

City of Bainbridge, Georgia

Financial Report

For the Fiscal Year Ended

September 30, 2010

City of Bainbridge, Georgia

Financial Report

For the Fiscal Year Ended September 30, 2010

Prepared by:

The Department of Finance
A Department of the Division of General Administration

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INTRODUCTORY SECTION

CITY OF BAINBRIDGE, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

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City of Bainbridge, Georgia
P. O. Box 158
Bainbridge, GA 39818

August 15, 2011

To the Honorable Mayor, Members of the Board of Alderman, and Citizens
of the City of Bainbridge, Georgia:

State law requires that all general-purpose local governments publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2010.

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

The City of Bainbridge, Georgia's financial statements have been audited by Moore & Cubbedge, LLP, a licensed certified public accounting firm. The goal of this independent audit was to provide reasonable assurance that the financial statements of the City of Bainbridge, Georgia for the fiscal year ended September 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting that amounts and disclosures in the financial statement; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Bainbridge, Georgia's financial statements for the fiscal year ended September 30, 2010, is fairly presented in conformity with GAAP. 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 City of Bainbridge, Georgia's MD&A can be found immediately following the report of the independent auditor.

Single Audit section of this report

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

Profile of the Government

The City of Bainbridge, Georgia, incorporated in 1829, is located in the south-western corner of the state, which is considered to be a moderate growth area of the state. The City of Bainbridge, Georgia, currently occupies a land area of six square miles and serves a population greater than 12,000. The City of Bainbridge, Georgia is empowered to levy a property tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The City of Bainbridge, Georgia has operated under the council-manager form of government since 1965. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the government's manager, attorney, municipal judge and independent auditor. The government's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with three council members elected every two years. The Mayor is elected to serve a four-year term. Five of the council members are elected by district. The mayor and remaining council member are elected at large. The mayor pro tem is appointed annually by a vote of the council.

The City of Bainbridge, Georgia provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets, and other infrastructure; recreational activities, cultural events, and utility services. The utility services of the City of Bainbridge, Georgia include water, sewer, sewer treatment, garbage collection and disposal, and natural gas.

The annual budget serves as the foundation for the City of Bainbridge, Georgia's financial planning and control. All departments of the City of Bainbridge, Georgia are required to submit requests for appropriation to the government's manager on or before July 30 of each year. The government's manager uses these requests as the starting point for developing a proposed budget. The Government's manager then presents this proposed budget to council for review prior to August 31. The council is required to hold public hearings on this proposed budget and to adopt a final budget no later than September 30, the close of the City of Bainbridge, Georgia's fiscal year. The appropriated budget is prepared by fund, function, and department. The government's manager can make transfers of appropriations within a department, but transfers of appropriations between departments, however, require the special approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

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

Local economy. The City of Bainbridge currently faces many challenges to the overall stability of the local economy. The regions manufacturing, industrial and agricultural sectors have all suffered destabilizing events that have contributed to the current negative trend of the city's unemployment rate. The short term expectation is that this instability will continue and may in fact intensify before any improvement is realized. In the long term; it is expected that the areas rich natural resources and the presence of major industries with headquarters or divisions located within the governments boundaries or in close proximity will result in the restoration of economic stability

Long-term financial planning. The governing council has continued to invest in infrastructure projects that are designed to generate revenue. In recent years the city has constructed a marina on the banks of the Flint River and has completed a state of the art tennis complex. The City is completing construction of an expansion to the Bill Reynolds Sports Complex. This expansion includes the construction of eight new baseball fields, two football/soccer fields, five basketball courts and concessions/bathroom facilities. The mega ramp facility within the Earle May Boat Basin was completed in September 2010. The city also intends to continue to persue funding from transportation enhancement grants to continue the improvement of multi modal transportation infrastructure within the city's central business district. All of the projects mentioned are in close proximity to the city's greatest asset, the Flint River and were conceived to generate new revenue for the city.

Several sanitary sewer projects are slated for the future in accordance with the City of Bainbridge, Georgia's Sanitary Sewer Master Plan. Many of these projects will be funded from a combination of sewer assessments, Special Purpose Local Option Sales Tax proceeds, and Community Development Block Grants. In order to expedite construction of these projects the city has been successful in securing low interest financing from the Georgia Environmental Facilities Authority.

Cash management policies and practices. Cash temporarily idle during the year was invested in certificates of deposits and money market accounts. The maturities of the investments range from 90 days to 18 months, with an average maturity of 12 months. The average yield on investments ranges from 1.26 to 2.25 percent.

Pension and other post employment benefits. The City of Bainbridge, Georgia sponsors a single-employer defined benefit plan for its employees. Each year, an independent actuary engaged by the pension plan calculates the amount of annual required contribution that the City of Bainbridge, Georgia makes to the pension plan to ensure the a the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, the City of Bainbridge, Georgia funds each year's annual required contribution to the pension plan as determined by the actuary. As a result, the City of Bainbridge, Georgia, as of September 30, 2010, funded 88.5 percent of the present value of the projected benefits earned by employees.

The City of Bainbridge, Georgia also provides postretirement health care benefits for certain retirees and their dependents. As of the end of the fiscal year, there were three employees receiving these benefits, which are financed on a pay-as-you-go basis. GAAP does not require governments to report a liability in the governmental fund financial statements in connection with an employer's obligation to provide these benefits.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated staff of the General Administration Division. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also goes to the Mayor and Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Bainbridge, Georgia's finances.

Respectfully submitted,

Chris M. Hobby, City Manager

Lisa H. Taylor, Director of General Administration

CITY OF BAINBRIDGE
ORGANIZATIONAL CHART



City of Bainbridge, Georgia
List of Elected and Appointed Officials
September 30, 2010

Elected Officials

Edward Reynolds, Mayor

Board of Aldermen

Roslyn Palmer	Glennie Bench
Joe Sweet	Luther Conyers, Jr.
Phil Long	Dean Burke

Appointed Officials

City Manager	Chris M. Hobby
Attorney	Tom Conger
Director of General Administration	Lisa H. Taylor
Director of Leisure Services	Al Kelley
Director of Community Development	Amanda Glover
Director of Public Safety	Larry Funderburke
Director of Public Works	Tommy King
Director of Utilities	Ronnie Parrish



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Edward Reynolds, Mayor
Members of the City of Bainbridge Board of Aldermen
Bainbridge, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bainbridge, Georgia, as of and for the year ended September 30, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bainbridge, Georgia, as of September 30, 2010, 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 August 15, 2011 on our consideration of the City of Bainbridge, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 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 considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11, the schedule of funding progress on page 42, and budgetary comparison information on page 43-44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Bainbridge, Georgia's basic financial statements as a whole. The Introductory Section, and the Combining and Individual Fund Statements and Schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the City of Bainbridge, Georgia. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The Introductory Section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.



Moore & Cubbedge, LLP

August 15, 2011

Management's Discussion and Analysis

As management of the City of Bainbridge, Georgia (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by $44,483,599 (net assets). Of this amount, $4,310,141 may be used to meet the government's ongoing obligation to citizens and to creditors.

- The government's total net assets as restated increased by $1,047,121. This increase is mostly attributable to the investments in capital assets of the government activities.

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $4,569,197 representing a decrease of $368,882 in comparison with prior year's net assets as restated. Of this balance, $3,229,014 is available for spending at the government's discretion (unrestricted fund balance), subject to certain designations.

- At the end of the current fiscal year, unreserved fund balance for the general fund was $2,372,227, or 26% of total general fund expenditures.

- The City's total debt as restated increased by $2,072,559 or 47% during the current fiscal year. This net increase was due to the fact that the aggregate amount of new borrowings exceeded the reductions of principal amounts outstanding, during the current fiscal year. Specifically, during the year the City entered into a loan agreement with the Georgia Environmental Authority (GEFA). The proceeds from this loan will be used for certain utility infrastructure projects.

- As of September 30, 2010, the City owes $6,443,862 of debt government wide.

Overview of the Financial Statements

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

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

The *statement of net assets* presents information on all the City's assets and liabilities, with the difference between the two reported as *net assets.* Over time, the increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned and unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities).* The governmental activities of the City include general government, public safety, public works, community development, and leisure services. The business-type activities of the City include water and sewer, sewage treatment, sanitation, natural gas, and telecommunications.

The government-wide financial statements can be found on pages 12-13 of this report.

Fund financial statements.
A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like the state and other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City 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 essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

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

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

The basic governmental fund financial statements can be found on pages 14-16 of this report.

Proprietary funds. The City maintains two 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 City uses enterprise funds to account for its Water and Sewer Fund, Gas Fund, Sanitation Fund, and Telecommunications Fund. *Internal Service funds* are an accounting devise used to accumulate and allocate costs internally among the City's various functions.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the four individual proprietary funds, all of which are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 17-20 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-41 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the City's progress in funding its obligation to provide pension benefits to its employees and certain other supplementary information.

Required supplemental information can be found on pages 59-63 of this report.

Other supplemental information can be found on pages 65-78 of this report.

Capital Assets Used in the Operation of Governmental Funds. Information pertaining to governmental funds capital assets can be found in note 7 of this report.

Financial Analysis of the City as a Whole

	2010			2009*		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current assets	$ 6,396,806	$ 960,289	$ 7,357,095	$ 6,168,609	$ 1,728,269	$ 7,896,878
Non-current assets	576,007	149,766	725,773	342,039	135,995	478,034
Capital assets	20,903,747	24,771,939	45,675,686	17,547,790	24,220,595	41,768,385
Total assets	27,876,560	25,881,994	53,758,554	24,058,438	26,084,859	50,143,297
Current liabilities	1,293,019	457,180	1,750,199	808,077	351,530	1,159,607
Non-current liabilities	6,971,733	553,023	7,524,756	4,848,585	164,158	5,012,743
Total liabilities	8,264,752	1,010,203	9,274,955	5,656,662	515,688	6,172,350
Net assets:						
Invested in capital assets Net of related debt	15,050,702	24,292,821	39,343,523	13,423,737	24,133,423	37,557,160
Restricted	829,935	-	829,935	1,672,139	-	1,672,139
Unrestricted	3,731,171	578,970	4,310,141	3,305,900	1,435,748	4,741,648
Total net assets	$19,611,808	$ 24,871,791	$44,483,599	$18,401,776	$ 25,569,171	$43,970,947

* Prior to restatement. See note 17.

The City's assets exceed liabilities by $44,483,599 at the close of the most recent fiscal year. Of this amount $19,611,808 came from governmental activities, and $24,871,791 came from business-type activities.

By far the largest portion of the City's net assets was comprised of Investment In Capital Assets, less any related debt used to acquire those assets with a balance of $39,343,523 or 88% of total net assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Although the City'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.

Restricted net assets totaled $829,935 or 2% of total net assets. The vast majority of this amount represents resources that are designated for construction projects.

