								
Superior Court Judges	6	6	6	6	6	6	6	6
Clerk of Superior Court	29	29	28	27	26	25	23	22
District Attorney	19	14	25	25	24	23	20	20
Victim Witness Office	-	1	1	1	1	-	2	2
Magistrate Court	8	8	7	7	7	7	6	6
Probate Court	7	7	7	7	7	7	10	8
Juvenile Court	7	7	4	4	4	5	4	4
Public Defender	14	14	12	12	12	12	9	9
State Court Judges	2	2	2	2	2	2	-	-
State Court Solicitor	9	9	7	7	4	4	-	-
State Court Clerk	6	5	5	5	3	3	-	-
State Court Public Defender	1	2	1	1	1	-	-	-
TOTAL JUDICIAL	108	104	105	104	97	94	80	77

Source: Various county departments

Douglas County, Georgia
Full-time Equivalent County Employees by Function
Last Eight Fiscal Years
Schedule 16

Public Safety								
Sheriff Enforcement	153	144	133	133	128	124	144	142
Sheriff Detention	148	149	154	140	139	133	104	104
Fire and Emergency Services	162	150	157	157	158	153	151	151
Coroner	1	1	1	1	1	1	1	1
Emergency Management	2	2	2	2	2	2	2	2
Animal Control	9	10	10	-	1	1	-	-
TOTAL PUBLIC SAFETY	475	456	457	433	429	414	402	400
Public Works								
Department of Transportation	40	38	38	34	34	34	34	34
Development Control	7	7	6	7	7	7	8	6
Vehicle Maintenance	13	11	12	12	12	12	12	12
TOTAL PUBLIC WORKS	60	56	56	53	53	53	54	52
Health and Welfare								
Juvenile Programs Administration	11	10	10	10	8	8	5	5
TOTAL HEALTH AND WELFARE	11	10	10	10	8	8	5	5
Culture/Recreation								
Parks and Recreation	29	23	18	19	18	18	20	20
Douglas County Library	9	9	9	9	9	9	8	8
Lithia Springs Library	6	6	6	6	6	5	6	6
TOTAL CULTURE/RECREATION	44	38	33	34	33	32	34	34
Housing and Development								
Agriculture Extension	6	5	5	7	7	6	6	6
Building Inspection	14	14	14	12	14	13	11	12
Planning and Zoning	4	5	4	4	8	8	6	6
Code Enforcement Officers Division	3	3	4	3	-	-	-	-
Development Services Administration	1	2	2	2	-	-	-	-
Occupational Tax Division	3	2	2	2	-	-	-	-
Environmental Code Enforcement	-	-	-	1	1	1	-	-
GIS Mapping	3	2	3	3	3	3	3	3
Rideshare	4	4	3	3	3	3	2	2
Economic Development	2	2	2	2	2	2	2	2
TOTAL HOUSING AND DEVELOPMENT	40	39	39	39	38	36	30	31
TOTAL GENERAL FUND	813	778	777	752	734	712	684	671

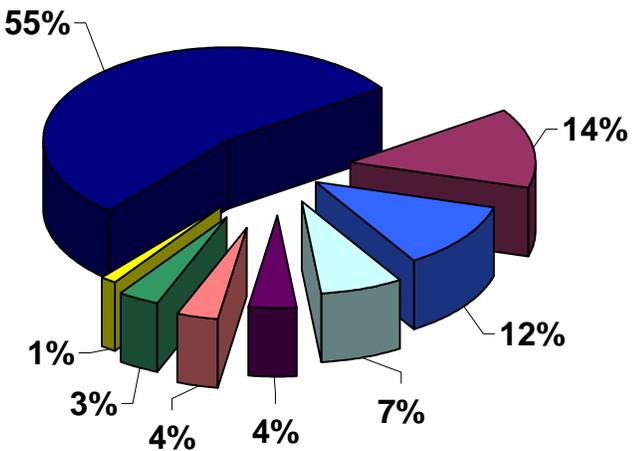
Source: Various county departments

Douglas County, Georgia
Full-time Equivalent County Employees by Function
Last Eight Fiscal Years
Schedule 16

