



citizens' annual financial report **2007**

board of
commissioners



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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**

COO/Deputy County Administrator



Susan **Lee**

Deputy County Administrator



chairman's message

Gwinnett County continues to attract tens of thousands of new residents every year. Our strategic location in the dynamic northeast corner of metro Atlanta first began drawing large numbers almost 50 years ago. Today, our sought-after quality of life includes a wide range of housing options, nationally recognized parks and greenspace, big city amenities like the Gwinnett Arena, and an outstanding school system.

I'm proud to include our fiscally conservative county government among the attractions Gwinnett offers. We provide a well-maintained infrastructure of roads, state-of-the-art water and sewer facilities, and an outstanding public safety network of police, fire, emergency medical services, courts, jail, and corrections. We've worked hard to increase the efficiency of local government by investing in new technology, using pay-as-you-go financing, and introducing a detailed performance management system for all County departments.

This report highlights the major accomplishments of 2007 and discusses the value that Gwinnett residents received for their property tax dollars and SPLOST sales tax pennies. Throughout our 437 square miles, you will never be far from a new police or fire station, a new park or greenway, a road improvement, or a stormwater/drainage project. We are a government that delivers on its promises and invests your money wisely to support and revitalize our community. Voter support of the SPLOST program has been invaluable.

As Gwinnett County continues to mature and take on a more urban character, we will maintain the suburban lifestyle that attracted us here in the first place thanks to careful planning, citizen input, and a government that truly cares. Our population is aging and changing but our quest goes on to build a better life for our families and ourselves.

I've been honored to serve the residents of this great county as chairman of your Board of Commissioners these past three years. I'm proud of what we've accomplished together and I thank you for the support and encouragement you've given me.

Sincerely,

Charles E. Bannister, Chairman
Gwinnett County Board of Commissioners

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**accomplishments
and initiatives**

transportation



Many key transportation projects underway throughout Gwinnett County demonstrate the emphasis that current commissioners have placed on reducing traffic congestion.

Chairman Charles Bannister and Commissioners Lorraine Green and Mike Beaudreau served the third year of their first terms in 2007, while Commissioners Bert Nasuti and Kevin Kenerly began serving new four-year terms in 2006. They increased total transportation spending to \$145 million, or \$180 per resident, up from just \$29 million, or \$70 per resident, in 2004.

About two dozen quick fix projects increased safety and are now keeping traffic moving at spots that had been bottlenecks. We completed 45 projects in 2007 including 11 miles of new lanes, 20 miles of sidewalks, 27 new or upgraded signals, and signal timing projects on 30 miles of roads and 118 intersections. At year's end, work was underway on 38 more projects including 19 miles of new lanes and 12 miles of sidewalks.

Major construction projects include widening Old Peachtree Road, Webb Gin House Road, Old Norcross Road, and the Sugarloaf Parkway Extension. We worked closely with the Georgia Department of Transportation on the I-85/State Route 316 interchange, on US 78 improvements, and on widening State Route 20, State Route 120, State Route 324, and US 29.

Eleven intersection improvements added turn lanes, signals, crosswalks, sidewalks, and alignment fixes. Another 11 are now underway along with new bridges and numerous school and pedestrian safety and road alignment projects.

Gwinnett Transit continued its successful growth and added a new maintenance and operations facility. A new Traffic Control Center will soon be monitoring real-time traffic flow with remote signal controls on many major arteries across the county.

public safety



Providing top-notch police, fire, emergency medical, correctional, courts, and jail services was another priority for 2007. A new police training facility includes 44 firing ranges and a driver-training course. Gwinnett Police also opened a new headquarters for its expanded Quality of Life Unit and a new, state-of-the-art Animal Welfare and Enforcement Center. Around the same time as the opening, the animal shelter began spaying and neutering animals before adoption in order to help control the problem of pet overpopulation.

New fire stations opened in Grayson and Dacula while construction of a new station began in Loganville. Construction for a replacement building for Fire Station 1 in Norcross continued with plans to open in the first quarter of 2008. New fire and emergency services vehicles included three engines, three aerial towers, an air/light unit, a hazardous materials truck, five medical units, and 10 new cars and light trucks.

Preparations were made for the addition of a 10th Superior Court judge in the coming year, which means adding more court clerks, district attorneys, and Sheriff's deputies.

