AUGUSTA, GEORGIA

Annual Financial Statements

For the Year Ended December 31, 2010

AUGUSTA, GEORGIA

Annual Financial Report
Year Ended December 31, 2010

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CHERRY BEKAERT& HOLLAND
CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Augusta-Richmond County Commissioners
Augusta, 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 Augusta, Georgia as of December 31, 2010 and for the year then ended, which collectively comprise Augusta, Georgia's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Augusta, Georgia management. Our responsibility is to express opinions on these basic financial statements based on our audit. We did not audit the financial statements of the Augusta-Richmond County Department of Health, Augusta-Richmond County Coliseum Authority or Downtown Development Authority, which represent three of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Department of Health, Augusta-Richmond County Coliseum Authority and Downtown Development Authority, is based solely on the reports of the other auditors.

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

In our opinion, based upon our audit and the report of other auditors, the basic 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 Augusta, Georgia, as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and Fire Protection Fund 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 September 6, 2011 on our consideration of Augusta, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting. 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 and the schedules of funding progress and employer contributions 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 regarding 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 Augusta, Georgia's basic financial statements as a whole. The combining and individual fund statements for the year ended December 31, 2010, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements 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 by us 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, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Cherry, Bekaert & Holland, L.L.P.

Augusta, Georgia
September 6, 2011

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion & Analysis
(unaudited)

The Management's Discussion and Analysis of the Annual Financial Statements of Augusta, Georgia (the "Government") provides an overall narrative and analysis of the Government's financial statements for the fiscal year ended December 31, 2010. This discussion and analysis is designed to look at the Government's financial performance as a whole. Readers should also review the additional information provided in the transmittal letter, which can be found preceding this narrative, and the complete financial statements, with notes, which follow this narrative, to enhance their understanding of the Government's financial performance.

Financial Highlights

Key financial highlights for the year ended December 31, 2010 are as follows:

- The Government's combined net assets totaled $871.9 million.

- The Government's total net assets increased by $21.7 million, primarily due to capital spending funded by the Special Purpose Local Option Sales Tax revenues, federal aviation grants, and other tax revenues.

- As of the close of the current fiscal year, the Government's governmental funds reported combined ending fund balances of $281.5 million, an increase of $1.3 million from the prior year. Approximately 49% of this total amount, or $139.4 million, is available for spending at the government's discretion (*unreserved fund balance*).

- At the end of the current fiscal year, total fund balance for the General Fund was $32.8 million, or 27% of total General Fund expenditures for the fiscal year. Of this amount, $4.4 million has been designated for other purposes, leaving $28.4 million, or 87% of total General Fund balance, as undesignated.

- Combined Revenue totaled $352.4 million, of which governmental activities totaled $219.4 million and business-type activities totaled $133 million. Current year revenues increased approximately 32.6% from those of the prior year.

- Overall expenses totaled $319.7 million of which governmental activities totaled $192.7 million and business-type activities totaled $127.0 million. Current year expenses decreased approximately 5.2% over those of the prior year.

- Expenses of governmental activities exceeded program revenue by $145.2 million, resulting in the use of general revenues (mostly taxes).

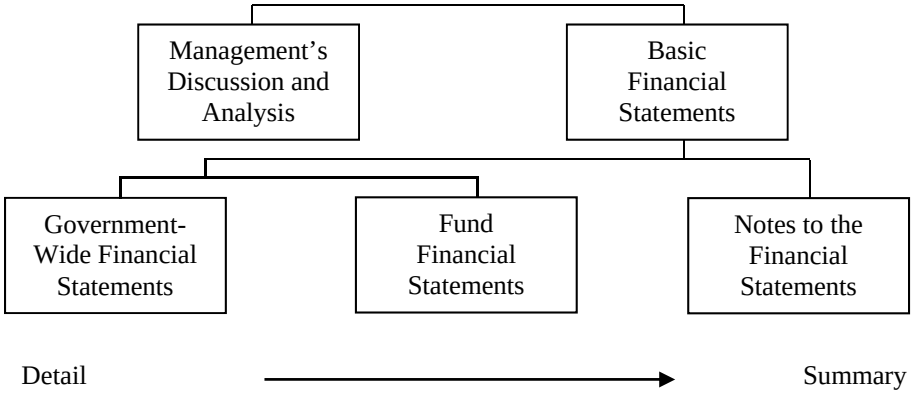
- Total Outstanding Long-Term Debt, excluding compensated absences, increased approximately $37.9 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Government's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Government through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Government.