The remaining balance of $4,310,141 or 10% of total net assets represents unrestricted net assets. This may be used to meet the City's obligations to citizen’s and creditors in accordance with the finance-related legal requirements. At the end of the current fiscal year, the City reports positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

City of Bainbridge - Statement of Activities

	2010			2009*		
Revenues:	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Program revenues:						
Charges for services	$ 1,104,824	$ 7,474,420	$ 8,579,244	$ 1,071,437	$ 7,246,634	$ 8,318,071
Operating grants and contributions	-	-	-	132,541	-	132,541
Capital grants and contributions	2,951,778	-	2,951,778	1,032,920	-	1,032,920
General revenues:						
Property taxes	1,221,597	-	1,221,597	986,879	-	986,879
Other taxes	4,256,479	-	4,256,479	5,897,042	-	5,897,042
Other	25,734	49,130	74,864	197,723	37,161	234,884
Total revenues	9,560,412	7,523,550	17,083,962	9,318,542	7,283,795	16,602,337
Expense:						
General government	1,750,847	-	1,750,847	2,049,686	-	2,049,686
Public safety	4,164,879	-	4,164,879	3,810,214	-	3,810,214
Public works	1,878,137	-	1,878,137	1,841,913	-	1,841,913
Judicial	252,411	-	252,411	247,529	-	247,529
Community development	452,524	-	452,524	430,258	-	430,258
Leisure services	1,499,399	-	1,499,399	1,305,732	-	1,305,732
Water & sewer	-	2,385,120	2,385,120	-	2,531,592	2,531,592
Natural gas	-	2,078,238	2,078,238	-	2,114,842	2,114,842
Sanitation	-	1,330,932	1,330,932	-	1,538,960	1,538,960
Marina	-	-	-	-	261	261
Revolving loan	-	-	-	-	57,621	57,621
Telecommunications	-	235,194	235,194	-	-	-
Interest and fiscal charges on long-term debt	9,160	-	9,160	7,208	-	7,208
Total expenses	10,007,357	6,029,484	16,036,841	9,692,540	6,243,276	15,935,816
Increase (Decrease) in net assets before transfers	(446,945)	1,450,616	1,003,671	(373,998)	1,040,519	666,521
Transfers	2,014,458	(2,014,458)	-	(5,029,939)	5,029,939	-
Change in net assets	1,567,513	(520,392)	1,047,121	(5,403,937)	6,070,458	666,521
Nets assets, beginning of year, prior to restatement	18,401,776	25,569,171	43,970,947	23,805,713	19,498,713	43,304,426
Restatement	(357,481)	(176,988)	(534,469)	-	-	-
Net assets – beginning, after restatement	18,044,295	25,392,183	43,436,478	23,805,713	19,498,713	43,304,426
Nets assets, end of year	$19,611,808	$ 24,871,791	$44,483,599	$18,401,776	$25,569,171	$43,970,947

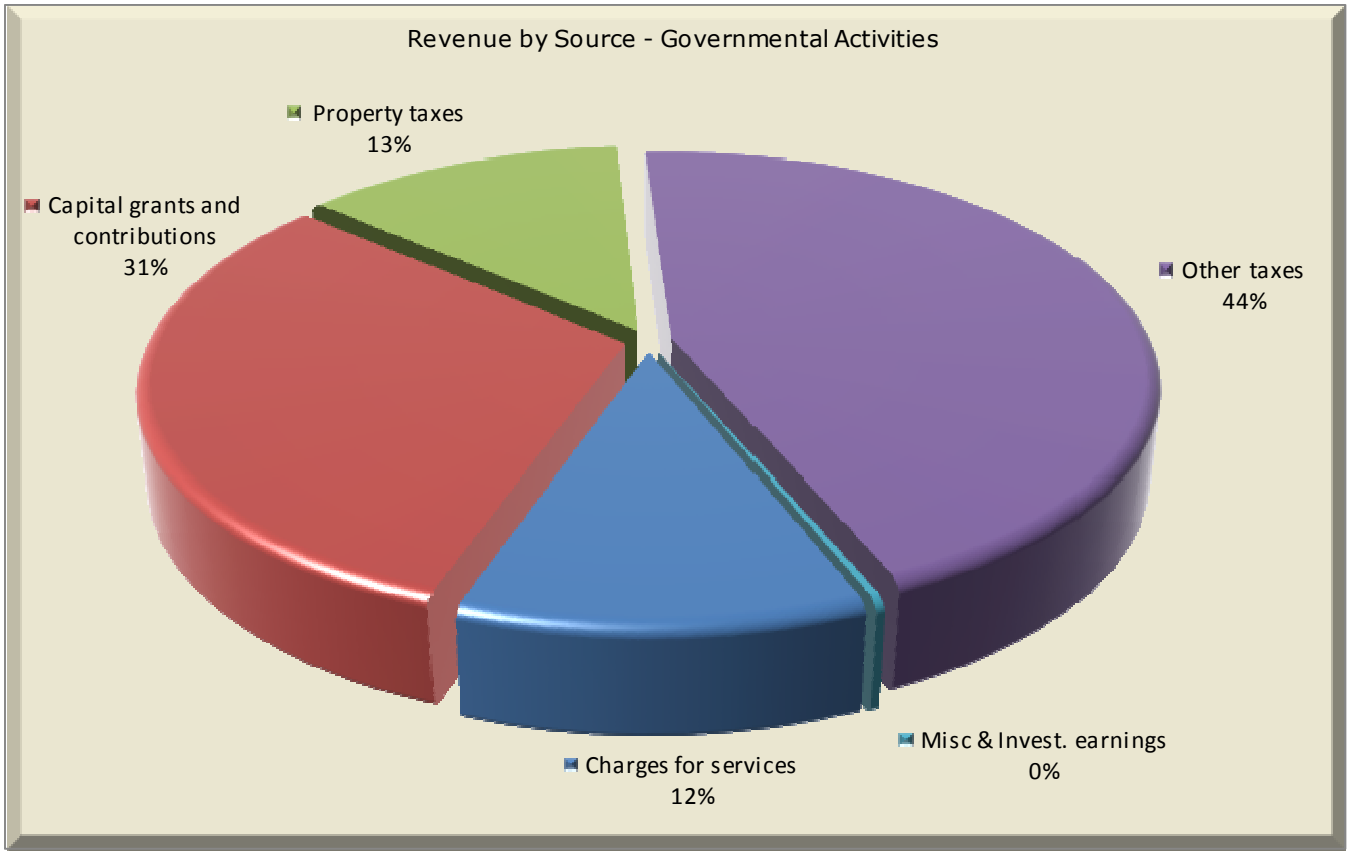
* Prior to restatement. See note 17.

Governmental activities.

The above statement shows the revenues and expenses by activities. Total revenue from governmental activities was $9,560,412 while expenses were $10,007,357 transfers from business-type activities amounted to $2,014,458 or 21% of total governmental funding.

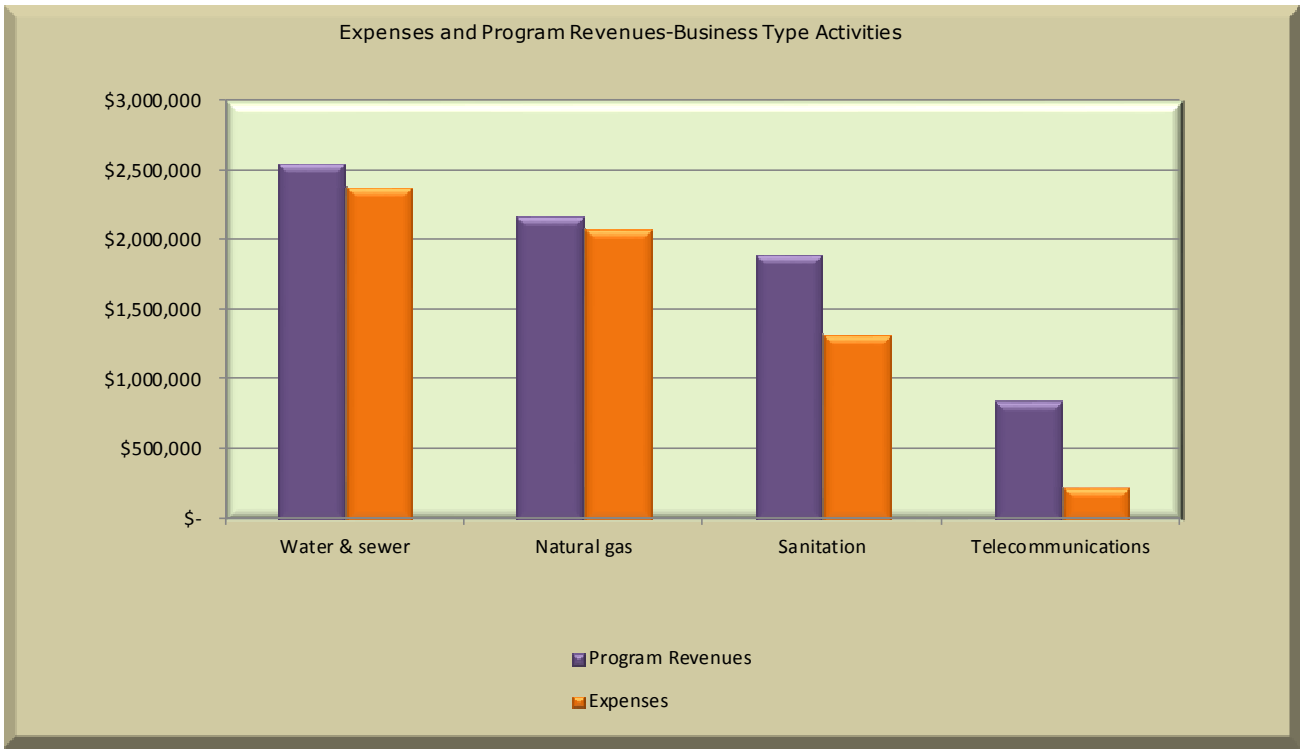
	2010	2009
Program Revenues:		
General Government	$ 197,214	$ 503,096
Public Safety	84,432	-
Public Works	2,758,357	1,032,920
Judicial	773,974	568,341
Community Development	57,699	132,541
Leisure Services	184,926	-
Total	$4,056,602	$2,236,898


Expenses and Program Revenues-Governmental Activities
$4,500,000
$4,000,000
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
General Government
Public Safety
Public Works
Judicial
Community Development
Leisure Services
Program Revenues
Expense


Revenue by Source - Governmental Activities
Property taxes 13%
Capital grants and contributions 31%
Other taxes 44%
Charges for services 12%
Misc & Invest. earnings 0%

Business-type activities.

Revenues from business-type activities totaled $7,523,550 and expenses totaled $6,029,484. The following graphs display the expenses and program revenues for business-type activities and the revenues by sources for business-type activities:



Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $4,569,197 a decrease of $368,882 as restated. Approximately 71% ($3,229,014) of this total amount constitutes unreserved fund balance, which is available for spending at the City's discretion subject to certain designations. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed for post-closure care of the city landfill and voter designated projects.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was $2,372,227, while the total fund balance reached $3,600,711. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 26% of total general fund expenditures, while total fund balance represents 40% of that same amount. The fund balance of the City's general fund decreased by $575,591 during the current fiscal year as restated.

Proprietary Funds.

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

Unrestricted net assets at the end of the year amounted to:

- $333,200 for the Water & Sewer fund.
- $681,948 for the Natural Gas fund.
- $405,806 for the Solid Waste (Sanitation) fund.
- $(841,984) for the Telecommunications fund.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively minor and can be briefly summarized as follows:

- Final annual matching of budget to actual.

These increases were funded by accumulated revenues in excess of expenditures in prior years.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business type activities as of September 30, 2010 amounts to $45,675,686 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and streets. The total increase in the City's investment in capital assets for the current fiscal year was 10% (a 20% increase for governmental activities and a 3% increase for business-type activities).

Major (over $50,000) capital asset events during the current fiscal year included the following:

- $181,353 current year addition for new Peterbuilt Cab & Chasses for Solid Waste.
- $110,891 current year addition for new Peterbuilt Dump/Knuckle boom trash truck for Solid Waste.
- $186,860 current year addition for new Bridgeport side loader for Solid Waste.
- $1,527,462 current year addition for sewage treatment plant update and sewer master plan improvements.