The Police Department was awarded its fifth re-accreditation from the Commission on Accreditation for Law Enforcement Agencies, while the Corrections Department initiated the process to earn accreditation from the American Correctional Association.



water and sewer

The severe drought of 2007 was projected to continue into 2008. A faulty gauge led the Corps of Engineers to drain billions of gallons from Lake Lanier, our primary water supply. Gwinnett County followed state guidelines for restricting water usage and found many ways to conserve additional water at County facilities, such as discontinuing watering athletic fields and washing vehicles, reducing inmate showers, and modifying or replacing plumbing fixtures.

Commissioners also passed a water conservation resolution, which included participation in a regional rebate program through the Metropolitan North Georgia Water Planning District. The rebates are offered to owners of single-family homes built before 1993 for replacing older, inefficient toilets with new, low-flow models.

A project completed this year to locate leaks in the water supply system checked 3,300 miles of water pipes, 34,000 valves, and almost 37,000 fire hydrants.

Construction began on a 72-inch pipeline that will return highly-treated, disinfected wastewater to its source in Lake Lanier beginning in 2009. A \$268.5 million expansion of the Yellow River Water Reclamation Facility will expand its capacity by about a third when finished. The Patterson Pump Station southwest of Lawrenceville is being expanded to include eight, 470-horsepower sewage pumps.

community services

Voter-approved SPLOST sales tax funds provided new park facilities at Sweet Water Park, DeShong Park, the Lucky Shoals Community Center, and Mountain Park. Parks under construction include Peachtree Ridge, Duncan Creek, Rock Springs, Club Drive, West Gwinnett Aquatic Center, and Ivy Creek Greenway.



Land purchases will provide future parks in the planned Mountain View and Lanier school clusters, a nine-acre expansion of South Gwinnett Park, the new Bryson Park in Lilburn, and a passive community park on the Yellow River. Plans for the new Alexander Park on Scenic Highway were finalized in 2007 with construction to begin next year.

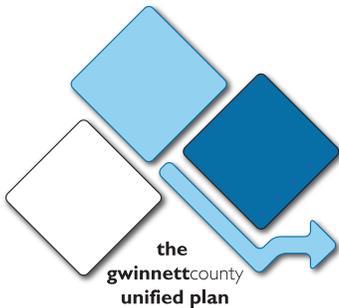
The County also purchased the 1827 Adair House, third oldest in Gwinnett, and will move it to a new site next to the historic Lawrenceville Female Seminary. Plans to raise and restore the Alcoy River Grist Mill and build the surrounding Freeman's Mill Park also got underway in 2007.

Design of the new Hamilton Mill Library was in progress during 2007 with construction expected to start in 2008. This will be the County's third green building, joining the Gwinnett Environmental and Heritage Center and the new police training facility. The GEHC celebrated its first anniversary with LEED Gold Certification from the US Green Building Council. LEED stands for Leadership in Energy and Environmental Design.



The Gwinnett Environmental and Heritage Center was among several organizations in community services to celebrate a milestone in 2007. Gwinnett County Senior Services marked 35 years of service to the community's older population, Gwinnett County Parks and Recreation observed its 20th anniversary as a countywide system, and the Gwinnett Senior Center at Bethesda Park celebrated 15 years.

**efficiency/
effectiveness**



The County introduced a new performance management tool known as the Balanced Scorecard system in 2007. Designed to track progress toward specific goals for all departments, the system has already improved efficiency and found cost-saving opportunities.

Online sales of old vehicles on eBay have resulted in a 28 percent improvement in return on investment. Including necessary water/sewer relocations in road construction contracts is another example of improved efficiency in County operations.

The County's Information Technology Service area became the County's 12th department in 2007. Expansion of ITS is enabling more efficient, paperless operations and interactive, online access to government services.

Buying an abandoned big-box retail building and converting it to a public health clinic and other County uses not only saved the County money but also helped the local community as well.

Economic development efforts to attract more new jobs to Gwinnett County are being done through Partnership Gwinnett, led by the Gwinnett Chamber of Commerce and primarily privately funded. The County is a key supporter both financially and through the economic development ordinance. Partnership Gwinnett has recorded approximately 30 expansions and relocations. Key among those are the relocation of Meggitt Defense Systems, an \$80 million investment promising 400 new jobs, and Peak 10, Inc., a \$20 million relocation with 20 new jobs.

An expansion of Gwinnett Medical Center is underway with support from the County. The hospital has applied to the state to offer open-heart surgery within the County's borders.