SPECIAL REVENUE FUNDS								
E-911	23	20	24	24	24	20	21	18
Highway Safety Task Force	-	-	-	-	4	4	4	4
Victim Assistance	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>6</u>	<u>3</u>	<u>3</u>
TOTAL SPECIAL REVENUE	25	23	27	27	31	30	28	25
 ENTERPRISE FUNDS								
Landfill	8	7	8	8	8	10	9	8
Cafeteria	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
TOTAL ENTERPRISES	8	7	8	8	10	12	11	10
 TOTAL ALL FUNDS	 <u>857</u>	 <u>818</u>	 <u>822</u>	 <u>797</u>	 <u>783</u>	 <u>762</u>	 <u>728</u>	 <u>711</u>

Source: Various county departments

FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION



■ PUBLIC SAFETY	■ JUDICIAL	■ GENERAL GOVERNMENT
■ PUBLIC WORKS	■ CULTURE/RECREATION	■ SPECIAL REVENUE
■ HOUSING & DEVELOPMENT	■ ENTERPRISES	

Douglas County, Georgia
 Operating Indicators of the Level of Service
 Last Eight Fiscal Years
 Schedule 17

<u>FUNCTION</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
General Government								
Total Personal Property Accounts	11,250	10,368	9,642	7,943	7,658	5,782	6,976	6,976
Total Number of Parcels	49,500	46,840	43,770	41,179	39,691	37,820	34,655	33,452
Vehicle Tags Sold	116,900	112,900	106,600	102,100	100,331	98,954	95,317	93,599
Registered Voters	67,000	52,360	61,900	54,222	52,987	53,327	53,319	49,337
Judicial System								
Civil Cases Filed	4,300	3,700	3,612	3,753	3,400	3,354	3,497	3,465
Criminal Cases Filed	1,968	1,350	1,443	1,712	1,617	2,646	3,079	3,082
Criminal Warrants Issued by Magistrate	6,580	6,480	6,430	7,088	6,182	7,164	6,762	6,667
Marriage Licenses Issued	1,080	1,050	1,007	870	754	803	826	782
Traffic Cases	12,000	10,000	11,640	11,060	11,216	9,400	9,400	-
Real Estate Documents (0s)	4,700	3,750	4,700	3,830	3,760	3,760	2,896	-
Public Safety								
Total Calls for Fire and EMS Service	12,722	12,337	10,764	10,764	10,349	9,575	9,564	7,210
Average Daily Population in Detention	606	711	656	656	587	549	520	451
Citizen Contacts	-	-	76,100	76,100	36,671	39,189	36,042	-
Public Works								
Miles of Roads Maintained	603	590	570	568	568	568	568	568
Miles of Road Resurfaced	37	33	34	32	32	30	18	30
Health and Welfare								
Youth Served through Juvenile Programs	1,130	1,120	1,130	1,140	534	513	55	-
Families Served through Juvenile Programs	1,000	1,000	940	840	528	388	-	-
Seniors and Handicapped Served	326	315	305	293	290	274	254	-
Culture/Recreation								
Library Patron Count	371,000	385,000	361,500	340,700	306,990	315,520	268,060	347,892
Adult Recreation Participants	12,000	8,000	6,300	13,865	13,865	4,450	3,822	3,822
Youth Recreation Participants	24,000	10,250	6,630	9,500	9,500	7,020	6,380	6,620
Housing and Development								
4-H, Science, and Horticulture Programs	235	230	214	180	166	156	120	112
4-H Members	1,450	1,400	1,159	1,159	1,100	1,000	850	977
Total Building Inspections Conducted	36,000	35,000	34,000	31,000	20,000	16,000	13,140	12,417
Average Daily Rideshare One-Way Trips	315	260	660	590	239	235	222	229
Special Revenue								
Calls Received on 911 System	107,000	118,500	108,000	101,100	94,810	95,000	93,241	-
Enterprise Funds								
Total Landfill Tonnage	84,850	84,810	77,880	80,960	58,081	83,653	78,389	47,834
Pounds Recycled	2,347	2,733	2,553	1,739	3,068	2,402	2,402	3,141,860