Government Wide Capital Assets

	Governmental Activities	Business-type Activities	Total
Land	$ 2,341,139	$ 109,267	$ 2,450,406
Building and improvements	7,935,161	32,136,876	40,072,037
Machinery and equipment	6,254,340	5,100,443	11,354,783
Infrastructure	6,262,858	-	6,262,858
Construction in progress	4,695,800	-	4,695,800
Accumulated depreciation	(6,585,551)	(12,574,647)	(19,160,198)
Total	$ 20,903,747	$ 24,771,939	$ 45,675,686

Long-term debt. At the end of the current fiscal year, the City had the following outstanding debt:

The City's total debt as restated increased by $2,072,559 or 47% during the current fiscal year. This net increase was due to the fact that the aggregate amount of new borrowings exceeded the reductions of principal amounts outstanding, during the current fiscal year. Specifically, during the year the Company entered into a loan agreement with the Georgia Environmental Authority (GEFA). The proceeds from this loan will be used for certain utility structure projects.

Additional information on the City's long-term debt can be found in note 8 of this report.

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the City is current 12.8%, which increased from a rate of 12.7% a year ago. This is slightly above the state's average unemployment rate of 10.2% and the national average unemployment rate of 9.6%.
- The occupancy rate of the City's central business district is 89%, slightly less than the prior year.

All of these factors were considered in preparing the City's budget for the 2009-2010 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Division of General Administration, P.O. Box 158, Bainbridge, GA 39818.

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BASIC FINANCIAL STATEMENTS

CITY OF BAINBRIDGE, GEORGIA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2010

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Convention and Visitor's Bureau	Total
Assets:						
Cash and cash equivalents	$ 843,972	$ 100,270	$ 944,242	$ 6,637	$ -	$ 6,637
Investments	689,367	867,213	1,556,580	362,752	-	362,752
Property held for resale	-	-	-	42,683	-	42,683
Receivables, net	2,781,424	821,741	3,603,165	-	7,176	7,176
Due from other governments	839,579	-	839,579	-	-	-
Due from primary government	-	-	-	-	43,980	43,980
Internal balances	1,060,577	(1,060,577)	-	-	-	-
Inventories	148,956	175,239	324,195	-	-	-
Prepaid items	32,931	56,403	89,334	-	-	-
Restricted assets	576,007	149,766	725,773	-	-	-
Capital assets, non depreciated	7,036,939	109,267	7,146,206	-	-	-
Capital assets, depreciated, net	13,866,808	24,662,672	38,529,480	-	-	-
Total assets	27,876,560	25,881,994	53,758,554	412,072	51,156	463,228
Liabilities:						
Accounts payable and other current liabilities	1,249,039	294,797	1,543,836	60	90	150
Due to component unit	43,980	-	43,980	-	-	-
Customer deposits	-	149,766	149,766	-	-	-
Unearned revenue	-	12,617	12,617	-	-	-
Noncurrent liabilities:						
Due within one year	853,786	88,937	942,723	-	-	-
Due in more than one year	6,117,947	464,086	6,582,033	-	-	-
Total liabilities	8,264,752	1,010,203	9,274,955	60	90	150
Net Assets						
Invested in capital assets, net of related debt	15,050,702	24,292,821	39,343,523	-	-	-
Restricted for:						
Economic development	12,126	-	12,126	-	-	-
Public safety	68,908	-	68,908	-	-	-
Capital projects	748,901	-	748,901	-	-	-
Unrestricted	3,731,171	578,970	4,310,141	412,012	51,066	463,078
Total net assets	$ 19,611,808	$ 24,871,791	$ 44,483,599	$ 412,012	$ 51,066	$ 463,078

See accompanying notes to financial statements.

CITY OF BAINBRIDGE, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

Functions/Programs	Expenses	Program Revenue: Charges for Services	Program Revenue: Operating Grants and Contributions	Program Revenue: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: DDA	Component Units: CVB	Component Units: Total
Primary Government										
Governmental activities:										
General government	$ 1,750,847	$ 79,304	$ -	$ 117,910	$ (1,553,633)	$ -	$ (1,553,633)			
Judicial	252,411	773,974	-	-	521,563	-	521,563			
Public works	1,878,137	-	-	2,758,357	880,220	-	880,220			
Leisure services	1,499,399	184,926	-	-	(1,314,473)	-	(1,314,473)			
Public safety	4,164,879	8,921	-	75,511	(4,080,447)	-	(4,080,447)			
Community development	452,524	57,699	-	-	(394,825)	-	(394,825)			
Interest & fiscal charges on long-term debt	9,160	-	-	-	(9,160)	-	(9,160)			
Total governmental activities	10,007,357	1,104,824	-	2,951,778	(5,950,755)	-	(5,950,755)			
Business-type activities:										
Water and sewer	2,385,120	2,551,868	-	-	-	166,748	166,748			
Natural gas	2,078,238	2,171,834	-	-	-	93,596	93,596			
Sanitation	1,330,932	1,895,444	-	-	-	564,512	564,512			
Telecommunications	235,194	855,274	-	-		620,080	620,080			
Total business-type activities	6,029,484	7,474,420	-	-	-	1,444,936	1,444,936			
Total Primary Government	$ 16,036,841	$ 8,579,244	$ -	$ 2,951,778	(5,950,755)	1,444,936	(4,505,819)			
Component Units:										
Downtown Development Authority	$ 4,035	$ -	$ 11,927	$ -				$ 7,892	$ -	$ 7,892
Convention and Visitor's Bureau	60,843	-	100,838	-				-	39,995	39,995
Component units	$ 64,878	$ -	$ 112,765	$ -				7,892	39,995	47,887
General Revenues:										
Property taxes					1,221,597	-	1,221,597	-	-	-
Sales tax					1,938,966	-	1,938,966	-	-	-
Insurance premium tax					631,016	-	631,016	-	-	-
Alcohol taxes					325,923	-	325,923	-	-	-
Hotel/motel tax					101,575	-	101,575	-	-	-
Franchise taxes					916,011	-	916,011	-	-	-
Business taxes					342,988	-	342,988	-	-	-
Unrestricted investment earnings					25,734	19,046	44,780	-	-	-
Gain on sale of capital assets					-	30,084	30,084	-	-	-
Transfers					2,014,458	(2,014,458)	-	-	-	-
Total general revenues and transfers					7,518,268	(1,965,328)	5,552,940	-	-	-
Change in net assets					1,567,513	(520,392)	1,047,121	7,892	39,995	47,887
Net assets - beginning, prior to restatement					18,401,776	25,569,171	43,970,947	404,120	11,071	415,191
Restatement					(357,481)	(176,988)	(534,469)	-	-	-
Net assets - beginning, after restatement					18,044,295	25,392,183	43,436,478	-	-	-
Net assets - ending					$ 19,611,808	$ 24,871,791	$ 44,483,599	$ 412,012	$ 51,066	$ 463,078

See accompanying notes to financial statements

CITY OF BAINBRIDGE, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010

	General Fund	SPLOST 4	SPLOST 5	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	$ 725,227	$ 10,879	$ 495,149	$ 103,232	$ 1,334,487
Investments	662,515	-	10,175	26,852	699,542
Receivables, net	2,657,234	-	-	124,190	2,781,424
Prepaid items	32,791	-	-	-	32,791
Due from other funds	523,179	4	18,153	-	541,336
Advances to other funds	860,160	-	-	-	860,160
Inventories	90,149	-	-	-	90,149
Due from other governments	-	229,391	610,188	-	839,579
Total assets	$ 5,551,255	$240,274	$1,133,665	$ 254,274	$ 7,179,468
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	$ 267,800	$128,804	$ 376,889	$ 16,428	$ 789,921
Retainage payable	-	-	86,003	-	86,003
Accrued liabilities	166,978	-	-	-	166,978
Due to other funds	97,088	33,342	-	16,142	146,572
Due to component unit	41,861	-	-	2,119	43,980
Deferred revenue	1,376,817	-	-	-	1,376,817
Total liabilities	1,950,544	162,146	462,892	34,689	2,610,271
Fund Balances:					
Reserved for:					
Prepaids	32,791	-	-	-	32,791
Projects	335,533	-	-	-	335,533
Notes receivable	-	-	-	111,699	111,699
Advances	860,160	-	-	-	860,160
Unreserved, reported in:					
General fund	2,372,227	-	-	-	2,372,227
Capital project funds	-	78,128	670,773	-	748,901
Special revenue funds	-	-	-	107,886	107,886
Total fund balances	3,600,711	78,128	670,773	219,585	4,569,197
Total liabilities and fund balances	$ 5,551,255	$240,274	$1,133,665	$ 254,274	

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.	20,903,747
Revenue earned but unavailable is not reported in the funds.	1,376,817
Internal Service Funds are used by management to charge the cost of employee health care self-insurance and the city shop to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets	(266,220)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Unmatured notes and leases	(5,964,744)
Accrued interest payable	(265,186)
Accrued compensated absences	(455,173)
Landfill post-closure care obligation	(286,630)
Net assets of governmental activities	$ 19,611,808

See accompanying notes to financial statements.

CITY OF BAINBRIDGE, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	General Fund	SPLOST 4	SPLOST 5	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 5,211,722	$ -	$ -	$ 101,575	$ 5,313,297
Licenses and permits	57,699	-	-	-	57,699
Intergovernmental	150,342	1,003,013	1,725,693	60,275	2,939,323
Charges for services	268,820	-	-	-	268,820
Fines and forfeitures	641,497	-	-	-	641,497
Investment earnings	20,381	2,702	4,517	5,353	32,953
Other	45,273	-	-	-	45,273
Total revenues	6,395,734	1,005,715	1,730,210	167,203	9,298,862
Expenditures:					
Current:					
General government	1,609,414	-	-	-	1,609,414
Public safety	3,942,984	-	-	31,757	3,974,741
Public works	1,534,749	-	-	-	1,534,749
Community development	452,524	-	-	-	452,524
Judicial	252,411	-	-	-	252,411
Culture and recreation	1,152,598	-	-	40,630	1,193,228
Capital projects	-	1,793,424	3,400,620	-	5,194,044
Debt service	83,303	-	84,458	57,539	225,300
Total expenditures	9,027,983	1,793,424	3,485,078	129,926	14,436,411
Excess (deficiency) of revenues over (under) expenditures	(2,632,249)	(787,709)	(1,754,868)	37,277	(5,137,549)
Other financing sources (uses):					
Transfers in	2,032,048	-	-	903,610	2,935,658
Transfers out	-	-	-	(61,040)	(61,040)
Debt issued	-	-	1,869,439	-	1,869,439
Sale of capital assets	24,610	-	-	-	24,610
Total other financing sources (uses)	2,056,658	-	1,869,439	842,570	4,768,667
Net change in fund balance	(575,591)	(787,709)	114,571	879,847	(368,882)
Fund balance at beginning of year, before restatement	5,513,718	865,837	442,969	(793,800)	6,028,724
Restatement	(1,337,416)	-	113,233	133,538	(1,090,645)
Fund balance at beginning of year, as restated	4,176,302	865,837	556,202	(660,262)	4,938,079
Fund balance at end of year	$ 3,600,711	$ 78,128	$ 670,773	$ 219,585	$ 4,569,197

See accompanying notes to financial statements.