A new, more efficient trash collection system, proposed in 2007, should reduce truck traffic in residential neighborhoods, help clear the air, and increase recycling starting in 2009.

The County continues to work with the three self-taxing Community Improvement Districts to help revitalize southern Gwinnett (Gwinnett Village), the Gwinnett Place Mall area, and the US 78 corridor (Evermore). In November, voters in nine Gwinnett cities approved the use of Tax Allocation Districts for economic development.

Work is underway on the 2030 Unified Plan, a guide for future land-use and community development decisions. Commissioners and the public will review the plan in 2008 before submitting it to the state Department of Community Affairs.



looking ahead



Gwinnett continues to see growth and change. About a quarter of Gwinnett residents are foreign-born, and the county is a true American melting pot of languages and cultures. The appearance of the new Hindu Mandir in Gwinnett demonstrates the growing international flavor of our community.

Our population is also aging as the first baby boomers reach retirement. We expect the demand for senior services, housing, and medical care will be even more important issues in the years ahead.

The sluggish national economy in 2007 was reflected locally as single-family building permits fell almost 47 percent, foreclosures were up about 34 percent, and employment growth and sales tax collections were down. Hard times produce more crime and greater demands for government services. We are entering a time of considerable challenge.

Yet the story of Gwinnett County in recent decades has been one of rapidly unfolding challenges and opportunities. Many generations of public and private leaders have shaped a vibrant and dynamic community, one that is uniquely qualified for continued success.

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 are a great place to live, work, and play—and we're planning for an even brighter future.

awards and honors

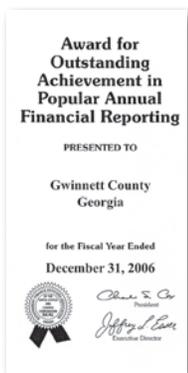
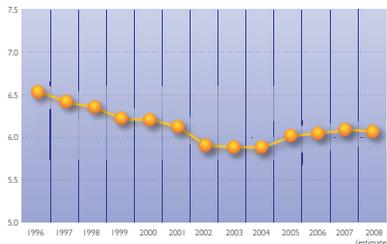


Gwinnett County earns statewide and national recognition from peer and professional organizations year after year. The following list represents some but not all of the awards won by various divisions and departments in the past year.

- Parks and Recreation: National Association of Counties *Acts of Caring Award* for Senior-Net Learning Centers; state lifeguarding championship title; and Atlanta Regional Commission *CREATE Community Award* for Community Schools and Joint Use Agreement (Board of Commissioners and Board of Education program)
- Health and Human Services: NACo *Achievement Award* for Senior Services safety program
- Gwinnett Environmental and Heritage Center: *ARC Developments of Excellence*; Georgia Urban Forestry Council *Outstanding New Initiative*; NACo *Center for Sustainable Communities Award*; US Green Building Council *Leadership in Energy and Environmental Design Gold Certification*; plus four other awards
- Financial Services: *Distinguished Budget Presentation* from Government Finance Officers Association; *Certificate of Achievement for Excellence in Financial Reporting* from GFOA; and *Achievement of Excellence in Procurement Award* from National Purchasing Institute
- Human Resources: National Committee for Employee Support of the Guard and Reserve *Patriotic Employer Award*
- Police: SWAT and Motor Units honored at Georgia Police and Fire Games
- Fleet Management: Automotive Service Excellence *Blue Seal of Excellence* (second consecutive year)
- Water Resources: Georgia Association of Water Professionals *Plant of the Year* (Shoal Creek); *Project of the Year* (McDaniel Farm); *Cross Connection Program of the Year*; and *Stormwater Program of the Year*

county financial summary

ratio of authorized county employees per 1,000 residents



awards

governmentwide financial statements

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 10th consecutive year. Our excellent credit reflects solid financial management and results in significant interest savings for our citizens.

The 2008 budget total is \$1.5 billion, down slightly from 2007. This includes an Operating budget of \$855 million and a 2008 Capital budget of \$676 million. Through technology improvements and significant citizen involvement in planning and prioritizing, the County continues to improve its productivity.

The six-year (2008 – 2013) Capital Improvement Plan includes \$1.97 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 95 new positions, a decrease from 211 last year, with an emphasis on courts and public safety. Full-time employees will get a two-percent pay increase, tied to the performance review process, and a two percent cost-of-living increase on July 1, 2008. Refer to Gwinnett County's *Budget in Brief* document located online at www.gwinnettbudget.com for more information.