Source: Various county departments

Douglas County, Georgia
 Operating Indicators of the Nature of Capital Assets
 Last Four Fiscal Years
 Schedule 18

<u>FUNCTION</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
General Government Vehicles	42	24	*	*
Judicial System Vehicles	16	16	14	11
Public Safety Fire Stations	9	9	9	9
Sheriff's Department Precincts	2	2	4	4
Public Works Miles of Road	786	798	615	*
Health and Welfare County Owned Senior Services Buildings	1	1	1	1
Culture/Recreation County Libraries	2	2	2	2
County Parks	12	12	12	13
County Aquatic Centers	1	1	-	-
Total Acreage of Parks - Including Undeveloped	1,799	1,783	1,800	1,800
County Senior Centers	1	1	-	-
Housing and Development Rideshare Vans	40	40	35	29
Special Revenue E-911 Buildings	1	1	1	1
Enterprise Funds Buildings	5	5	5	4

* Not available

Source: Various county departments

COMPLIANCE SECTION

DOUGLAS COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES AND USE TAX PROCEEDS
For the fiscal year ended December 31, 2006

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2002 SPLOST						
Fire projects:						
Training facility	\$		\$ -	\$ -	\$ -	
Administration professional services			7,309	-	7,309	
Administrative building			-	-	-	
Capital equipment and vehicles			2,630,387	2,172,198	4,802,585	
Station construction and major renovations			931,792		931,792	
	\$ <u>12,056,400</u>	\$ <u>12,056,400</u>	<u>3,569,488</u>	<u>2,172,198</u>	<u>5,741,686</u>	47.62%
Road and bridge projects	32,590,206	32,590,206	14,064,185	4,154,537	18,218,722	55.90%
Recreation projects	30,000,082	30,000,082	24,920,109	3,846,546	28,766,655	95.89%
Debt service	4,559,729	4,559,729	4,798,335	844,717	5,643,052	123.76%
Intergovernmental expenditures :						
City of Douglasville	21,718,262	21,718,262	20,731,297	2,967,219	23,698,516	109.12%
City of Villa Rica	519,606	519,606	364,025	135,805	499,830	96.19%
City of Austell	555,715	555,715	490,568	-	490,568	88.28%
	\$ <u>102,000,000</u>	\$ <u>102,000,000</u>	\$ <u>68,938,007</u>	\$ <u>14,121,022</u>	\$ <u>83,059,029</u>	
1997 SPLOST						
New courthouse complex	\$ <u>39,275,000</u>	\$ <u>37,776,286</u>	\$ <u>37,776,286</u>	\$ -	\$ <u>37,776,286</u>	100.00%

**GRANT SCHEDULE – GEORGIA DEPARTMENT OF HUMAN RESOURCES
 FAMILY CONNECTION - DHR CONTRACT #93-06060353-99
 DOUGLAS COUNTY, GEORGIA
 For the year ended December 31, 2006**

	<u>Original Budget</u>	<u>Revised Budget</u>	<u>Actual</u>	<u>Difference</u>
Revenues:				
Intergovernmental	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
Expenditures:				
Health and welfare:				
Salaries and benefits	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Grant period: July 1, 2005 – June 30, 2006

Board of Commissioners
Douglas County, Georgia
Douglasville, Georgia

Independent Accountant's Report

We have examined management's assertion included in the accompanying State of Georgia Grant Certification Forms about Douglas County, Georgia's compliance during the fiscal year ended December 31, 2006 with the requirement to use grant proceeds solely for the purpose or purposes for which the grant was made for each of the following grant awards:

<u>Grant Name</u>	<u>Grant Number</u>
Georgia Department of Community Affairs: Governor's Emergency Fund: E-911 equipment	GEF-03-E02-98
Local Assistance Grants: Juvenile Core program	02-C-L-154
Roundabout landscape	07-C-L-003
Meth Task Force	07-C-L-272
Cultural Arts Center	07-C-L-273

Management is responsible for Douglas County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Douglas County, Georgia's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Douglas County, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides reasonable basis for our opinion. Our examination does not provide a legal determination on Douglas County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Douglas County, Georgia complied with the aforementioned requirement for the fiscal year ended December 31, 2006 is fairly stated, in all material respects.