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

The first two statements in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the Government's financial status.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of Augusta, Georgia's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the Government's non-major governmental funds and internal service funds, all of which are added together in one column on the appropriate basic financial statements.

Government-wide Financial Statements

The Government-wide financial statements provide a broad view of the Government's operations in a manner similar to a private-sector business. The statements provide both short-term and long-term information about the Government's financial position, which assists in assessing the economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This means the statements take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The government-wide financial statements include the following two statements:

The **Statement of Net Assets** presents information on all of the Government's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Government 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 not result in cash flows until future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

This statement also presents a comparison between direct expense and program revenues for each function of the Government.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities and 3) component units. The governmental activities include most of the Government's basic services such as general administration, judicial services, public safety, public works, health and welfare, culture and recreation, and housing and development. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those services that the Government charges a fee to customers in order to provide. These include Water and Sewer, Augusta Regional Airport, Waste Management, Municipal Golf Course, Transit, Daniel Field Airport, and Garbage Collection. The final category is component units. The Augusta-Richmond County Board of Health is a public health department. Although legally separate from the Government, the Government appoints a voting majority of the board. Augusta Canal Authority and Downtown Development Authority are also component units for which the Government is fiscally responsible.

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 Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the Government, reporting the Government's operations in more detail than the government-wide statements. All of the funds of the Government can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. These fund categories use different accounting approaches and should be interpreted differently.

Governmental Funds

Most of the basic services provided by the Government are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide statements, these funds focus on how assets can readily be converted into cash and the amount of funds left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*, which focuses on current financial resources. Such information may be useful in evaluating the government's short-term financing requirements. These statements provide a detailed short-term view of the Government's finances that assists in determining whether there will be adequate financial resources available to meet the Government's current needs. The relationship between government activities in the government-wide financial statements and the governmental funds financial statements is described in a reconciliation that is a part of the fund financial statements.

The Government has five governmental fund types: the General Fund, Special Revenue Funds, Debt Service Funds, the Capital Projects Funds, and the Permanent Fund. Only five individual funds are being considered major funds – the General Fund, Fire Protection, Special Purposes Local Option Sales Tax Fund (SPLOST) Phase III, Special Purposes Local Option Sales Tax Fund (SPLOST) Phase IV and Special Purposes Local Option Sales Tax Fund (SPLOST) Phase V.

Proprietary Funds

The Government has two types of proprietary funds used to account for activities that operate similar to commercial enterprises found in the private sector. Funds that charge fees for services provided to outside customers including other local governments are known as Enterprise Funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Funds that charge fees for services provided to departments within the reporting government are known as Internal Service Funds. Proprietary funds use the accrual basis of accounting, thus there is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements, except for the allocation of internal service fund activity.

The Government has seven enterprise funds: Water and Sewer, Augusta Regional Airport, Waste Management, Municipal Golf Course, Transit, Daniel Field Airport, and Garbage Collection. The Government has seven internal service funds: Risk Management, Fleet Operations, Workers Compensation, Employee Health Benefits, Unemployment, Long-Term Disability Insurance and GMA Leases. The Water and Sewerage Fund and Augusta Regional Airport are the only funds being considered major funds for presentation purposes.

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the Government as an agent for individuals, private organizations, other governments and other departments. The Government is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and only by those to whom the assets belong. These funds are not reflected in the government-wide financial statements because the resources are not available to support the Government's operations or programs.

Government-wide Financial Analysis

Comparative data for the entity-wide governmental activities and the business-type activities is provided below.

Figure 2

	Governmental Activities 2010	Business-type Activities 2010	Total 2010	Governmental Activities 2009	Business-type Activities 2009	Total 2009
Current and other assets	$ 324,825,577	145,276,235	$ 470,101,812	$ 319,816,593	$ 148,997,935	$ 468,814,528
Capital assets	404,851,431	699,750,171	1,104,601,602	335,639,193	676,273,663	1,011,912,856
Total assets	729,677,008	845,026,406	1,574,703,414	655,455,786	825,271,598	1,480,727,384
Long-term liabilities	85,215,880	517,890,205	603,106,085	60,815,329	510,855,784	571,671,113
Other liabilities	71,178,282	28,563,481	99,741,763	43,101,202	26,821,059	69,922,261
Total liabilites	156,394,162	546,453,686	702,847,848	103,916,531	537,676,843	641,593,374
Net assets:						
Invested in capital assets, net of related debt	392,520,278	194,948,749	587,469,027	316,625,846	208,865,726	525,491,572
Restricted	127,645,294	27,648,425	155,293,719	169,810,821	17,717,103	187,527,924
Unrestricted	53,117,274	75,975,546	129,092,820	65,102,588	61,011,926	126,114,514
Total net assets	$ 573,282,846	$ 298,572,720	$ 871,855,566	$ 551,539,255	$ 287,594,755	$ 839,134,010

Net Assets

Net assets may serve over time as one useful indicator of a government's financial condition. The assets of the Government exceeded liabilities by $871.9 million as of December 31, 2010.

