



citizens' financial report **2005**

• **gwinnett**county georgia **05**

board of
commissioners



Charles E. **Bannister**

CHAIRMAN



Lorraine **Green**

DISTRICT 1



Bert **Nasuti**

DISTRICT 2



Mike **Beaudreau**

DISTRICT 3



Kevin **Kenerly**

DISTRICT 4

county
administration



Jock A. **Connell**

County Administrator



Michael D. **Comer**

Deputy County Administrator

chairman's message

This year's annual report reflects the progress of Gwinnett County government during my first year in office as chairman of your Board of Commissioners. I'm proud of the work our new Board has accomplished so far, and I'm very grateful for the excellent support of our dedicated and capable County employees.

One of my key priorities has been to recognize the need for economic revitalization in some parts of the county that were developed decades ago. Throughout this report, you'll find examples of the steps we have taken toward that goal in addition to planning and building infrastructure to meet future needs as our population continues to grow.

We are working to renew the pioneering spirit and can-do attitude that has been a hallmark of Gwinnett County from its beginning. For generations, families have settled here to build a better life for themselves. As we seek to continue their vision, I'm mindful of the need to plan and manage responsibly even as we dare to dream big.

Economic vitality doesn't just happen, nor can government alone make it happen. But we can – and we are – putting policies in place and investing in public facilities today to stimulate and prepare for the economic vitality of tomorrow.

Our quality of life has been a main attraction for decades. Every day, we are continuing to improve our parks, our libraries, our transportation options, our public safety, and our water and sewer systems to sustain the attraction and ensure an even brighter tomorrow.

I invite you to read this report and to share my pride, confidence, and optimism for the future of Gwinnett County.

Sincerely,

Charles E. Bannister, Chairman
Gwinnett County Board of Commissioners

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revitalizing gwinnett

A new administration took the helm of Gwinnett County government in January 2005, after three new members were elected to the five-chair Board of Commissioners. Chairman Charles Bannister had previously served Gwinnett residents as a state representative for 18 years and as Mayor of Lilburn. He and the other two new commissioners, Lorraine Green and Mike Beaudreau, hit the ground running and quickly learned the intricacies of budgeting and decision-making at the county government level. Incumbent commissioners Bert Nasuti and Kevin Kenerly lent valuable insights and continuity during the transition.

An important theme of the new administration has been to revitalize the more established parts of the county – those neighborhoods and business districts that were built several decades ago and are now, in some cases, showing signs of age and neglect. As waves of development swept across the county's 437 square miles, building adequate infrastructure to handle the growth was a constant challenge for more than 30 years. It still is. But today, an additional challenge is to make investments that support older communities and encourage private property owners to upgrade as well.

Revitalization requires not only excellent infrastructure but also sound and attractive governmental policies on land use, zoning, and enforcing existing ordinances to maintain community standards. Gwinnett is still attracting tens of thousands of new residents every year. To sustain our famous quality of life, we need more good jobs close to home. We are moving beyond being simply bedroom suburbs of Atlanta to creating economic activity centers of our own.

a focus shift



New priorities that emerged in 2005 include a new Quality of Life unit in the police department. Together with code enforcement officers from Planning and Development, this new unit sweeps areas targeted on the basis of crime statistics. Begun in the spring of 2005 as Operation Fixing Broken Windows, this proactive approach to maintaining and encouraging attractive neighborhoods has been both successful and inspiring.

In the face of continuing needs to meet the demands of growth in the outer areas of the county, the Board has made major investments in older area infrastructure by upgrading roads, parks, and water and sewer facilities.

Looking at continuing challenges from a new perspective has produced new initiatives ranging from improved communications and Internet-based transaction capabilities to a new stormwater utility that will manage a backlog of drainage and water-quality projects.

renewing the spirit



Our land was once home to Cherokee Indians, and then to pioneer farmers. As rural lifestyles gradually gave way to modern, big-city commuters, Gwinnett has managed to keep alive the spirit of its earliest occupants. With innovative conservation subdivisions and thousands of acres preserved as passive parks, Gwinnett protects and appreciates its natural environment.