CITY OF BAINBRIDGE, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

Net change in fund balances - total governmental funds		$ (368,882)
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 and reported as depreciation expense. When assets are sold or retired, the difference between the sales proceeds, if any, and the net book value of the assets is reported in the statement of activities as a gain or loss.		
Depreciation expense	(800,198)	
Capital outlays	5,009,086	
Capital contributions	15,236	4,224,124
The net effect of various miscellaneous transactions involving capital assets (contributions to Business-Type Activities) is to decrease net assets.		(860,160)
The issuance of long-term debt provides current financial resources and the repayment of principal on long-term debt consumes current financial resources in the governmental funds.		
Proceeds from capital leases	(1,869,439)	
Matured principal on capital leases payable	140,447	
Matured principal on notes payable	48,379	(1,680,613)
The net effect of revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		287,256
Internal Service Funds are used by management to charge the costs of employee health care self-insurance and the city shop to individual funds.		51,926
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 the governmental funds.		
Accrued interest expense	(68,867)	
Accrued compensated absences	(27,613)	
Landfill post-closure care	10,342	(86,138)
Change in net assets of governmental activities		$ 1,567,513

See accompanying notes to financial statements.

CITY OF BAINBRIDGE, GEORGIA
PROPRIETARY FUNDS
BALANCE SHEET
SEPTEMBER 30, 2010

	Enterprise Funds Major					
	Water Sewer	Natural Gas	Sanitation	Telecommunications	Totals	Internal Service Funds
ASSETS						
Current assets:						
Cash	$ 14,075	$ -	$ -	$ 86,195	$ 100,270	$ 75,317
Investments	359	601,210	265,644	-	867,213	-
Restricted assets:						
Investments	116,931	32,835	-	-	149,766	-
Receivables, net						
Utility accounts	307,850	122,292	163,646	-	593,788	-
Other	20,053	-	-	207,900	227,953	-
Due from other funds	4,859	59,347	37,679	-	101,885	16,505
Notes receivable, net	-	-	-	-	-	-
Inventory	122,119	43,414	9,706	-	175,239	58,807
Prepaid expenses	38,968	14,939	2,496	-	56,403	140
Total current assets	625,214	874,037	479,171	294,095	2,272,517	150,769
Noncurrent assets:						
Property, plant and equipment, net	19,340,144	2,982,473	1,604,707	844,615	24,771,939	63,358
Total noncurrent assets	19,340,144	2,982,473	1,604,707	844,615	24,771,939	63,358
Total assets	$19,965,358	$3,856,510	$ 2,083,878	$ 1,138,710	$27,044,456	$ 214,127
LIABILITIES AND FUND EQUITY						
Current liabilities:						
Accounts payable	$ 30,436	$ 131,986	$ 37,386	$ 43,478	$ 243,286	$ 169,784
Customer deposits	116,931	32,835	-	-	149,766	-
Accrued liabilities	24,060	8,309	19,142	-	51,511	9,301
Unearned revenue	12,617	-	-	-	12,617	-
Due to other funds	67,992	71	1,798	232,441	302,302	210,852
Advances from other funds	-	-	-	860,160	860,160	-
Capital leases - current	-	-	88,937	-	88,937	-
Total current liabilities	252,036	173,201	147,263	1,136,079	1,708,579	389,937
Long-term liabilities (net of current portion):						
Accrued compensated absences	39,978	18,888	15,039	-	73,905	27,052
Capital lease obligations	-	-	390,181	-	390,181	-
Total long-term liabilities	39,978	18,888	405,220	-	464,086	27,052
Total liabilities	292,014	192,089	552,483	1,136,079	2,172,665	416,989
Fund equity:						
Invested in capital assets, net of related debt	19,340,144	2,982,473	1,125,589	844,615	24,292,821	63,358
Unrestricted	333,200	681,948	405,806	(841,984)	578,970	(266,220)
Total fund equity	19,673,344	3,664,421	1,531,395	2,631	24,871,791	(202,862)
Total liabilities and fund equity	$19,965,358	$3,856,510	$ 2,083,878	$ 1,138,710	$27,044,456	$ 214,127

See accompanying notes to financial statements.

CITY OF BAINBRIDGE, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Enterprise Funds					
	Major					
	Water Sewer	Natural Gas	Sanitation	Telecommunications	Totals	Internal Service Funds
Operating revenues:						
Charges for services	$ 2,541,723	$2,061,095	$1,895,444	$ -	$ 6,498,262	$ 738,195
Contributions	-	-	-	-	-	1,794,309
Lease income	-	-	-	854,748	854,748	-
Other	10,145	110,739	-	526	121,410	1,012
Total operating revenues	2,551,868	2,171,834	1,895,444	855,274	7,474,420	2,533,516
Operating expenses:						
Personal services	908,476	336,644	428,066	-	1,673,186	412,059
Operating	933,510	1,661,314	743,167	189,127	3,527,118	319,141
Depreciation	543,134	80,280	148,148	46,067	817,629	8,007
Benefits and claims	-	-	-	-	-	1,742,556
Total operating expenses	2,385,120	2,078,238	1,319,381	235,194	6,017,933	2,481,763
Operating income	166,748	93,596	576,063	620,080	1,456,487	51,753
Nonoperating revenues (expenses):						
Gain (loss) on sale of capital assets	20,104	-	9,980	-	30,084	-
Interest income	2,674	13,391	1,980	1,001	19,046	173
Interest expense	-	-	(11,551)	-	(11,551)	-
Total nonoperating revenues (expenses)	22,778	13,391	409	1,001	37,579	173
Income before contributions and transfers	189,526	106,987	576,472	621,081	1,494,066	51,926
Contributed capital	-	-	-	860,160	860,160	-
Transfers in	50,031	-	-	-	50,031	-
Transfers out	(724,960)	(278,596)	(442,483)	(1,478,610)	(2,924,649)	-
Increase (decrease) in fund equity	(485,403)	(171,609)	133,989	2,631	(520,392)	51,926
Fund equity at beginning of year	20,158,747	3,836,030	1,397,406	-	25,392,183	(254,788)
Fund equity at end of year	$19,673,344	$3,664,421	$1,531,395	$ 2,631	$24,871,791	$ (202,862)

See accompanying notes to financial statements.

CITY OF BAINBRIDGE, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Enterprise Funds Major					
	Water Sewer	Natural Gas	Sanitation	Telecommunications	Totals	Internal Service Funds
Cash flows from (to) operating activities:						
Cash received from customers	$2,608,354	$2,105,701	$1,958,074	$ 881,674	$7,553,803	$ 2,522,913
Cash payments for goods and services	(1,059,503)	(1,609,038)	(743,366)	(147,508)	(3,559,415)	(313,269)
Cash payments for employee services and fringe benefits	(902,409)	(334,902)	(419,832)	-	(1,657,143)	(2,159,458)
Net cash from (to) operating activities	646,442	161,761	794,876	734,166	2,337,245	50,186
Cash flows from (to) noncapital financing activities:						
Transfers in	50,031	-	-	-	50,031	-
Transfers out	(724,960)	(278,596)	(442,483)	(618,450)	(2,064,489)	-
Net cash from (to) noncapital financing activities	(674,929)	(278,596)	(442,483)	(618,450)	(2,014,458)	-
Cash flows from (to) capital and related financing activities:						
Interest paid	-	-	(11,551)	-	(11,551)	-
Payments for capital acquisitions	-	-	-	(30,522)	(30,522)	-
Principal payments on long-term obligations	-	-	(87,172)	-	(87,172)	-
Proceeds sale of assets	20,916	-	9,994	-	30,910	-
Net cash from (to) capital and related financing activities	20,916	-	(88,729)	(30,522)	(98,335)	-
Cash flows from (to) investing activities:						
Proceeds from investments	4,968	103,444	-	-	108,412	-
Investment purchases	-	-	(265,644)	-	(265,644)	-
Interest received from investments	2,674	13,391	1,980	1,001	19,046	173
Net cash from (to) investing activities	7,642	116,835	(263,664)	1,001	(138,186)	173
Net increase (decrease) in cash	71	-	-	86,195	86,266	50,359
Cash at beginning of year (including $14,004 in restricted cash)	14,004	-	-	-	14,004	24,958
Cash at end of year (including $0 in restricted cash)	$ 14,075	$ -	$ -	$ 86,195	$ 100,270	$ 75,317

See accompanying notes to financial statements.
Continued on next page.

CITY OF BAINBRIDGE, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONT'D)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Enterprise Funds					
	Major					
	Water Sewer	Natural Gas	Sanitation	Telecommunications	Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash from operating activities:						
Operating income (loss)	$ 166,748	$ 93,596	$576,063	$ 620,080	$1,456,487	$ 51,753
Adjustments to reconcile operating income to net cash from operating activities:						
Depreciation	543,134	80,280	148,148	46,067	817,629	8,007
Change in assets and liabilities:						
(Increase) decrease in accounts receivable	62,157	(11,527)	68,944	26,400	145,974	-
(Increase) decrease in prepaid expenses	1,228	3,113	3,596	-	7,937	158
(Increase) decrease in inventory	19,120	530	(3,977)	-	15,673	(10,603)
(Increase) decrease in due from other funds	(676)	(52,767)	(6,314)	-	(59,757)	2,860
Increase (decrease) in accounts payable	(948)	48,562	6,021	42,028	95,663	(12,616)
Increase (decrease) in accrued interest payable	(2,018)	-	(1,735)	-	(3,753)	
Increase (decrease) in accrued liabilities	6,067	1,742	8,234	-	16,043	(3,276)
Increase (decrease) in deferred revenue	65	-	-	-	65	-
Increase (decrease) in due to other funds	(143,375)	71	(4,104)	(409)	(147,817)	13,903
Increase (decrease) in customer deposits	(5,060)	(1,839)	-	-	(6,899)	-
Net cash from (to) operating activities	$ 646,442	$161,761	$794,876	$ 734,166	$2,337,245	$ 50,186
Supplemental disclosure of cash flow information:						
Cash paid during the year for interest	$ -	$ -	$ 11,551	$ -	$ 11,551	$ -

Supplemental disclosure of noncash investing and financing activities:
Capital assets totaling $860,160 were contributed to the Telecommunications Fund from Governmental Activities.
Net assets totaling $(903,610) were transferred from the Capital Projects Telecommunications Fund to the Telecommunications Enterprise Fund.
Capital assets totaling $479,104 were purchased in the Sanitation Fund by entering into capital lease agreements.

See accompanying notes to financial statements.
Continued from previous page.

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The accounting methods and procedures adopted by the City of Bainbridge, Georgia, conform to generally accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the City's Annual Financial Report.

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City was created in 1824 and operates under an elected Mayor/Council (Board of Aldermen) form of government. The City's major operations include public safety, community development, highways and streets, water, sewage, natural gas, telecommunications, sanitation, public improvements, and general administrative services.

The financial statements of the reporting entity include those of the City of Bainbridge (the primary government) and its component units. The component units discussed below are included in the reporting entity because of the financial relationship with the City.

In accordance with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14. "The Financial Reporting Entity", the financial statements of the City's component units have been included as discretely presented component units due to financial accountability. The fiscal year ended of the component units is September 30. Financial information of the component units is reported in separate columns from the City's financial information to emphasize that they are legally separate from the city. A brief description of the discretely presented component units is as follows:

Downtown Development Authority: The Downtown Development Authority was created by the City of Bainbridge, pursuant to the resolution of the Georgia General Assembly on January 15, 1981. The purpose of the Authority is the redevelopment of the downtown Bainbridge district. The City's Board of Aldermen appoints all members of the Authority and is able to impose its will on the Authority. The Authority did not issue separate Component Unit Financial Statements. Financial information for the Authority is included in the City of Bainbridge's Annual Financial Report.