June 22, 2007

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

Table with 2 columns: LINE and description. Rows include Local Government (Douglas County Board of Commissioners), State Awarding Agency (Department of Community Affairs), Grant Identification Number (GEF-03-E02-98), Grant Title (Governor's Emergency Fund), Grant Award Date (08/04/02), and Grant Amount (\$2,500.00).

Table with 3 columns: LINE, COLUMN 1 (Current Year Activity), and COLUMN 2 (Cumulative Grant Activity). Rows include Balance - Prior Year, Grant Receipts or Revenue Recognized, Grant Disbursements or Expenditures EXCLUDING AUDIT FEES, Disbursements or Expenditures for Audit Fees, and Balance - Current Year.

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

- Column 1, Line L equals Column 2, Line L.
Grant Receipts/Revenue Does Not Exceed Grant Award.
Date Is Provided in Line G, Column 1.
Date Is Provided in Line G, Column 2.
Year End Dates On Line G Agree.
Column 1, Line L Foots Correctly.
Column 2, Line L Foots Correctly.
NO AUDIT FEES CHARGEABLE TO GRANTS OF \$5,000 OR LESS
Line A Is Completed.
Line B Is Completed.
Line C Is Completed.
Line D Is Completed.
Line E Is Completed.
Line F Is Completed.

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official: [Signature] Date: 7-9-07

Signature of Chief Financial Officer: [Signature] Date: 07/09/07

State of Georgia Grant Certification Form Local Government Recipient (with no subrecipient)

LINE

A	Local Government	Douglas County Board of Commissioners
B	State Awarding Agency	Department of Community Affairs
C	Grant Identification Number	273 LAG #07-C-L-273
D	Grant Title	Local Assistance Grant
E	Grant Award Date	Sept. 5, 2006
F	Grant Amount	\$20,000.00

	COLUMN 1 Current Year Activity For the Year Ended:	COLUMN 2 Cumulative Grant Activity Through the Year Ended:
G	12/31/2006	12/31/2006
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue) \$0.00	
I	Grant Receipts or Revenue Recognized \$20,000.00	\$20,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES \$20,000.00	\$20,000.00
K	Disbursements or Expenditures for Audit Fees \$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K] \$0.00	\$0.00

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

Column 1, Line L equals Column 2, Line L.	Line A Is Completed.
Grant Receipts/Revenue Does Not Exceed Grant Award.	Line B Is Completed.
Date Is Provided in Line G, Column 1.	Line C Is Completed.
Date Is Provided in Line G, Column 2.	Line D Is Completed.
Year End Dates On Line G Agree.	Line E Is Completed.
Column 1, Line L Foots Correctly.	Line F Is Completed.
Column 2, Line L Foots Correctly.	
Audit Fee is Within Legal Limit (\$250).	

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official: *[Signature]* Date: 7-9-07

Signature of Chief Financial Officer: *[Signature]* Date: 07/09/07

State of Georgia Grant Certification Form Local Government Recipient (with no subrecipient)

LINE		
A	Local Government	Douglas County Board of Commissioners
B	State Awarding Agency	Department of Community Affairs
C	Grant Identification Number	02-C-L154
D	Grant Title	Local Assistance Grant
E	Grant Award Date	07/02/01
F	Grant Amount	\$10,000.00