In November 2004, voters extended the current SPLOST program another four years. Expected total revenues of over \$550 million are being split 84/16 percent between the County and its cities, and are earmarked for transportation, recreation, public safety, and libraries.

During 2007, Gwinnett County received the following awards for its financial reporting from the Government Finance Officers Association:

- *Certificate of Achievement for Excellence in Financial Reporting* (26th consecutive year)
- *Award for Distinguished Budget Presentation* (15th consecutive year)
- *Award for Outstanding Achievement in Popular Annual Financial Reporting* (10th consecutive year)

The following information provides a financial overview of Gwinnett County during its fiscal year January 1 through December 31, 2007, 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. The 2007 CAFR is available at www.gwinnettCAFR.com.

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 No. 34* of the Governmental Accounting Standards Board in fiscal year 2002. Part of this implementation includes the addition of govern-



mentwide 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 \$5,254,275,000 at the close of the most recent fiscal year. This represents an increase of \$284,939,000 or 5.7 percent from fiscal year 2006.

By far the largest portion of the County's net assets (83 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 (seven percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$531,321,000) 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 2006.

Gwinnett County's Net Assets (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Current and other assets	\$ 924,883	\$ 1,006,398	\$ 208,674	\$ 318,169	\$ 1,133,557	\$ 1,324,567
Capital assets	1,988,121	1,758,917	3,264,998	3,033,497	5,253,119	4,792,414
Total assets	2,913,004	2,765,315	3,473,672	3,351,666	6,386,676	6,116,981
Long-term liabilities outstanding	190,434	204,754	796,255	811,314	986,689	1,016,068
Other liabilities	71,588	75,900	74,124	55,677	145,712	131,577
Total liabilities	262,022	280,654	870,379	866,991	1,132,401	1,147,645
Net assets:						
Invested in capital assets, net of related debt	1,822,598	1,580,183	2,517,483	2,257,189	4,340,081	3,837,372
Restricted	357,674	666,243	25,199	25,083	382,873	691,326
Unrestricted	470,710	238,235	60,611	202,403	531,321	440,638
Total net assets	\$ 2,650,982	\$ 2,484,661	\$ 2,603,293	\$ 2,484,675	\$ 5,254,275	\$ 4,969,336

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GWINNETT COUNTY'S CHANGES IN NET ASSETS