The largest portion of the Government's net assets, $587.5 million or 67.4%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (road, bridges, sidewalks, water lines and sewer lines) less any related debt used to acquire those assets that is still outstanding. The Government uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending. Although the Government's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Government's net assets, $155.3 million or 17.9%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, $129.1 million or 14.7%, may be used to meet the Government's ongoing obligations to citizens and creditors.

Several particular aspects of the Government's financial operations positively influenced the total *unrestricted governmental net assets*:

- Continued diligence in the maintenance of 75 -90 days unreserved fund balance in the General Fund.
- Continued diligence in the collection of property taxes by maintaining a collection percentage of 99% for real and personal property.
- Continued low cost of debt due to the County's high bond rating.

The Government's Changes in Net Assets
For the Years Ended December 31, 2010 and 2009
Figure 3

	Governmental Activities 2010	Business-type Activities 2010	Total 2010	Governmental Activities 2009	Business-type Activities 2009	Total 2009
Revenues:						
Program revenues:						
Charges for services	$ 35,960,014	127,336,857	$ 163,296,871	$ 35,528,497	$ 114,444,934	$ 149,973,431
Operating grants and contributions	11,541,378	181,717	11,723,095	9,489,973	563,865	10,053,838
Capital grants and contributions	-	4,084,129	4,084,129	-	1,615,277	1,615,277
General revenues:						
Property taxes	53,931,423	-	53,931,423	53,131,398	-	53,131,398
Other taxes	112,576,281	-	112,576,281	113,766,336	-	113,766,336
Unrestricted governmental revenues	1,117,472	-	1,117,472	952,413	-	952,413
Revenues from use of money and property	3,419,228	395,407	3,814,635	6,757,096	926,056	7,683,152
Miscellaneous	855,819	1,023,328	1,879,147	3,302,450	834,159	4,136,609
Total revenues	219,401,615	133,021,438	352,423,053	222,928,163	118,384,291	341,312,454
Expenses:						
General government	41,420,563	-	41,420,563	32,303,249	-	32,303,249
Judicial	17,197,271	-	17,197,271	17,133,889	-	17,133,889
Public safety	82,198,232	-	82,198,232	84,927,821	-	84,927,821
Public works	16,010,143	-	16,010,143	14,844,645	-	14,844,645
Health and welfare	1,934,339	-	1,934,339	2,218,245	-	2,218,245
Culture and recreation	20,351,136	-	20,351,136	19,876,636	-	19,876,636
Housing and development	12,054,659	-	12,054,659	11,418,135	-	11,418,135
Interest on long-term debt	1,539,180	-	1,539,180	885,661	-	885,661
Waste management	-	6,192,260	6,192,260	-	10,992,158	10,992,158
Water and sewer	-	81,438,293	81,438,293	-	73,677,334	73,677,334
Airports	-	18,281,091	18,281,091	-	14,928,202	14,928,202
Municipal golf course	-	629,179	629,179	-	579,601	579,601
Transit	-	4,935,179	4,935,179	-	4,847,776	4,847,776
Garbage Collection	-	15,519,972	15,519,972	-	15,202,611	15,202,611
Total expenses	192,705,523	126,995,974	319,701,497	183,608,281	120,227,682	303,835,963
Increase in net assets before transfers	26,696,092	6,025,464	32,721,556	39,319,882	(1,843,391)	37,476,491
Transfers	(4,952,501)	4,952,501	-	(6,305,390)	6,305,390	-
Increase in net assets	21,743,591	10,977,965	32,721,556	33,014,492	4,461,999	37,476,491
Net assets, January 1	551,539,255	287,594,755	839,134,010	518,524,763	283,132,756	801,657,519
Net assets, December 31	$ 573,282,846	$ 298,572,720	$ 871,855,566	$ 551,539,255	$ 287,594,755	$ 839,134,010

Changes in Net Assets

Governmental activities. Governmental activities increased the Government's net assets by $21.7 million, and thereby accounting for 66.5% of the total growth in the net assets of the Government. Key elements of this increase are as follows:

> **Governmental Revenues.** Property tax (40%) and other taxes (60%) continue as the main source of revenue of the Government amounting to 75.9% in 2010, compared to 75% in 2009. Sales tax revenues contributed approximately $72.6 million to the increase in net assets.
>
> **Governmental Functional Expenses:** As reflected in the summary of changes in Net Assets, the Government expended 51.6% of the appropriations for judicial and public safety expenditures. The Government continues to commit substantial financial resources for the safety of its citizens. Other expenditures accounted for the remaining 48.4%.