Safety and security weren't major issues in farming communities, but they have become vitally important in our time. Your County government has responded to these needs by expanding the jail and hiring dozens of new sheriff's deputies to staff it. Each of our five police precincts has – or is getting – a new building, and we're opening several new, renovated, or relocated fire stations every year.



continuing the vision



Gwinnett now has its own Homeland Security office and is building a new, state-of-the-art police training facility near Lawrenceville. To help attract excellent candidates for our police and sheriff's departments, the Board authorized cash incentives of \$2,000 per officer. The jail expansion alone requires dozens of new officers, and the Board has recognized the ongoing needs of those officers for training, uniforms, and equipment.

The spirit of our community was especially evident in the fall of 2005 as volunteers joined with public and private agencies to provide relief services for victims of Hurricane Katrina. County government quickly prepared a newly purchased former Wal-Mart building for use as a temporary service center run by the American Red Cross, which opened more than 11,000 cases there in four weeks.

Ever since Elisha Winn volunteered the use of his barn for the county's first courthouse, Gwinnett has had plenty of fiscally conservative leaders. Using pay-as-you-go financing whenever possible, the County has reduced future debt burdens and kept construction costs enviably low. In 2005, the County again took advantage of a market opportunity to refinance water/sewer bonds, saving rate payers about \$16 million. For the past nine years, Gwinnett has been one of a few dozen counties nationwide to receive top credit ratings from all three major ratings agencies.

Gwinnett also has a tradition of long-range planning to anticipate and prepare for future needs well in advance. This is especially evident in the current expansion program to develop water and sewer systems capable of meeting the growing needs of county residents for the next 50 years. Our state-of-the-art F. Wayne Hill Water Resources Facility is a national model for treatment plants, and we recently completed a new intake structure and a second drinking water production plant near Lake Lanier.

Transportation programs, too, have been moving forward with dozens of school-safety and intersection improvements completed this year in addition to major road construction and resurfacing. Gwinnett Transit reallocated some of its assets this year in order to expand its very popular daily commuter bus service to downtown Atlanta.

Our nationally recognized parks and recreation department is building on our heritage of offering an excellent quality of life to local residents. Active and passive parks provide everything from roller hockey facilities to equestrian trails. With more than 7,000 acres now preserved as parkland, we are starting to create a system of greenway trails envisioned in our 2004 master plan. And well over a dozen new parks will open to the public during the next few years.

Much of Gwinnett's strong infrastructure is the direct result of voters approving a series of one-cent, local option sales tax programs known as SPLOST programs. These funds, collected from everyone who shops anywhere in the county, have helped pay for capital facilities ranging from the Gwinnett Justice and Administration Center to all the new police and fire stations around the county. In the November 2004 election, voters extended the current SPLOST program another four years. The proceeds will again be used for transportation, parks, public safety, and library facilities.

One proof of good management and efficient government is when things get done on time and within budget. Whether it's a new tag office or a dog park, new courtrooms or better courthouse security, Gwinnett County makes things happen and makes sure that the public gets its money's worth.

economic vitality

Sustaining a dynamic community like Gwinnett requires a constant infusion of new people, new jobs, and new dollars. As major activity centers take root, they demand increased government services and better infrastructure. New residential communities cost even more to serve than commercial and industrial developments.

That's why the Board of Commissioners is working to achieve a better balance of people and jobs, so that Gwinnett residents will have plentiful employment opportunities close to home. Because many high-tech, high-paying jobs were lost in the recent economic recession, the County wants to attract new, environmentally friendly employers.

Recognizing the power of public policies to spur private investments, the Board hopes to attract new life to areas of the county that need an economic stimulus. While no single entity, public or private, can control the growth of an entire county, Gwinnett's commissioners are seeking to guide and shape future developments to help create a dynamic, re-vitalized community that meets the needs of its residents and maintains the quality of life that attracted them here in the first place.

a brighter tomorrow



Highlights of 2005 included ribbon-cutting ceremonies at a variety of new County facilities, including the following:

- Public Safety Facility (Police and Fire) and Tag Office near the Mall of Georgia
- Dacula Park Activity Building
- Lion's Club Park in Lilburn
- Shorty Howell Park expansion and new activity building
- Vines Gardens Park
- Richland Creek tunnel (enables retirement of Sugar Hill treatment plant)
- No Business Creek pump station and sewage force main

Major projects under construction in 2005 include:

- Recorder's Court and Juvenile Court Building
- Pre-Trial Detention Center expansion
- F. Wayne Hill Water Resources Plant expansion
- Gwinnett County Environmental and Heritage Center
- Dacula Branch Library
- Grayson Branch Library