Bainbridge Convention and Visitors Bureau: The Bainbridge Convention and Visitors Bureau was created by the City of Bainbridge, pursuant to the resolution of the Georgia General Assembly. The purpose of the Authority is to promote tourism, conventions, and trade shows within the area. The City's Board of Aldermen approves the annual budget of the Bureau and provided the majority of the Bureau's resources for current year expenses. The Bureau did not issue separate Component Unit Financial Statements. Financial information for the Bureau is included in the City of Bainbridge's Annual Financial Report.

Related Organizations: The Bainbridge Housing Authority is a related organization which has not been included in the reporting entity. The Authority is a legally separate entity having a board composed of some members appointed by the City. The City does not have the ability to impose its will or have a financial benefit or burden relationship with the Authority. A copy of the Authority's annual financial report is available at 108 South Sims Street, Bainbridge, Georgia 39817.

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 of the nonfiduciary activities of the primary government and its component units. 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 the legally separate *component units* for which the primary government is financially accountable. The City's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. The City first utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Separate financial statements are provided for governmental funds and proprietary funds. 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 government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 to be *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 property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period and all intergovernmental revenues to be available if they are collected within 6 months of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when a payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

SPLOST 4 - The SPLOST 4 fund is used to account for the proceeds of a 1 percent local option sales tax approved for various projects throughout the City.

SPLOST 5 - The SPLOST 5 fund is used to account for the proceeds of a 1 percent local option sales tax approved for various projects throughout the City.

The City reports the following major proprietary funds:

Water and Sewer Fund - The Water and Sewer fund accounts for the activities of the sewage treatment plant, sewage pumping stations and collection systems, and the water distribution system.

Sanitation Fund –The Sanitation Fund accounts for the activities of refuse collection and delivery to the Decatur County landfill, including tipping fees.

Natural Gas Fund –The Natural Gas Fund accounts for the activities of the City's natural gas distribution system.

Telecommunications Fund –The Telecommunications Fund accounts for the leasing of the telecommunications infrastructure.

Additionally, the City reports the following fund types:

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

Capital Projects Funds - These funds are used to account for financial resources to be used for the acquisition, renovation, and construction of major capital assets (other than those financed by proprietary funds).

Internal Service Funds - The Internal Service Funds account for services performed by a central service department for other departments of the governmental unit.

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 government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from government-wide financial statements. Exceptions to this general rule are charges between the government's funds. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Budgets and Budgetary Accounting

An operating budget consistent with generally accepted accounting principles is legally adopted each fiscal year for the General Fund and Special Revenue Funds. Capital Projects Funds adopt project length budgets.

The City generally follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed operating budget including proposed expenditures and the means of financing them is submitted to the Board of Aldermen and the citizens by the City Manager.

2. A public hearing on the budget is held, giving notice thereof at least ten days in advance.

3. The budget is then revised and adopted by the Board of Aldermen before September 30 of each year.

4. The level of control (the level at which expenditures may not legally exceed appropriations) for each of the above adopted budgets is at the department level. The City's Manager may make transfers of appropriations within a department. Transfers of appropriations between functions require the approval of the Mayor and the Board of Aldermen.

Budgeted amounts reflected in the accompanying budget and actual comparisons are as originally adopted, or as amended, by the Board of Aldermen. Individual amendments were not material in relation to the original appropriations which were amended.

Unencumbered appropriations lapse at year end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments in excess of $1,000 for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Projects 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. There were no open purchase orders in excess of $1,000 as of September 30, 2010.

E. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of eighteen months or less from the date of acquisition. For the purpose of the statement of cash flows, cash and cash equivalents include short-term investment with original maturities of eighteen months or less from the date of acquisition.

All of the City's investments are held with banks in certificate of deposits and money market accounts. Investments for the City are reported at fair value.

F. Short-Term/Long-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds."

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

G. Inventories

Inventories are valued at the lower of average cost or market. Inventories of the government, for both governmental fund types and proprietary fund types, are recorded as expenditures when consumed rather than when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the current fiscal period are recorded as prepaid items. The consumption method is used to account for prepaid items within the City's funds.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The capitalization threshold for capital assets is $5,000.

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 capitalized value of the assets constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. Depreciation has been calculated on an estimated useful life as follows:

Buildings	25-50 years
Improvements	25 years
System Improvements	30 years
Vehicles and equipment	5-15 years
Infrastructure	25-50 years

J. Compensated Absences

Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide and proprietary financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. A liability in the governmental funds is reported only if the benefit has matured.

Accumulated sick pay benefits for City employees have not been recorded as a liability because the payment of the benefits is contingent upon the future illness of an employee. It is not expected that any unrecorded sick pay benefits will exceed a normal year's accumulation.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary funds 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 statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method straight-line basis. Bonds payable are reported net of the 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 funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. 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.

L. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or are legally segregated for a specific future use. Designations of fund balance represent tentative plans for future use of financial resources.

M. Use of Estimates

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.

(2) DEPOSITS AND INVESTMENTS

Custodial credit risk – deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The City reduces its exposure to custodial credit risk by requiring deposits to be collateralized in accordance with state law, which requires uninsured deposits to be collateralized at 110%. As of September 30, 2010, the City was exposed to custodial credit risk. The City had deposits totaling $189,635 that were uninsured and uncollateralized.

Credit and interest rate risk - investments

The City invests surplus funds in certificates of deposits and other government-backed or collateralized instruments provided for by State law. The City does not have a formal investment policy that limits investment maturities as a means to manage its exposure to losses arising from interest rates.

At September 30, 2010, the City had the following investments:

Primary Government	Total Fair Value	Weighted Average Maturity (years)
Money Market Accounts	$ 833,326	N/A
Certificate of Deposits	883,195	1.25
Total	$ 1,716,521	
Component Unit		
Money Market Accounts	$ 63,228	N/A
Certificate of Deposit	299,524	0.5
Total	$ 362,752	

$159,941 of the investments of the primary government are grouped in restricted assets.

See also Note 1 for disclosure of the types of investments authorized by legal provisions.

Concentration of credit risk

The City does not have a formal policy addressing concentration of credit risk.

(3) RECEIVABLES

Receivables at September 30, 2010 consist of the following:

	Taxes and Fines	Utility Accounts	Other	Allowance for Uncollectibles	Net Receivables
General Fund	$ 2,680,234	$ -	$ -	$ (23,000)	$ 2,657,234
Water and Sewer Fund	-	317,850	20,053	(10,000)	327,903
Sanitation Fund	-	173,646	-	(10,000)	163,646
Natural Gas Fund	-	132,292	-	(10,000)	122,292
Telecommunications Fund	-	-	207,900	-	207,900
Nonmajor Funds:					
Special Revenue Funds	12,491	-	111,699	-	124,190
Total	$ 2,692,725	$ 623,788	$ 339,652	$ (53,000)	$ 3,603,165

(4) DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at September 30, 2010 consist of the following:

	Decatur County, GA	State of Georgia Department of Transportation	Other	Total
SPLOST 4 Fund	$ -	$ 229,391	$ -	$ 229,391
SPLOST 5 Fund	577,819	-	32,369	610,188
	$ 577,819	$ 229,391	$ 32,369	$ 839,579

(5) INTERFUND RECEIVABLES, ADVANCES, AND TRANSFERS

Interfund receivable and payable balances for the fiscal year ended September 30, 2010 are summarized as follows:

	RECEIVABLE TO							
PAYABLE FROM	General Fund	SPLOST 4 Fund	SPLOST 5 Fund	Water and Sewer Fund	Sanitation Fund	Natural Gas Fund	Internal Service Funds	Total
General Fund	$ -	$ -	$ 62	$ -	$ 37,679	$ 59,347	$ -	$ 97,088
SPLOST 4 Fund	10,392	-	18,091	4,859	-	-	-	33,342
Water and Sewer Fund	53,352	-	-	-	-	-	14,640	67,992
Sanitation Fund	-	-	-	-	-	-	1,798	1,798
Natural Gas Fund	-	4	-	-	-	-	67	71
Telecommunication Fund	232,441	-	-	-	-	-	-	232,441
Internal Service Funds	210,852	-	-	-	-	-	-	210,852
Nonmajor Governmental Funds	16,142	-	-	-	-	-	-	16,142
Total	$ 523,179	$ 4	$ 18,153	$ 4,859	$ 37,679	$ 59,347	$ 16,505	$ 659,726

Generally, 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 at year-end, and other miscellaneous receivables/payables between funds. These balances are expected to be repaid within one year.

Advances from/to other funds for the current year were as follows:

ADVANCES FROM	ADVANCES TO Telecommunications Fund
General Fund	$ 860,160

None of the balance is specifically scheduled to be repaid in the subsequent year.

Interfund transfers for the current year were as follows:

	TRANSFER OUT FROM					
TRANSFER IN TO	Water and Sewer Fund	Sanitation Fund	Natural Gas Fund	Telecommunication Fund	Nonmajor Governmental Funds	Total
General Fund	$ 724,960	$ 442,483	$ 228,565	$ 575,000	$ 61,040	$ 2,032,048
Water and Sewer Fund	-	-	50,031	-	-	50,031
Nonmajor Governmental Funds	-	-	-	903,610	-	903,610
Total	$ 724,960	$ 442,483	$ 278,596	$ 1,478,610	$ 61,040	$ 2,985,689

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, maintaining debt service on a routine basis, or in accordance with budgetary authorizations.

(6) RESTRICTED ASSETS

The City's restricted assets at September 30, 2010 consist of the following:

Governmental Funds	Total
General Fund:	
Appearance bond deposits	$ 47,678
Capital Projects Funds:	
SPLOST 4 cash	10,879
SPLOST 5 cash and investments	505,324
Nonmajor governmental funds:	
Revolving loan cash proceeds	12,126
Total governmental funds	$ 576,007
Proprietary Funds	
Water and Sewer Fund:	
Customer deposits	$ 116,931
Natural Gas Fund:	
Customer deposits	32,835
Total proprietary funds	$ 149,766

(7) CAPITAL ASSETS

Capital asset activity for the period ended September 30, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 2,341,139	$ -	$ -	$ 2,341,139
Construction in progress	1,322,914	4,478,693	(1,105,807)	4,695,800
Total capital assets not being depreciated	3,664,053	4,478,693	(1,105,807)	7,036,939
Capital assets, being depreciated:				
Buildings and improvements	7,896,711	38,450	-	7,935,161
Machinery and equipment	5,841,042	544,818	(131,520)	6,254,340
Infrastructure	6,054,850	208,008	-	6,262,858
Total capital assets being depreciated	19,792,603	791,276	(131,520)	20,452,359
Less accumulated depreciation for:				
Buildings and improvements	(1,909,472)	(205,194)	-	(2,114,666)
Vehicles and equipment	(3,418,208)	(348,202)	131,520	(3,634,890)
Infrastructure	(581,186)	(254,809)	-	(835,995)
Total accumulated depreciation	(5,908,866)	(808,205)	131,520	(6,585,551)
Total capital assets being depreciated, net	13,883,737	(16,929)	-	13,866,808
Governmental activities capital assets, net	$ 17,547,790	$ 4,461,764	$ (1,105,807)	$ 20,903,747
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 13,870	$ 95,397	$ -	109,267
Capital assets, being depreciated:				
Buildings and plant in service	31,520,638	616,238	-	32,136,876
Machinery and equipment	4,443,104	657,339	-	5,100,443
Total capital assets being depreciated	35,963,742	1,273,577	-	37,237,319
Less accumulated depreciation for:				
Buildings and plant in service	(9,852,227)	(570,121)	-	(10,422,348)
Machinery and equipment	(1,904,790)	(247,509)	-	(2,152,299)
Total accumulated depreciation	(11,757,017)	(817,630)	-	(12,574,647)
Total capital assets being depreciated, net	24,206,725	455,947	-	24,662,672
Business-type activities capital assets, net	$ 24,220,595	$ 551,344	$ -	$ 24,771,939

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

Governmental activities:	
General government	$ 246,347
Public safety	214,095
Public works, including depreciation of general infrastructure	208,610
Leisure services	131,146
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	8,007
Total depreciation expense - governmental activities	$ 808,205
Business-type activities:	
Water and sewer	$ 543,135
Sanitation	148,148
Gas	80,280
Telecommunications	46,067
Total depreciation expense - business-type activities	$ 817,630

(8) LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term liabilities for the year ended September 30, 2010:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Note payable	$3,345,201	$1,443,995	$ -	$4,789,196	$ -
Leases payable	778,852	425,444	(140,447)	1,063,849	198,238
Intergovernmental contract	160,078	-	(48,379)	111,699	111,699
Landfill post closure care	296,972	-	(10,342)	286,630	12,853
Accrued interest payable	196,319	137,734	(68,867)	265,186	265,186
Compensated absences	427,560	27,613	-	455,173	265,810
Governmental activities long-term liabilities	$5,204,982	$2,034,786	$ (268,035)	$6,971,733	$ 853,786
Business-type activities:					
Leases payable	$ 87,172	$ 479,118	$ (87,172)	$ 479,118	$ 88,937
Compensated absences	76,986	6,215	(9,296)	73,905	-
Business-type activities long-term liabilities	$ 164,158	$ 485,333	$ (96,468)	$ 553,023	$ 88,937

For governmental activities, compensated absences are typically liquidated in the General Fund.