Business-type activities: Business-type activities increased the Government's net assets by approximately $10.9 million accounting for 33.5% of the total growth in the government's net assets. Key elements of this increase are as follows:

- The Waste Management Fund reported an increase in net assets of $3.2 million. This increase was due to maintaining volumes similar to 2009 volumes. The increase in volumes was stemmed from a volume based discount issued in 2004. The increase was also due to an increased investment in capital assets specifically an upgrade to the Compressed Natural Gas collection system.
- The Water and Sewer Fund reported an increase in net assets of $3.3 million. This increase was largely due to an increase in user charges due to rate increases approved upon issuance of the most recent Water & Sewer Revenue Bonds in 2004.
- The Augusta Regional Airport Fund reported a decrease in net assets of $70 thousand. This decrease was due to operating expenses slightly exceeding operating and non-operating revenues.
- Garbage Collection net assets increase of $423 thousand.

Financial Analysis of the Government's Individual Funds

Augusta, Georgia uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Government's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Government's financial requirements. In particular, the 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. The combined fund balance of all the governmental funds is $281.6 million, of which $124 million, or 44%, is unreserved and undesignated.

General Fund

The General Fund is the primary operating fund of the Government. At the end of the current fiscal year, total fund balance of the General Fund was $32.8 million, of which $28.4 million, or 87%%, was unreserved. A portion of the unreserved fund balance in the General Fund is designated for risk benefit, in the amount of $4.7 million. As a measure of the General Fund's liquidity, it may be useful to compare both undesignated and designated fund balance to total fund expenditures. As of December 31, 2010, total unreserved fund balance, both undesignated and designated, represents 24% of total general fund expenditures.

The fund balance of the General Fund increased $1.6 million (5.1%). Key factors to this result include cost reduction measures that were implemented and observed throughout the year. This increase in fund balance represents 1.29% of the 2010 budget. Also a reduced transfer of funds to the transit department due to the receipt and recognition as revenue of grant reimbursements was a contributing factor.

General Fund Budgetary Highlights

During the year, the Government revised the budget on several occasions. Generally, budget amendments fall into one of five categories: 1) amendments to appropriate fund balance for encumbrances from the prior year; 2) amendments made to adjust the estimates that are used to prepare the original budget resolution once exact information is available; 3) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 4) increases in appropriations that become necessary to maintain services; and 5) amendments to transfer appropriations between departments. The fifth category has no effect on the final budget and, therefore, is not addressed in this narrative.

The actual operating revenues for the General Fund were less than the budgeted amount by $3.3 million, or 2.7%. The individual sources within the revenues fluctuated both positively and negatively. No individual source materially varied from the final budget.

The 2010 adopted budget (November 17, 2009) projected Ad Valorem tax revenues remain at 2009 levels with no projected growth in the tax digest and a decrease of 1% in sales tax revenues. As the economy continued to struggle, the Augusta Commission was unwilling to compound the effects on its citizens by considering a tax increase and approved significant expenditure reduction and use of $1.8 million in fund balance to fund a budgeted deficit. In July 2010 the Augusta Commission voted to reduce the 2010 mill rate by .093 mills to the roll back rate levels.

Capital Projects Funds

The Government uses Capital Projects Funds to account for the acquisition and construction of major capital facilities that are not financed by Proprietary Funds. Major funds included in the fund financial statements are the SPLOST Fund Phase III, SPLOST Fund Phase IV and SPLOST Fund Phase V. The proceeds of the special purpose 1% sales tax are accounted for in Capital Projects Funds until improvement projects are completed. The SPLOST Fund Phase IV's fund balance is $53.2 million and the SPLOST Fund Phase V's fund balance is $65.3 million, all of which is held for specific construction and improvement projects and capital acquisitions.