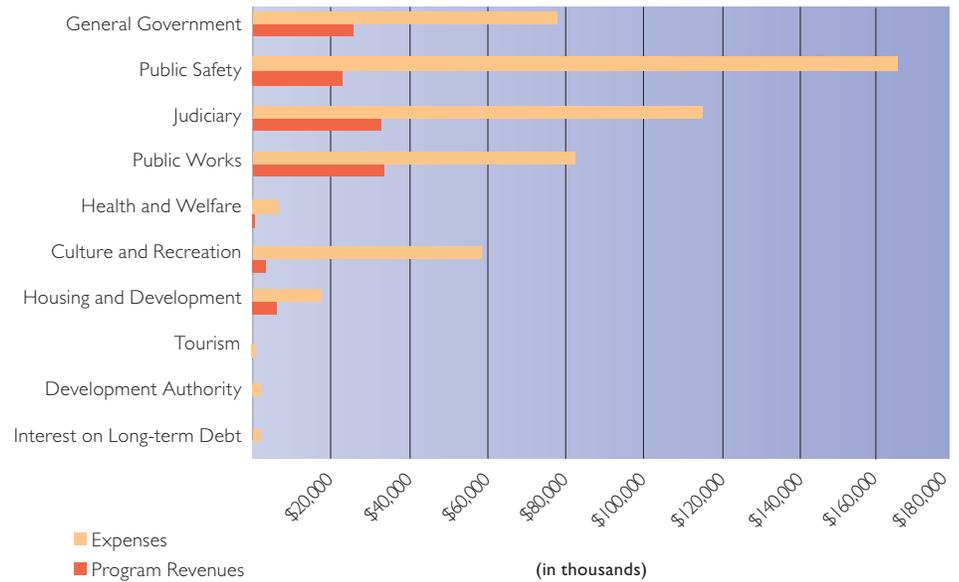
(in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2007	2006	2007	2006	2007	2006
Revenues						
Program revenues:						
Charges for services	\$88,022	\$94,628	\$222,898	\$198,332	\$310,920	\$292,960
Operating grants and contributions	15,866	17,039	4,212	2,506	20,078	19,545
Capital grants and contributions	24,611	17,726	113,894	124,225	138,505	141,951
General revenues:						
Property taxes	328,612	304,215	-	-	328,612	304,215
Sales taxes	152,528	155,941	-	-	152,528	155,941
Other taxes	56,215	40,239	-	-	56,215	40,239
Investment income	42,626	41,055	7,426	13,642	50,052	54,697
Other	5,386	6,077	4,693	7,304	10,079	13,381
Total revenues	713,866	676,920	353,123	346,009	1,066,989	1,022,929
Expenses						
General government	74,921	72,728	-	-	74,921	72,728
Public safety	173,779	154,775	-	-	173,779	154,775
Judiciary	113,633	105,891	-	-	113,633	105,891
Public works	82,898	106,270	-	-	82,898	106,270
Health and welfare	12,640	7,408	-	-	12,640	7,408
Culture and recreation	57,032	54,967	-	-	57,032	54,967
Housing and development	18,247	15,004	-	-	18,247	15,004
Tourism	2,214	2,208	-	-	2,214	2,208
Development authority	2,580	2,251	-	-	2,580	2,251
Interest on long-term debt	4,263	2,128	-	-	4,263	2,128
Water and sewerage	-	-	197,612	172,985	197,612	172,985
Airport	-	-	2,103	1,940	2,103	1,940
Solid waste	-	-	489	425	489	425
Stormwater	-	-	25,455	24,728	25,455	24,728
Transit	-	-	14,184	12,375	14,184	12,375
Total expenses	542,207	523,630	239,843	212,453	782,050	736,083
Increase in net assets before transfers	171,659	153,290	113,280	133,556	284,939	286,846
Transfers	(5,338)	(15,175)	5,338	15,175	-	-
Increase in net assets	166,321	138,115	118,618	148,731	284,939	286,846
Net assets – January 1	2,484,661	2,346,546	2,484,675	2,335,944	4,969,336	4,682,490
Net assets – December 31	\$2,650,982	\$2,484,661	\$2,603,293	\$2,484,675	\$5,254,275	\$4,969,336

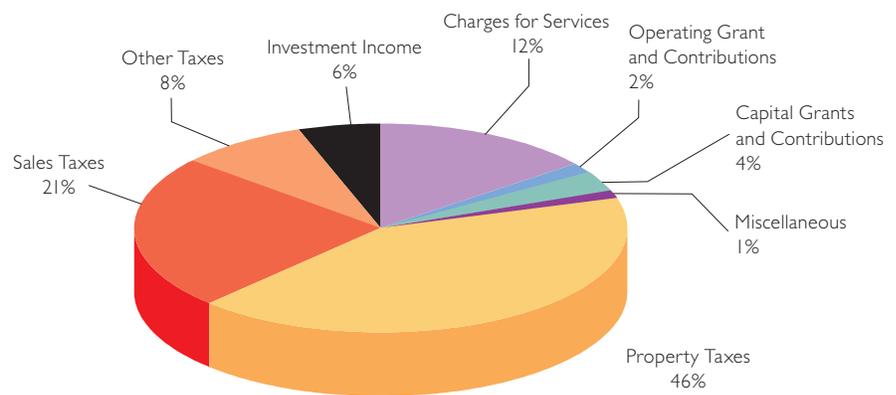


Governmental activities. Governmental activities are generally supported by taxes and intergovernmental revenues and include programs such as general government, public safety, judiciary, public works, and culture and recreation. These activities increased the County's net assets by \$166,321,000 in 2007, thereby accounting for 58 percent of the total growth in net assets.