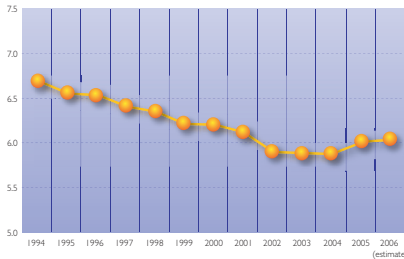
Important 2005 groundbreakings include:

- Police Training Facility
- East Police Precinct in Dacula
- Fire Station 12 relocation
- Snellville Tag Office
- Bethesda Park Indoor Aquatic Center
- George Pierce Park Community Center and Senior Wing
- Graves Park
- Grayson Branch Library

There's a lot going on these days in Gwinnett County. As growth continues on the outer edges, we're taking a second look at those areas where the first waves of development occurred several decades ago. With several Community Improvement Districts now up and running – in the US 78 and Gwinnett Place Mall areas – private property owners are taking the initiative to protect their investments by upgrading the attractiveness of their location.

county financial summary

ratio of authorized county employees per 1,000 residents



New high-rise building regulations are likely to attract new investments that will help revitalize older areas.

Success has lived in Gwinnett County for many years. Rapid growth has brought a rich diversity of people, facilities, and economic opportunities for our residents. We're truly a great place to live, work, and play. And we're planning for an even brighter future.

Despite the slow economy of the past several years, the County has maintained its triple-A credit rating from all three major rating agencies for the ninth consecutive year. We issued a total of \$259.6 million in water/sewer refunding revenue bonds in 2005. Our excellent credit reflects solid financial management and results in significant interest savings for our citizens.

The 2006 budget total is \$1.5 billion, almost the same as last year. This includes an Operating budget of \$756 million, and a 2005 Capital budget of \$787 million. Through technology improvements and significant citizen involvement in planning and prioritizing, the County continues to improve its productivity.

The five-year (2007 – 2011) Capital Improvement Plan includes \$1.5 billion in capital initiatives focused on public health/clean water, protective services, transportation/transit, and recreational needs.

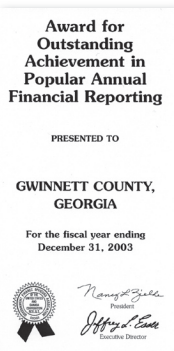
The Operating budget covers the daily expenses of County government and also includes 181 new positions, a decrease from 239 last year. Of these new jobs, 138 are for public safety and the courts. Full-time employees will get a two-percent pay increase, tied to the performance review process. For more information, refer to Gwinnett County's **Budget in Brief** document located online at www.gwinnettbudget.com.

2005 was the last full year of the 2001 Special Purpose Local Option Sales Tax (SPLOST) program, which expired in March 2005. The voter-approved tax is expected to raise \$203 million for parks and recreation, \$203 million for transportation, \$57 million for public safety, and \$12 million for libraries. In November 2004, voters extended the current SPLOST program another four years. The proceeds again will be used for transportation, parks, public safety, and library facilities.

During 2005, Gwinnett County received the following awards for its financial reporting from the Government Finance Officers Association:

- Certificate of Achievement for Excellence in Financial Reporting (24th consecutive year)
- Award for Distinguished Budget Presentation (13th consecutive year)
- Award for Outstanding Achievement in Popular Annual Financial Reporting (8th consecutive year)

The following information provides a financial overview of Gwinnett County during its fiscal year January 1 through December 31, 2005, and illustrates the County's strong financial position. The data presented here was obtained from the audited financial statements included in the Comprehensive Annual Financial Report (CAFR), which provides complete financial disclosure.



awards

governmentwide financial statements

The County's official financial statements received a favorable opinion from the County's independent auditors, Mauldin & Jenkins Certified Public Accountants, LLC, stating the financial statements are fairly presented in conformity with generally accepted accounting principles (GAAP). Please note that the financial information shown here is abbreviated and condensed from the GAAP financial statements shown in the CAFR. Specifically, management's discussion and analysis, budgetary comparisons, component units, basic financial statements, and footnote disclosures are not included here.

Gwinnett County implemented Statement N^o. 34 of the Governmental Accounting Standards Board in fiscal year 2002. Part of this implementation includes the addition of governmentwide financial statements. The governmentwide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two governmentwide statements, the statement of net assets and the statement of activities, which are presented in a comparative summary format on the following two pages.