Proprietary Funds

The activities of the Government that render services to the general public on a user charge basis, or that require periodic determination of revenues for public policy are accounted for as Enterprise Funds. The Government's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets at the end of the year were as follows: Water and Sewer System Fund, $61.2 million; Augusta Regional Airport, $8.2 million; Nonmajor Enterprise funds, $6.9 million. The total growth (reduction) in net assets for previously mentioned funds were $3.2 million, ($70) thousand and $7.8 million, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the Government's business-type activities.

Capital Assets and Debt Administration

Capital Assets

The Government's investment in capital assets for its governmental and business-type activities as of December 31, 2010 amounts to $1.1 billion (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the Government, such as roads, bridges, streets and sidewalks, drainage systems and other similar items.

Major capital asset transactions during the year included construction of infrastructure, buildings, acquisition of public safety vehicles, construction of water and sewerage systems, and construction of a new airport terminal and building.

Additional information on the Government's capital assets can be found in Note 3 of the notes to the financial statements of this report.

The Government's Capital Assets
(net of depreciation)
December 31, 2010
Figure 4

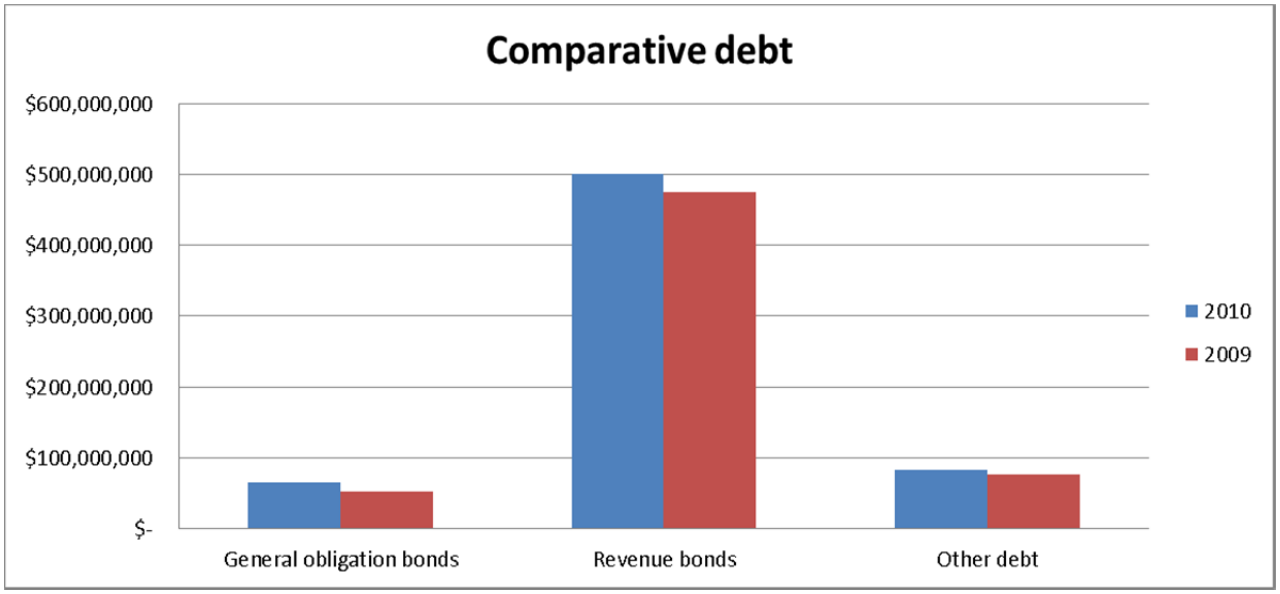
	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Land	$ 21,332,064	$ 21,157,064	$ 18,813,269	$ 18,390,781	$ 40,145,333	$ 39,547,845
Buildings	49,568,318	50,213,709	44,606,449	46,033,568	94,174,767	96,247,277
Improvements other than buildings	27,358,784	25,054,129	6,549,685	7,293,392	33,908,469	32,347,521
Water and sewerage systems	-	-	549,769,283	450,032,294	549,769,283	450,032,294
Infrastructure	77,214,291	80,493,928	11,314,785	12,021,355	88,529,076	92,515,283
Vehicles, machinery and equipment	15,600,631	16,483,023	17,394,301	17,918,860	32,994,932	34,401,883
Richmond County Public Facilities	2,109,247	2,109,247	-	-	2,109,247	2,109,247
Construction in progress	211,668,096	140,128,093	51,302,399	124,583,413	262,970,495	264,711,506
	$ 404,851,431	$ 335,639,193	$ 699,750,171	$ 676,273,663	$1,104,601,602	$1,011,912,856

Long-Term Debt

As of December 31, 2010, the Government had a total of $648.9 million in outstanding long-term debt. Of this amount, $476.5 million consists of revenue bonds backed by the revenues of the water and sewer system.