	COLUMN 1 Current Year Activity For the Year Ended:		COLUMN 2 Cumulative Grant Activity Through the Year Ended:
G	12/31/2006		12/31/2006
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	\$5,000.00	
I	Grant Receipts or Revenue Recognized	\$0.00	\$10,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	\$0.00	\$5,000.00
K	Disbursements or Expenditures for Audit Fees	\$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	\$5,000.00	\$5,000.00

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

- | | |
|---|----------------------|
| Column 1, Line L equals Column 2, Line L. | Line A Is Completed. |
| Grant Receipts/Revenue Does Not Exceed Grant Award. | Line B Is Completed. |
| Date Is Provided in Line G, Column 1. | Line C Is Completed. |
| Date Is Provided in Line G, Column 2. | Line D Is Completed. |
| Year End Dates On Line G Agree. | Line E Is Completed. |
| Column 1, Line L Foots Correctly. | Line F Is Completed. |
| Column 2, Line L Foots Correctly. | |
| Audit Fee is Within 2% Limit (\$250 max). | |

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official  Date 7-9-07

Signature of Chief Financial Officer  Date 07/09/07

meth

State of Georgia Grant Certification Form Local Government Recipient (with no subrecipient)

LINE	
A	Local Government Douglas County Board of Commissioners
B	State Awarding Agency Department of Community Affairs
C	Grant Identification Number 272 LAG #07-C-L-272
D	Grant Title Local Assistance Grant
E	Grant Award Date 08/17/06
F	Grant Amount \$20,000.00

	COLUMN 1 Current Year Activity For the Year Ended:	COLUMN 2 Cumulative Grant Activity Through the Year Ended:
G	12/31/2006	12/31/2006
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue) \$0.00	
I	Grant Receipts or Revenue Recognized \$20,000.00	\$20,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES \$3,521.00	\$3,521.00
K	Disbursements or Expenditures for Audit Fees \$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K] \$16,479.00	\$16,479.00

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

- | | |
|---|----------------------|
| Column 1, Line L equals Column 2, Line L. | Line A Is Completed. |
| Grant Receipts/Revenue Does Not Exceed Grant Award. | Line B Is Completed. |
| Date Is Provided in Line G, Column 1. | Line C Is Completed. |
| Date Is Provided in Line G, Column 2. | Line D Is Completed. |
| Year End Dates On Line G Agree. | Line E Is Completed. |
| Column 1, Line L Foots Correctly. | Line F Is Completed. |
| Column 2, Line L Foots Correctly. | |
| Audit Fee is Within Legal Limit (\$250). | |

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official: Don Weather Date: 7-9-07

Signature of Chief Financial Officer: Jennifer Hallman Date: 07/09/07

State of Georgia Grant Certification Form Local Government Recipient (with no subrecipient)

LINE	
A	Local Government Douglas County Board of Commissioners
B	State Awarding Agency Department of Community Affairs
C	Grant Identification Number 003 LAG #07-C-L-003
D	Grant Title Local Assistance Grant
E	Grant Award Date 08/17/06
F	Grant Amount \$20,000.00

	COLUMN 1 Current Year Activity For the Year Ended:	COLUMN 2 Cumulative Grant Activity Through the Year Ended:
G	12/31/2006	12/31/2006
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue) \$0.00	
I	Grant Receipts or Revenue Recognized \$20,000.00	\$20,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES \$0.00	\$0.00
K	Disbursements or Expenditures for Audit Fees \$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K] \$20,000.00	\$20,000.00

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

- | | |
|---|----------------------|
| Column 1, Line L equals Column 2, Line L. | Line A Is Completed. |
| Grant Receipts/Revenue Does Not Exceed Grant Award. | Line B Is Completed. |
| Date Is Provided in Line G, Column 1. | Line C Is Completed. |
| Date Is Provided in Line G, Column 2. | Line D Is Completed. |
| Year End Dates On Line G Agree. | Line E Is Completed. |
| Column 1, Line L Foots Correctly. | Line F Is Completed. |
| Column 2, Line L Foots Correctly. | |
| Audit Fee is Within Legal Limit (\$250). | |

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official  Date 7-9-07

Signature of Chief Financial Officer  Date 07/09/07

**Independent Accountant's Report on Annual Report of 9-1-1
Collections and Expenditures**

Board of Commissioners
Douglas County, Georgia
Cedartown, Georgia

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Douglas County's compliance during the fiscal year ended December 31, 2006 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Douglas County's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Douglas County's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Douglas County's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Douglas County's compliance with the specified requirement.