Governmental activities:

Note Payable

During September 2008, the City entered into a loan agreement with the Georgia Environmental Facilities Authority (GEFA). The debt proceeds from this loan will be used for the installation of automated meter reading for the gas and water meters, new water lines, and pump stations with appurtenances. In addition, the funds will be used for construction of sewer extension projects and capital improvements to the wastewater treatment plant.

The principal and interest on this note is payable in 239 consecutive monthly installments equal to the installment amount, commencing on the first day of the calendar month following the amortization commencement date which has not occurred. The note bears interest at a rate of 4.27% annually.

Leases Payable

The City leases equipment and vehicles with original costs totaling $1,122,851 through the Georgia Municipal Association Lease Pool. Interest rates on the leases range from 2.94% to 3.64%. Accumulated depreciation related to these assets at September 30, 2010 is $59,002.

Debt service requirements to maturity for governmental activities are as follows:

Governmental - Leases payable

Year Ending September 30,	Principal	Interest	Total
2011	$ 198,238	$ 36,823	$ 235,061
2012	205,573	29,488	235,061
2013	212,060	23,001	235,061
2014	68,152	16,306	84,458
2015	70,633	13,825	84,458
2016-2020	309,193	28,638	337,831
Total	$ 1,063,849	$ 148,081	$ 1,211,930

Intergovernmental Contract

In a prior year the City had received local revolving loan funds from the Georgia Department of Community Affairs. The funding was being repaid to the State in annual increments corresponding to payments received by the City from the entity who had participated in the loan program with the City. Subsequent to year end, the City received payment for the outstanding loan amount and then remitted this funding to the State to relieve the City's outstanding liability.

Business-type Activities:

Leases Payable

The City leased equipment and vehicles with original costs totaling $479,104 through the Georgia Municipal Association Lease Pool. Interest rates on the leases range from 3.18% to 3.63%. Accumulated depreciation related to these assets at September 30, 2010 is $47,910.

Debt service requirements to maturity for business-type activities are as follows:

Business-type - Leases payable

Year Ending September 30,	Principal	Interest	Total
2011	$ 88,937	$ 16,743	$ 105,680
2012	92,866	12,814	105,680
2013	95,916	9,764	105,680
2014	99,065	6,615	105,680
2015	102,334	3,360	105,694
Total	$ 479,118	$ 49,296	$ 528,414

(9) LANDFILL POST CLOSURE CARE

State and federal laws and regulations require that the City of Bainbridge place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. A liability has been recognized based on the expected future post-closure care costs that will be incurred. The recognition of these landfill post-closure care costs has been accrued in full because the landfill is no longer accepting waste. The estimated liability for landfill post-closure care costs is $286,630 as of September 30, 2010, which is based on 100% usage (filled) of the landfill. This landfill was operated and accounted for in the general fund prior to the City's creation of the sanitation enterprise fund.

The estimated total current cost of the landfill post-closure care of $286,630 is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of September 30, 2010. However, the actual cost of post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

(10) PROPERTY TAXES

Decatur County, Georgia bills and collects real and personal property taxes for the City. City property tax revenues are recognized when levied to the extent that they result in current receivables.

Property taxes are levied in August of each year on the assessed valuation of property as of the preceding January 1 and are due within 60 days.

Liens may attach to property for unpaid taxes at any time within three years after the due date.

Assessed values are established by the Decatur County Tax Assessor's office and are currently calculated at 40% of the market value. The assessed values of real and personal property (excluding motor vehicles and mobile home taxes) at January 1, 2010 were $313,233,532.

Based on the 2010 millage levy of 3.57, a property tax owner would pay $3.57 per $1,000 of assessed valuation. Current tax collections of $959,618 for the fiscal year ended September 30, 2010 were 86% of the levy.

(11) EMPLOYEE RETIREMENT SYSTEM

The City contributes to the Georgia Municipal Employees Benefit System ("System"), an agent multi-employer public employee retirement system that acts as a common investment and administrative agent for cities in the state of Georgia. For the year ended September 30, 2010, the City's payroll for employees covered by the System's defined benefit plan was $5,482,946. The Plan also provides for death benefits for early retirees. The benefit provisions and all other requirements are established by the System and the Adoption Agreement executed by the City.

All full-time employees become eligible for the plan after one year of service. Benefits vest after completing ten years of service and are payable beginning at age 55. At January 1, 2010, the date of the most recent actuarial valuation, there were 228 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	41
Vested terminated employees not yet receiving benefits	35
Active employees	152
Total	228

Total pension contributions for the year ended September 30, 2010 were $500,012.

The net pension obligation was computed from information obtained from the actuarial valuation performed as of January 1, 2010. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7.75% a year, (b) projected salary increases of 3.5% a year, attributed to inflation, and (c) no post retirement benefit increases.

Contributions are determined under the projected unit credit actuarial cost method and the assets valuation method (roll forward prior years actuarial value with contributions, disbursements, and expected return on investments, plus 10% of investment gains (losses) during 10 prior years).

The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1982 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods, if applicable, are closed for this plan year.

Employer contributions represented 7.55% of current period covered payroll and were in accordance with actuarial recommendations. The normal contribution requirement was $481,663.

Period Ended	Annual Pension Cost	Percentage Contributed	Net Pension Asset
9/30/10	$ 479,453	100%	$ 109,232
9/30/09	350,379	100%	88,673
9/30/08	290,413	100%	24,768

The City's annual pension cost and net pension asset for the period were as follows:

Required contribution	$ 481,663
Interest on net pension obligation	6,872
Adjustment to required contribution	(9,082)
Pension cost	479,453
Contributions made	(500,012)
Increase in net pension asset	20,559
Net pension asset, beginning of period	88,673
Net pension asset, end of period	$ 109,232

The following is the funding status of the Plan as of the most recent valuation date:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
01/01/10	7,063,949	7,979,493	915,544	88.5%	5,482,946	16.7%

The Schedule of Funding Progress presented as required supplemental information following the notes to the financial statements presents multiyear trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

The Georgia Municipal Employee Benefit System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

Georgia Municipal Association
Risk Management and Employee Benefit Service
201 Pryor Street, SW
Atlanta, Georgia 30303

(12) POST EMPLOYMENT HEALTHCARE PLAN

The City has implemented GASB 45 prospectively during the year ended September 30, 2010.

Plan Description - The City of Bainbridge OPEB Plan is a single-employer defined benefit healthcare plan administered by the City of Bainbridge. The City provides medical, prescription drug, dental, and vision benefits to retirees. Retirees' spouses are eligible for the same benefits as the retiree with the exception of life insurance. Substantially all of the City's employees may become eligible for those benefits if they retire on or after the age of 55, provided that the employee's age plus completed years of service with the City, at the time of the employee's retirement is equal to or greater than 90. As of January 1, 2010, there were 3 retirees and spouses eligible for the benefits, 3 retirees and spouses receiving benefits, and 155 current and active employees. The City has the authority to establish and amend benefit provisions.

Funding Policy - The contribution requirements are established and may be amended by the City. The required contribution was determined by an actuarial valuation. The plan is financed on a pay-as-you-go basis. During the year ending September 30, 2010 the City contributed $20,240 to the plan. The cost of benefits for retirees is paid by the City. The City will also pay 100% of the cost of benefits for the retiree's spouse.

Fiscal Year Ended	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation (Asset)	Amount Contributed
9/30/10	$ 19,307	100%	$ (933)	$ 20,240

The following is the funding status of the Plan as of the most recent valuation date:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
01/01/10	$ -	$ 252,540	$ 252,540	0.0%	$ 5,522,378	4.6%

Annual OPEB Cost and Net OPEB Obligation - The City's other postemployment benefit (OPEB) cost (expense) is calculated based on the required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a twenty five year period. The following table shows the components of the City's OPEB cost for the period, the amount actually contributed to the plan, and changes in the net OPEB obligation (asset):

Required contribution	$ 19,307
Interest on net OPEB obligation	-
Adjustment to required contribution	-
OPEB cost	19,307
Contributions made	(20,240)
Increase (decrease) in net OPEB obligation (asset)	(933)
Net OPEB obligation (asset), beginning of period	-
Net OPEB obligation (asset), end of period	$ (933)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The accompanying schedules of employer contributions present information about the amounts contributed to the plan by employers in comparison to the ARC, an amount that is actuarially determined in accordance with the parameters of GASB Statement 43. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost for each year and amortize any unfunded actuarial liabilities (or funding excess) over a twenty five year period. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Valuation date	1/1/2010
Actuarial cost method	Projected unit credit
Amortization method	25-year level percent of pay amortization open
Remaining amortization period	25 years
Asset valuation method	market value
Actuarial assumptions:	
Investment return	4%
Discount rate	3.5%
Inflation rate	3.5%
Medical and drug cost trend rate	9.5% graded to 5% over 9 years

(13)DEFINED CONTRIBUTION PLAN

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salaries until future years. Participation in the plans is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. For the fiscal year ending September 30, 2010, employee contributions were $39,971. The City does not contribute to the plan.

Investments are managed by the plans trustees under one of four investment options, or a combination thereof. The choice of the investment option(s) is made by the participants.

(14)RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City participates in a public entity risk pool managed by the Georgia Interlocal Risk Management Agency (GIRMA) whereby the risk is pooled with other entities. Participation in this pool allows the City to share liability, crime, motor vehicle and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities - GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

The City must participate at all times in at least one fund which is established by GIRMA. Other responsibilities of the City are as follows:

- To pay all contributions, assessments or other sums due to GIRMA at such times and in such amounts as shall be established by GIRMA.
- To select a person to serve as a Member representative.
- To allow GIRMA and its agents reasonable access to all facilities of the City and all records, including but not limited to financial records, which relate to the purposes of GIRMA.
- To allow attorneys appointed by GIRMA to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the Fund or Funds established by GIRMA.
- To assist and cooperate in the defense and settlement of claims against the City.
- To furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purpose of GIRMA.
- To follow all loss reduction and prevention procedures established by GIRMA.
- To furnish to GIRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in GIRMA or any Fund established by GIRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the City participates.