Over time, net assets may serve as a useful indicator of a government's financial position. In the case of Gwinnett County, assets exceeded liabilities by \$4,682,490,000 at the close of the most recent fiscal year. This represents an increase of \$346,525,000 or 8.0 percent from fiscal year 2004.

By far the largest portion of the County's net assets (76 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (16 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$380,302,000) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets, both for the government as a whole, and for its separate governmental and business-type activities. Growth in net assets is an indication the County's financial position has improved over 2004.

Gwinnett County's Net Assets
(in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2005	2004	2005	2004	2005	2004
Current and other assets	\$ 1,041,898	\$ 1,044,470	\$ 320,438	\$ 353,064	\$ 1,362,336	\$ 1,397,534
Capital assets	1,592,619	1,434,738	2,900,161	2,692,698	4,492,780	4,127,436
Total assets	2,634,517	2,479,208	3,220,599	3,045,762	5,855,116	5,524,970
Long-term liabilities outstanding	217,367	227,964	836,666	858,970	1,054,033	1,086,934
Other liabilities	70,604	43,936	47,989	58,135	118,593	102,071
Total liabilities	287,971	271,900	884,655	917,105	1,172,626	1,189,005
Net assets:						
Invested in capital assets, net of related debt	1,398,909	1,293,946	2,155,024	1,970,986	3,553,933	3,264,932
Restricted	721,891	693,897	26,364	24,989	748,255	718,886
Unrestricted	225,746	219,465	154,556	132,682	380,302	352,147
Total net assets	\$ 2,346,546	\$ 2,207,308	\$ 2,335,944	\$ 2,128,657	\$ 4,682,490	\$ 4,335,965

citizens' annual financial report 05

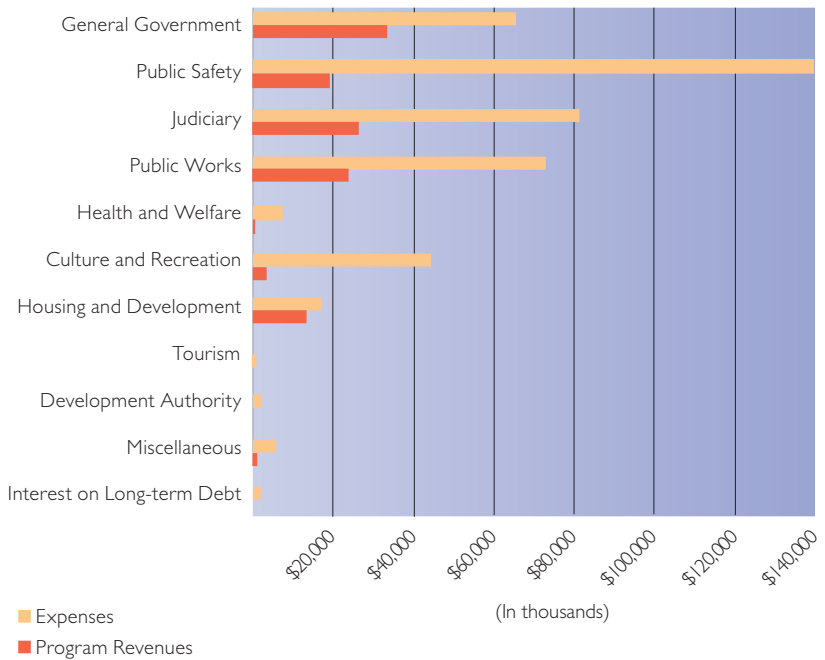
GWINNETT COUNTY'S CHANGES IN NET ASSETS

(in thousands)