In our opinion, management's assertion that Douglas County's complied with the aforementioned requirement during the fiscal year ended December 31, 2006 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.



June 22, 2007

Douglas County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended **December 31, 2006**

<u>Line No.</u>	<u>O.C.G.A. Reference:</u>	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one): <input checked="" type="checkbox"/> Special Revenue Fund <input type="checkbox"/> Enterprise Fund	
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1) \$ <u>1.50</u>
3	Total revenue from exchange access facility subscribers:	\$ <u>941,739</u>
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one) <input type="checkbox"/> System provides location of base station or cell site <input checked="" type="checkbox"/> System provides automatic location identification	46-5-134(a)(2)(A) 46-5-134(a)(2)(B)
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2) \$ <u>1.50</u>
7	Total revenue from wireless telecommunications connection subscribers:	\$ <u>1,295,977</u>
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)	\$ <u>2,237,716</u>
9	Additional revenue sources:	
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j) \$ _____ \$ _____
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j) \$ _____ \$ _____
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j) \$ _____ \$ _____
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j) \$ _____ \$ _____

Douglas County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended **December 31, 2006**

Line No.	O.C.G.A. Reference:	
10		Investment Income (UCOA Revenue Source 36.1000 through 36.3000) \$ <u>144,542</u>
11		Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.
		Copies of Tapes \$ <u>195</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
		<hr/> \$ <u>-</u>
12		Total Revenues (total of all amounts reported on Lines 8 through 11) \$ <u><u>2,382,453</u></u>
		Expenditures (UCOA Activity 3800)
13	46-5-134(e)	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)
		Sprint/Nextel \$ <u>32,993</u>
		Cingular \$ <u>28,224</u>
		Verizon \$ <u>19,895</u>
		Metro PCS \$ <u>6,852</u>
		Southern Linc \$ <u>297</u>
14		Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:
14a	46-5-134(f)(1)	Lease costs \$ <u>-</u>
14b	46-5-134(f)(1)	Purchase costs \$ <u>-</u>
14c	46-5-134(f)(1)	Maintenance costs \$ <u>-</u>
15	46-5-134(f)(2)	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges \$ <u>-</u>
16		Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time <u>24</u> Part time <u>1</u>
16a	46-5-134(f)(3)	Salaries and wages \$ <u>745,777</u>
16b	46-5-134(f)(3)	Employee benefits \$ <u>398,609</u>

Douglas County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended **December 31, 2006**

Line No.	O.C.G.A. Reference:	
25	Transfers From Other Funds (identify by fund)	
	_____	\$ _____
	_____	\$ _____
26	Transfers To Other Funds (identify by fund)	
	_____	\$ _____
	_____	\$ _____
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)	
	_____	\$ _____
	_____	\$ _____
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)	\$ <u>841,569</u>
29	Fund Balance - Beginning of Year	\$ <u>2,547,993</u>
30	Fund Balance - End of Year	\$ <u><u>3,389,562</u></u>
31a	Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?	
	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
31b	If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.	

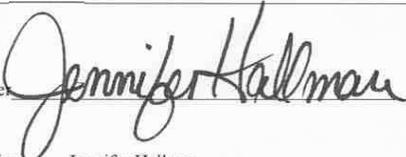
Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official  Date 06/28/07

Print Name of Chief Elected Official Tom Worthan

Title of Chief Elected Official Chairman

Signature of Chief Financial Officer  Date 06/28/07

Print Name of Chief Financial Officer Jennifer Hallman