Expenses and Program Revenues – Governmental Activities FY 2007



Revenue by Sources – Governmental Activities FY 2007

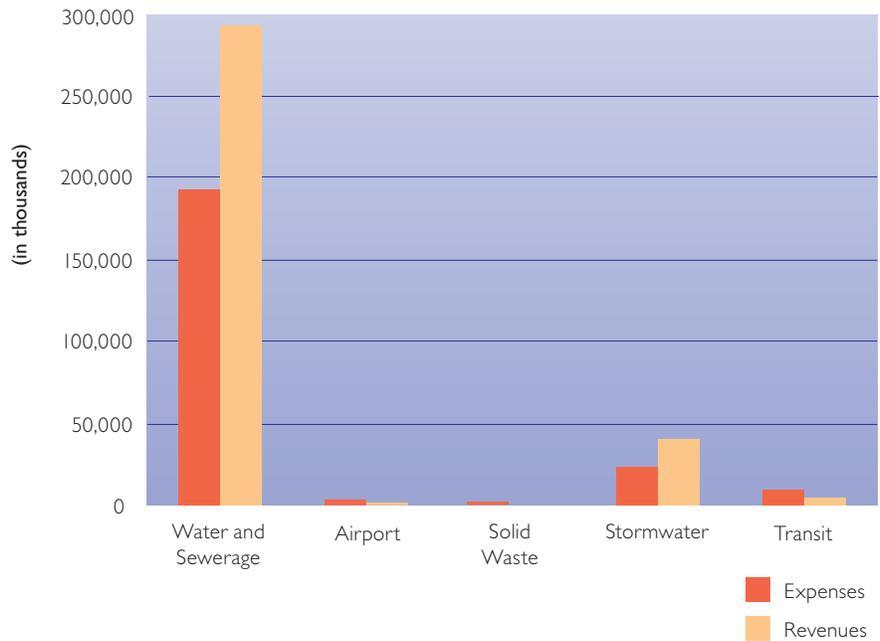




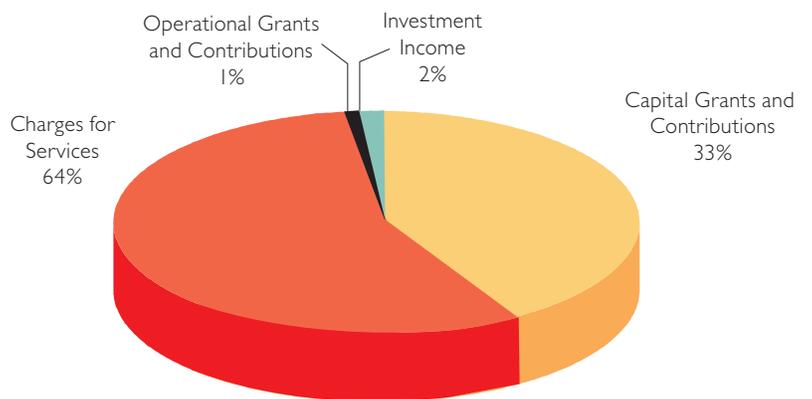
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Business-type activities. Business-type activities rely to a significant extent on user fees and charges for support. Such activities in Gwinnett include water and sewerage, airport, stormwater, and transit. These programs increased the County's net assets by \$118,618,000 in 2007, accounting for 42 percent of the total growth in the government's net assets.

**Expenses and Program Revenues – Business-type Activities
FY 2007**



**Revenue by Sources – Business-type Activities
FY 2007**





for more information

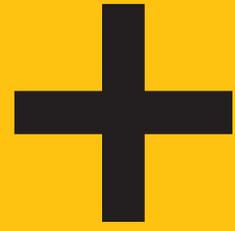
For more information concerning the Gwinnett County finances, please contact:
 Gwinnett County **Department of Financial Services**
 75 Langley Drive
 Lawrenceville, GA 30045
 770.822.7850

Gwinnett County Government website	www.gwinnettcountry.com
Gwinnett County <i>Comprehensive Annual Financial Report</i>	www.gwinnettcfafr.com
Gwinnett County Courts website	www.gwinnettcourts.com
Animal Welfare	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	770.822.8070
Probate Court	770.822.8265
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 (non-emergency)	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
Police (non-emergency)	770.513.5100
Purchasing – Bid Line	770.822.8747
Quality of Life Unit	770.417.3434
Roads – Maintenance	770.822.7474
Sheriff – Pre-Trial Detention Center	770.619.6500
Tag Information	770.822.8801
Tax Information	770.822.8800
Transit	770.822.7446
Voter Registration	770.822.7210
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

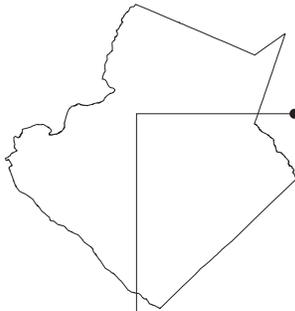
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