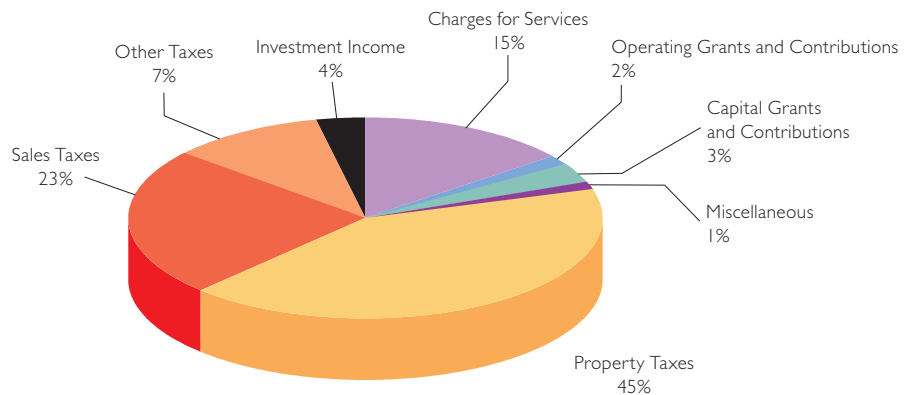
	Governmental Activities		Business-type Activities		Total Primary Government	
	2005	2004	2005	2004	2005	2004
Revenues						
Program revenues:						
Charges for services	\$93,785	\$87,738	\$182,273	\$169,117	\$276,058	\$256,855
Operating grants and contributions	13,231	14,711	-	-	13,231	14,711
Capital grants and contributions	18,246	18,886	191,836	138,547	210,082	157,433
General revenues:						
Property taxes	277,441	259,363	-	-	277,441	259,363
Sales taxes	140,972	131,831	-	-	140,972	131,831
Other taxes	39,576	37,639	-	-	39,576	37,639
Investment income	24,561	12,768	5,694	2,782	30,255	15,550
Other	3,735	6,866	2,585	1,929	6,320	8,795
Total revenues	611,547	569,802	382,388	312,375	993,935	882,177
Expenses						
General government	65,846	60,789	-	-	65,846	60,789
Public safety	150,316	137,822	-	-	150,316	137,822
Judiciary	82,283	84,978	-	-	82,283	84,978
Public works	74,006	52,965	-	-	74,006	52,965
Health and welfare	7,495	11,328	-	-	7,495	11,328
Culture and recreation	44,069	39,166	-	-	44,069	39,166
Housing and development	17,244	16,845	-	-	17,244	16,845
Tourism	1,940	4,476	-	-	1,940	4,476
Development authority	2,182	2,169	-	-	2,182	2,169
Miscellaneous	4,676	3,536	-	-	4,676	3,536
Interest on long-term debt	2,397	3,794	-	-	2,397	3,794
Water and sewerage	-	-	156,557	144,853	156,557	144,853
Airport	-	-	1,716	1,490	1,716	1,490
Solid waste	-	-	347	524	347	524
Stormwater	-	-	22,617	20,959	22,617	20,959
Transit	-	-	13,719	11,391	13,719	11,391
Total expenses	452,454	417,868	194,956	179,217	647,410	597,085
Increase in net assets before transfers	159,093	151,934	187,432	133,158	346,525	285,092
Transfers	(19,855)	(22,520)	19,855	22,520	-	-
Increase in net assets	139,238	129,414	207,287	155,678	346,525	285,092
Net assets – January 1	2,207,308	2,077,894	2,128,657	1,972,979	4,335,965	4,050,873
Net assets – December 31	\$2,346,546	\$2,207,308	\$2,335,944	\$2,128,657	\$4,682,490	\$4,335,965

Governmental activities. Governmental activities are generally supported by taxes and intergovernmental revenues and include programs such as general government, public safety, judiciary, public works, and culture and recreation. These activities increased the County's net assets by \$139,238,000 in 2005, thereby accounting for 40 percent of the total growth in net assets.