The City is also exposed to risks of loss related to job-related illnesses or injuries to employees for which the City has transferred its risk through participation in a public entity risk pool managed by the Georgia Municipal Association Group Self Insurance Workers' Compensation Fund whereby the risk is pooled with other entities.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the City became a member of the Georgia Municipal Association Workers' Compensation Self Insurance Fund. The liability of the fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

As part of this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The City believes that coverage provided by these various insurance policies is adequate to cover any outstanding claims as detailed by the carrier. A liability for unpaid deductibles on claims outstanding at year end has been recorded for workers' compensation.

(15)JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the fourteen county Southwest Georgia area, is a member of the Southwest Georgia Regional Development Center (RDC). Membership in a RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the officials of political subdivisions and private citizens representing districts with the Southwest Georgia area. OCGA 50-8-39.1 provides that certain member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from 30 West Broad Street, Camilla, Georgia 31730.

(16)GROUP INSURANCE

The City maintains a self-funded group insurance plan for City employees with stop-loss coverage provided by American National Insurance Company. Group Resources, Inc., of Duluth, Georgia, handles the administration of the program and claims. Financing of the plan is provided by the City and employees participating in the plan. The transactions of the self-funded group insurance plan are accounted for by the Employee Benefits Fund.

Liabilities of the Employee Benefits Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonable estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claims settlement trends including frequency and amount of payouts and other economic and social factors.

Unpaid claims 9/30/2009	$ 174,120
Incurred claims	687,528
Claims paid	(700,696)
Unpaid claims 9/30/2010	$ 160,952

(17)RESTATEMENT

Net assets at September 30, 2010 have been restated as follows:

	General Fund	SPLOST 5 Fund	Nonmajor Governmental Funds	Governmental Activities	Buisness-type Activities
Net assets as previously reported	$ 5,513,718	$442,969	$ (793,800)	$ 18,401,776	$ 25,569,171
To defer property tax revenue	(800,435)	-	-	-	-
To adjust recognition of intergovernmental revenues	(247,855)	113,233	-	(134,622)	-
To defer probation revenue	(289,126)	-	-	-	-
To record the effect of a change in fund type	-	-	176,988	16,910	(176,988)
To record accounts payable	-	-	(43,450)	(43,450)	-
To record accrued interest payable	-	-	-	(196,319)	-
Net assets as restated	$ 4,176,302	$556,202	$ (660,262)	$ 18,044,295	$ 25,392,183
Change in net assets as previously reported	$ (991,798)	$442,969	$ 24,149	$ (5,403,937)	$ 6,070,458
Effect of restatements	(1,337,416)	113,233	133,538	(357,481)	(176,988)
Change in net assets as restated	$ (2,329,214)	$556,202	$ 157,687	$ (5,761,418)	$ 5,893,470

(18)FUND BALANCE/NET ASSET DEFICIT

Employee Benefits Fund	$ (230,754)

The City is planning to transfer funds to the Employee Benefits Fund to fund this deficit.

(19)EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The following fund had expenditures in excess of appropriations for the fiscal year ended September 30, 2010:

	Budget	Actual	Variance with Final Budget
Confiscated Assets Fund:			
Public Safety	$15,400	$31,757	$ 16,357

The over expenditures were funded by available fund balance.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BAINBRIDGE, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Employee Retirement System:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
01/01/10	$ 7,063,949	$ 7,979,493	$ 915,544	88.5%	$ 5,482,946	16.7%
03/01/09	5,413,301	7,648,313	2,235,012	70.8%	5,369,706	41.6%
03/01/08	6,376,368	7,061,663	685,295	90.3%	5,019,409	13.7%
03/01/07	5,883,852	6,350,322	466,470	92.7%	4,573,418	10.2%
03/01/06	5,423,967	5,772,740	348,773	94.0%	4,271,512	8.2%
03/01/05	5,038,296	5,298,856	260,560	95.1%	4,219,674	6.2%

Post Employment Health Care Plan:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
01/01/10	$ -	$ 252,540	$ 252,540	0.0%	$ 5,522,378	4.6%

CITY OF BAINBRIDGE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Appropriated Fund Balance	$ 96,850	$ 96,850	$ -	$ (96,850)
Revenues:				
Taxes	$ 5,439,608	$ 5,439,608	$ 5,211,722	$ (227,886)
Licenses and Permits	61,370	61,370	57,699	(3,671)
Intergovernmental	179,883	179,883	150,342	(29,541)
Charges for Services	261,625	256,417	268,820	12,403
Fines and Forfeitures	667,625	686,005	641,497	(44,508)
Investment Earnings	82,000	82,000	20,381	(61,619)
Contributions and Donations	1,072	1,072	-	(1,072)
Other	88,979	88,987	45,273	(43,714)
Total Revenues	6,782,162	6,795,342	6,395,734	(399,608)
Expenditures:				
General Government:				
Mayor and council	492,275	422,832	422,832	-
City manager	202,465	198,612	198,612	-
Finance, budget and accounting	681,656	625,731	625,731	-
Purchasing	173,252	168,567	168,567	-
City attorney	23,000	23,225	23,225	-
Computer information systems	174,008	170,447	170,447	-
Total general government	1,746,656	1,609,414	1,609,414	-
Judicial:				
City court	210,937	252,411	252,411	-
Community Development:				
Mainstreet tourism	241,070	247,122	247,122	-
Planning and zoning	95,778	85,686	85,686	-
Building code enforcement	77,517	76,961	76,961	-
Communications	59,668	40,150	40,150	-
Code enforcement	6,800	2,605	2,605	-
Total community development	480,833	452,524	452,524	-
Public Works:				
Maintenance	139,845	124,230	124,230	-
Streets	1,440,443	1,410,519	1,410,519	-
Total public works	1,580,288	1,534,749	1,534,749	-
Public Safety:				
Administration	448,444	454,209	454,209	-
Services	3,281,962	3,464,287	3,464,287	-
Driver improvement	29,455	24,488	24,488	-
Total public safety	3,759,861	3,942,984	3,942,984	-
Leisure services:				
Administration	147,235	153,045	153,045	-
Parks and cemeteries	671,733	658,913	658,913	-
Programs	169,064	167,241	167,241	-
Acquatic center	72,117	81,716	81,716	-
Tennis center	92,776	91,683	91,683	-
Total leisure services	1,152,925	1,152,598	1,152,598	-
Debt Service:				
Principal	82,018	82,018	82,018	-
Interest	1,285	1,285	1,285	-
Total debt service	83,303	83,303	83,303	-
Total Expenditures	9,014,803	9,027,983	9,027,983	-
Excess (deficiency) of Revenues over Expenditures	(2,135,791)	(2,232,641)	(2,632,249)	(399,608)

CITY OF BAINBRIDGE, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Other Financing Sources (uses):				
Transfers In	2,110,791	2,110,791	2,032,048	(78,743)
Sale of Capital Assets	25,000	25,000	24,610	(390)
Total Other Financing Sources (uses)	2,135,791	2,135,791	2,056,658	(79,133)
Net Change in Fund Balance	$ -	$ -	$ (575,591)	$ (575,591)
Fund Balance at Beginning of Year - GAAP Basis, before restatement			5,513,718	
Restatement			(1,337,416)	
Fund Balance at Beginning of Year - GAAP Basis, after restatement			4,176,302	
Fund Balance at End of Year - GAAP Basis			$ 3,600,711	

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OTHER SUPPLEMENTAL INFORMATION

CITY OF BAINBRIDGE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010

	Special Revenue Funds				Capital Projects Fund	
	Hotel/Motel Tax	Confiscated Assets	Revolving Loan	Tennis Tournament	Telecommunications	Total Nonmajor
ASSETS						
Cash	$ 21,892	$ 69,214	$ 12,126	$ -	$ -	$ 103,232
Investments	-	-	-	26,852	-	26,852
Receivables	12,491	-	111,699	-	-	124,190
Total assets	$ 34,383	$ 69,214	$ 123,825	$ 26,852	$ -	$ 254,274
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 16,428	$ -	$ -	$ -	$ -	$ 16,428
Due to other funds	15,836	306	-	-	-	16,142
Due to component unit	2,119	-	-	-	-	2,119
Total liabilities	34,383	306	-	-	-	34,689
Fund balances:						
Reserved for:						
Notes receivable	-	-	111,699	-	-	111,699
Unreserved - undesignated	-	68,908	12,126	26,852	-	107,886
Total fund balances	-	68,908	123,825	26,852	-	219,585
Total liabilities and fund balances	$ 34,383	$ 69,214	$ 123,825	$ 26,852	$ -	$ 254,274

CITY OF BAINBRIDGE, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Special Revenue Funds				Capital Projects Fund	
	Hotel/Motel Tax	Confiscated Assets	Revolving Loan	Tennis Tournament	Telecommunications	Total Nonmajor
Revenues:						
Taxes	$ 101,575	$ -	$ -	$ -	$ -	$ 101,575
Intergovernmental	-	60,275	-	-	-	60,275
Investment earnings	95	377	4,376	505	-	5,353
Total revenues	101,670	60,652	4,376	505	-	167,203
Expenditures:						
Current:						
Public safety	-	31,757	-	-	-	31,757
Culture and recreation	40,630	-	-	-	-	40,630
Debt service	-	-	57,539	-	-	57,539
Total expenditures	40,630	31,757	57,539	-	-	129,926
Excess (deficiency) of revenues over (under) expenditures	61,040	28,895	(53,163)	505	-	37,277
Other financing sources (uses):						
Transfers in	-	-	-	-	903,610	903,610
Transfers out	(61,040)	-	-	-	-	(61,040)
Total other financing sources (uses)	(61,040)	-	-	-	903,610	842,570
Net change in fund balance	-	28,895	(53,163)	505	903,610	879,847
Fund balance at beginning of year, before restatement	-	40,013	-	26,347	(860,160)	(793,800)
Restatement	-	-	176,988	-	(43,450)	133,538
Fund balance at beginning of year, after restatement	-	40,013	176,988	26,347	(903,610)	(660,262)
Fund balance at end of year	$ -	$ 68,908	$ 123,825	$ 26,852	$ -	$ 219,585

CITY OF BAINBRIDGE, GEORGIA
HOTEL/MOTEL TAX
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	$113,000	$101,575	$ (11,425)
Investment earnings	50	95	45
Total revenues	113,050	101,670	(11,380)
Expenditures:			
Current:			
Culture and recreation	45,000	40,630	4,370
Excess of revenues over expenditures	68,050	61,040	(7,010)
Other financing sources (uses):			
Transfers out	(68,050)	(61,040)	7,010
Net change in fund balance	$ -	-	$ -
Fund balance at beginning of year		-	
Fund balance at end of year		$ -	

CITY OF BAINBRIDGE, GEORGIA
CONFISCATED ASSETS FUND
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	$ 23,000	$ 60,275	$ 37,275
Investment earnings	-	377	377
Total revenues	23,000	60,652	37,652
Expenditures:			
Current:			
Public safety	15,400	31,757	(16,357)
Total expenditures	15,400	31,757	(16,357)
Net change in fund balance	$ 7,600	28,895	$ 21,295
Fund balance at beginning of year		40,013	
Fund balance at end of year		$ 68,908	

CITY OF BAINBRIDGE, GEORGIA
REVOLVING LOAN
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment earnings	$ 4,762	$ 4,376	$ (386)
Total revenues	4,762	4,376	(386)
Expenditures:			
Debt Service	57,591	57,539	52
Excess (deficiency) of revenues over (under) expenditures	(52,829)	(53,163)	(334)
Net change in fund balance	$ (52,829)	(53,163)	$ (334)
Fund balance at beginning of year, before restatement		-	
Restatement		176,988	
Fund balance at beginning of year, after restatement		176,988	
Fund balance at end of year		$ 123,825	