**Expenses and Program Revenues – Governmental Activities
FY 2005**

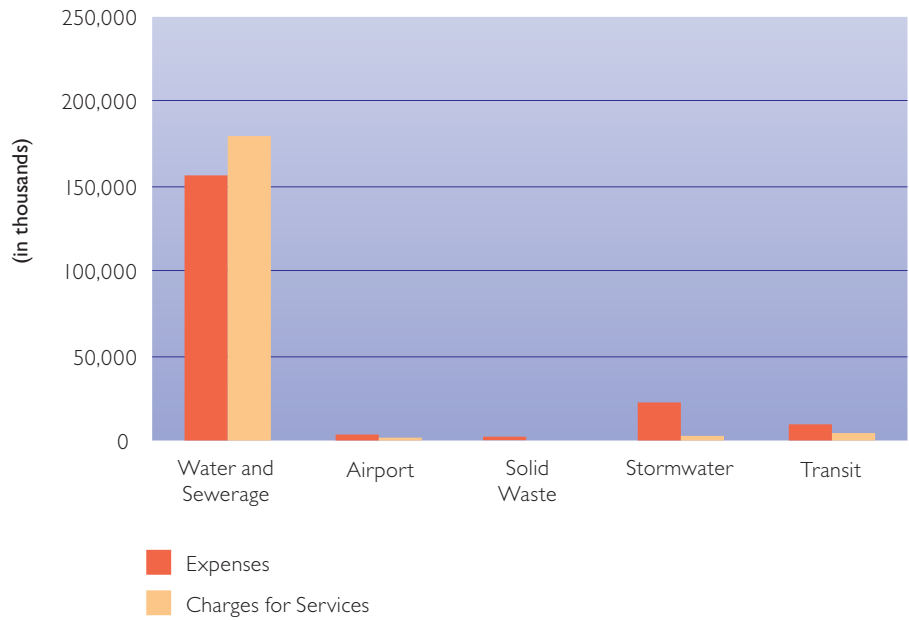


**Revenue by Sources – Governmental Activities
FY 2005**

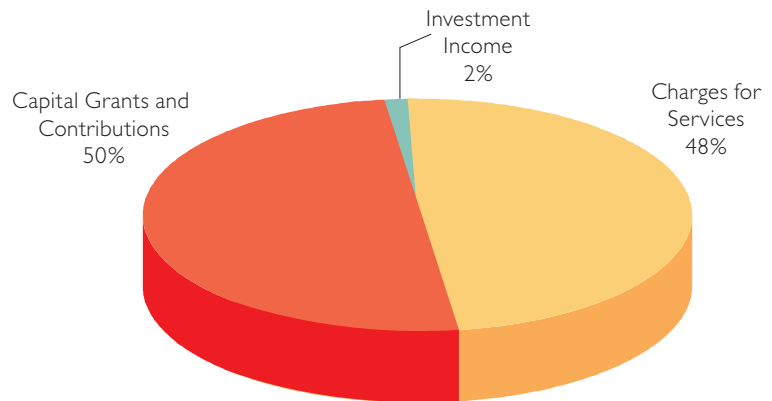


Business-type activities. Business-type activities rely to a significant extent on user fees and charges for support. Such activities in Gwinnett include water and sewerage, solid waste, airport, stormwater, and transit. These programs increased the County's net assets by \$207,287,000 in 2005, accounting for 60 percent of the total growth in the government's net assets.

**Expenses and Program Revenues – Business-Type Activities
FY 2005**



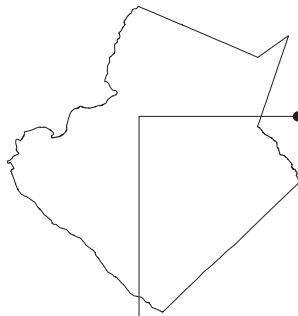
**Revenue by Sources – Business-Type Activities
FY 2005**



for more information

For more information concerning the Gwinnett County finances, please contact:
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Gwinnett County Courts website	www.gwinnettcourts.com
Animal Control	770.339.3200
Building Inspections	678.518.6277
Citizen Information Line	770.822.8888
Commission Office/County Administrator	770.822.7000
Corrections	678.407.6000
Courts	
Jury Service Instructions	770.822.8560
Juvenile Court	770.619.6300
Magistrate Court	770.822.8100
Probate Court	770.822.8250
Recorder's Court	770.822.8815
State Court	770.822.8100
Superior Court	770.822.8100
District Attorney	770.822.8400
Emergencies – Ambulance, Fire, Police	911
Fire and Emergency Services	678.518.4800
Health and Human Services	770.822.8850
Information – General	770.822.8000
Job Line	770.822.7930
Parks and Recreation	770.822.8840
Planning and Development – Code Enforcement	678.518.6032
Police	770.513.5000
Purchasing – Bid Line	770.822.8747
Roads – Maintenance	770.822.7474
Sheriff – Detention Center	770.619.6500
Tag Information	770.822.8801
Tax Information	770.822.8800
Transit	770.822.5010
Voter Registration	770.822.8787
Volunteer Services/Senior Services	770.822.8837
Water Resources Customer Service/Billing	678.376.6800
Water Restrictions	678.376.7100
Water/Sewer Repairs	678.376.7000



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