CITY OF BAINBRIDGE, GEORGIA
TENNIS TOURNAMENT
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Revenues:			
Investment earnings	$ 955	$ 505	$ (450)
Other	9,752	-	(9,752)
Total revenues	10,707	505	(10,202)
Expenditures:			
Current:			
Culture and recreation	10,673	-	10,673
Excess (deficiency) of revenues over (under) expenditures	34	505	471
Net change in fund balance	$ 34	505	$ 471
Fund balance at beginning of year		26,347	
Fund balance at end of year		$ 26,852	

CITY OF BAINBRIDGE, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010

	Employee Benefits	City Shop	Total
ASSETS			
Current assets:			
Cash	$ 75,317	$ -	$ 75,317
Prepaid items	-	140	140
Inventories	-	58,807	58,807
Due from other funds	-	16,505	16,505
Total current assets	75,317	75,452	150,769
Property, plant and equipment, net	-	63,358	63,358
Total assets	$ 75,317	$ 138,810	$ 214,127
LIABILITIES AND FUND EQUITY			
Current liabilities:			
Accounts and claims payable	$ 163,064	$ 6,720	$ 169,784
Accrued liabilities	-	36,353	36,353
Due to other funds	143,007	67,845	210,852
Total liabilities	306,071	110,918	416,989
Fund equity (deficit):			
Invested in capital assets, net of related debt	-	63,358	63,358
Unrestricted	(230,754)	(35,466)	(266,220)
Total fund equity (deficit)	(230,754)	27,892	(202,862)
Total liabilities and fund equity	$ 75,317	$ 138,810	$ 214,127

CITY OF BAINBRIDGE, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Employee Benefits	City Shop	Total
Operating revenues:			
Contributions	$ 1,794,309	$ -	$ 1,794,309
Charges for services	-	738,195	738,195
Other	-	1,012	1,012
Total operating revenues	1,794,309	739,207	2,533,516
Operating expenses:			
Personal services	-	412,059	412,059
Operating	-	319,141	319,141
Depreciation	-	8,007	8,007
Benefits and claims	1,742,556	-	1,742,556
Total operating expenses	1,742,556	739,207	2,481,763
Operating income (loss)	51,753	-	51,753
Nonoperating revenues (expenses):			
Investment earnings	173	-	173
Increase (decrease) in fund equity	51,926	-	51,926
Fund equity (deficit) at beginning of year	(282,680)	27,892	(254,788)
Fund equity (deficit) at end of year	$ (230,754)	$ 27,892	$ (202,862)

CITY OF BAINBRIDGE, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOW
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Employee Benefits	City Shop	Totals
Cash flows from (to) operating activities:			
Cash received from contributions and services provided	$ 1,794,309	$ 728,604	$ 2,522,913
Cash payments for goods and services	-	(313,269)	(313,269)
Cash payments for benefits and claims	(1,744,123)	(415,335)	(2,159,458)
Net cash from (to) operating activities	50,186	-	50,186
Cash flows from (to) investing activities:			
Interest received	173	-	173
Net increase (decrease) in cash	50,359	-	50,359
Cash at beginning of year	24,958	-	24,958
Cash at end of year	$ 75,317	$ -	$ 75,317
Reconciliation of operating income (loss) to net cash from (to) operating activities:			
Operating income (loss)	$ 51,753	$ -	$ 51,753
Adjustments to reconcile operating income (loss) to net cash from (to) operating activities:			
Depreciation	-	8,007	8,007
Change in assets and liabilities:			
(Increase) decrease in prepaid expenses	-	158	158
(Increase) decrease in due from other funds	-	(10,603)	(10,603)
(Increase) decrease in inventories	-	2,860	2,860
Increase (decrease) in accounts and claims payable	(11,056)	(1,560)	(12,616)
Increase (decrease) in accrued liabilities	-	(3,276)	(3,276)
Increase (decrease) in due to other funds	9,489	4,414	13,903
Net cash from (to) operating activities	$ 50,186	$ -	$ 50,186

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SINGLE AUDIT SECTION

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

The Honorable Edward Reynolds, Mayor
Members of the City of Bainbridge Board of Alderman
Bainbridge, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Bainbridge, Georgia as of and for the year ended September 30, 2010, which collectively comprise the City of Bainbridge, Georgia's basic financial statements and have issued our report thereon dated August 15, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a

deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs (FS10-1) to be a material weakness.

Compliance and Other Matters

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

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

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

Moore & Cubbedge, LLP

August 15, 2011

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Honorable Edward Reynolds, Mayor
Members of the City of Bainbridge Board of Alderman
Bainbridge, Georgia

Compliance

We have audited the City of Bainbridge, Georgia's compliance with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended September 30, 2010. City of Bainbridge, Georgia's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Bainbridge, Georgia's management. Our responsibility is to express an opinion on the City of Bainbridge, Georgia's compliance based on our audit.

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

In our opinion, the City of Bainbridge, Georgia complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2010.

Internal Control Over Compliance

The management of the City of Bainbridge, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the City of Bainbridge, Georgia's internal control over compliance with requirements that could have a direct and material effect on major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Bainbridge, Georgia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Moore & Cubbedge, LLP

Moore & Cubbedge, LLP

August 15, 2011

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:		unqualified		
Internal control over financial reporting:				
Material weakness identified?	X	yes		no
Significant deficiency identified not considered to be material weaknesses?		yes	X	none reported
Noncompliance material to financial statements noted?		yes	X	no

Federal Awards

Internal Control over major programs:				
Material weakness identified?		yes	X	no
Significant deficiency identified not considered to be material weaknesses?		yes	X	none reported
Type of auditor's report issued on compliance for major programs:		unqualified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?		yes	X	no

Identification of major programs:

CFDA Number	Name of Federal Programs
20.205	Highway Planning and Construction
20.205	ARRA – Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: $ 300,000

Auditee qualified as low-risk auditee?		yes	X	no

Section II- Financial Statement Findings

FS10-1 *Condition:* Controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles did not prevent misstatements from occurring in the fund financial statements.

Effect: Misstatements in the financial statements were not detected.

Recommendation: Controls over the selection and application of accounting principles that are in conformity with generally accepted accounting principles should be strengthened.

Management Response: Management concurs with the finding and the recommendation. Accounting management will review procedures and improve controls over the selection and application of accounting principles.

Section III - Federal Award Findings

None Reported

City of Bainbridge, Georgia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended September 30, 2010

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through or Grant Number	Expenditures
U.S. Department of Justice			
Direct Grants:			
Public Safety Partnership and Community Policing Grants	16.710	2009-RKWX-0275	$ 19,774
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	16.804	2009-SB-B9-0985	67,450
Total for U. S. Department of Justice			87,224
U.S. Department of Transportation			
Pass-through Georgia Dept of Transportation			
Highway Planning and Construction	20.205	TEE-0008-00(113)	12,602
ARRA - Highway Planning and Construction	20.205	TEE-0008-00(113)	591,411
Total for U.S. Department of Transportation			604,013
Total Federal Financial Awards			$ 691,237

City of Bainbridge, Georgia
Notes To Schedule Of Expenditures Of Federal Awards
For The Fiscal Year Ended September 30, 2010

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards received by the City of Bainbridge, Georgia. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, is included in this schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1C of the City's financial statements.

3. Relationship to Federal Financial Reports

Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports.

City of Bainbridge, Georgia
Summary Schedule of Prior Year Findings
For the Fiscal Year Ended September 30, 2010

NONE REPORTED

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MOORE & CUBBEDGE LLP
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT ON HOTEL/MOTEL TAX SCHEDULE OF REVENUE RECEIVED AND EXPENDITURES INCURRED

City of Bainbridge
Bainbridge, Georgia

We have audited the accompanying Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred for the City of Bainbridge, Georgia for the year ended September 30, 2010. This schedule is the responsibility of the City of Bainbridge's management. Our responsibility is to express an opinion on the Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-13-51 using the modified accrual basis of accounting and is not intended to be a complete presentation of the City of Bainbridge's revenues and expenses.

In our opinion, the Hotel/Motel Tax Schedule of Revenue Received and Expenditures Incurred referred to above presents fairly, in all material respects, the revenues and expenditures for each project in the City of Bainbridge's resolution or ordinance calling for the tax for the year ended September 30, 2010, in conformity with accounting principles generally accepted in the United States of America.

Moore & Cubbedge, LLP

Moore & Cubbedge, LLP
Marietta, Georgia

August 15, 2011

CITY OF BAINBRIDGE, GEORGIA
HOTEL/MOTEL TAX
SCHEDULE OF REVENUE RECEIVED AND EXPENDITURES INCURRED
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

Revenues	Expenditures *	Percentage Expended
$ 101,575	$ 40,630	40%

* Expended in Hotel/Motel Special Revenue Fund

MOORE & CUBBEDGE LLP
Certified Public Accountants & Advisors

INDEPENDENT AUDITOR'S REPORT ON SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL OPTION SALES TAX PROCEEDS

City of Bainbridge
Bainbridge, Georgia

We have audited the accompanying Schedules of Projects Constructed with Special Option Sales Tax Proceeds for the City of Bainbridge, Georgia for the year ended September 30, 2010. This schedule is the responsibility of the City of Bainbridge's management. Our responsibility is to express an opinion on the Schedules of Projects Constructed with Special Option Sales Tax Proceeds based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedules of Projects Constructed with Special Option Sales Tax Proceeds is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules of Projects Constructed with Special Option Sales Tax Proceeds. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedules of Projects Constructed with Special Option Sales Tax Proceeds. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedules of Projects Constructed with Special Option Sales Tax Proceeds was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 using the modified accrual basis of accounting and is not intended to be a complete presentation of the City of Bainbridge's revenues and expenses.

In our opinion, the Schedules of Projects Constructed with Special Option Sales Tax Proceeds referred to above presents fairly, in all material respects, the original estimated cost, the revised estimated cost, and the current and prior year expenditures for each project in the City of Bainbridge's resolution or ordinance calling for the tax for the year ended September 30, 2010, in conformity with accounting principles generally accepted in the United States of America.

Moore & Cubbedge, LLP

Moore & Cubbedge, LLP
Marietta, Georgia

August 15, 2011

CITY OF BAINBRIDGE, GEORGIA
Schedule of Projects Constructed with Special Option Sales Tax #4 Proceeds
As of 09/30/2010

	Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
A.	Sewer master plan, leisure services, natural gas distribution project, storm drainage improvements, and street and sidewalk improvements as as approved by referendum	$ 10,228,400	$ 4,415,478	$ 1,962,272	$ -	$ 1,962,272
B.	Sewer Master Plan:					
	NE Bainbridge Sewer	-	774,995	774,995		774,995
C.	Leisure Services:					
	Firehouse Gallery Renovation	-	250,000	250,000		250,000
	Recreation Improvements		2,792,910	2,067,994	724,916	2,792,910
D.	Natural Gas Distribution Project:					
	Cast Iron Gas Pipe Replacement	-	2,415,240	2,415,240		2,415,240
E.	Storm Drainage Improvements:	-	-	-		-
F.	Street & Sidewalk Improvements:	-	1,022,840	764,659	64,495	829,154
	Totals	$ 10,228,400	$ 11,671,463	$ 8,235,160	$ 789,411	$ 9,024,571

Notes:

1. This schedule is prepared on the modified accrual basis of accounting.
2. The "Current Estimated Cost" includes all expected expenditures of sales taxes collected and all interest earned as of September 30, 2010.