The Government's Outstanding Debt
General Obligation and Revenue Bonds
December 31, 2010
Figure 5

	Governmental Activities		Businesss-type Activities		Total	
	2010	2009	2010	2009	2010	2009
General obligation bonds	$ 67,431,441	$ 51,458,058	$ -	$ -	$ 67,431,441	$ 51,458,058
Revenue bonds	22,120,000	-	476,580,544	475,597,884	498,700,544	475,597,884
Other debt	28,020,300	28,289,184	54,832,231	48,319,708	82,852,531	76,608,892
Total debt	$ 117,571,741	$ 79,747,242	$ 531,412,775	$ 523,917,592	$ 648,984,516	$ 603,664,834



The Government bond rating was upgrade from A1 by Moody's Investor Service to Aa2 in June 2010, this bond rating was also confirmed by Fitch Rating Service. The bond ratings are clear indications of the sound financial condition of the Government. The high ratings are a primary factor in keeping interest costs low on the Government's outstanding debt.

The State of Georgia limits the amount of general obligation debt that a unit of government can issue to 10 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Government is $452 million based on the 2010 County-wide bond digest of $4.52 billion

Additional information regarding the Government's long-term debt can be found in Note 3 of the notes to the financial statements of this report.

Economic Factors and Next Year's Budget and Rates

The following key economic indicators reflect the continued stability of the Government.

- There is a budgeted use of existing fund balance in the 2010 adopted budget, and a decrease of the county wide millage rate.
- The downtown area has with in a one mile radius the following capital projects under construction
    - The Government backed project
        - Trade, Event and Exhibit Center - $38 Million
        - Reynolds Street Parking Deck - $10 Million
        - Library - $24 Million
        - Judicial Center - $67 Million
    - Private / Other Development
        - KROC Center - $98 Million
        - GHSU School of Dentistry – $112 Million
- The Government has received the following national rankings
    - Where to Retire Magazine: 8 Enticing Money-Saver Towns
    - RelocateAmerica: Top 10 Places to Live for 2011 (ranked 7th)
    - The Brookings Institute: One of the nation's most resilient cities for the eighth straight time.
    - RelocateAmerica: Top Places to Live
    - Business Insider : The 20 Cities That Are Having An Awesome Recovery (ranked #6)
- The Government has an unemployment rate of 10.3 %, slightly higher than the state average of 10.2%.
- The 2010 tax digest increased by 1.14%, with .01% of this from normal factors such as increased exemptions and the remaining 1.13% from reassessments.
- In 2010 the monthly Local Option Sales Tax collections increased at a rate of 1.52% over 2009, as compared to other similar governments whose sales tax collection changed at rates of -.065% to 5.93%.

Budget Highlights for the Fiscal Year Ending December 31, 2010

Each year, the County's overall goal is to provide essential services to our citizens as cost effectively and professionally as possible. The Augusta Commission works diligently to plan for the future while insuring current programs and services are working as smoothly as possible. We continually seek to improve. We are pleased that through our fiscal responsibility we are able to maintain our current level of service without an increase in taxes.

Governmental Activities: The Ad Valorem Taxes are projected to remain steady at the 2009 level. The 2010 tax digest has shown a increase of approximately 1.14%. Other taxes are expected to remain steady or slightly decrease with an expected 1% decrease in sales tax revenues. The FY 2010 budget for the general fund is expected to be slightly above the 2009 level due to funding for the operating deficit of the transit department, and the continued rise in the cost of fuel and operating supplies. Several new public facilities began operations in 2010 increasing building operational costs. The general economic climate for the city government of 2010 is expected to be stable. The undesignated fund balance should decrease slightly by $1.8 million due budgeted use of fund balance to balance the General fund instead of increasing the county's millage rate.

Business – type Activities: Overall Water and Sewer revenue is projected to increase by more than 3% due to the increased rates.

Requests for Information

This report is designed to provide an overview of the Government's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Augusta-Richmond County, Georgia, 530 Greene Street, Augusta, Georgia 30901. Questions concerning any of the information found in this report relating to the Richmond County Board of Health should be directed to the Department of Health at 950 Laney Walker Blvd., Augusta, Georgia 30901. Questions concerning any of the information found in this report relating to Augusta Canal Authority should be directed to Augusta Canal Authority, 1450 Greene Street, Suite 400, Augusta, Georgia 30903. Questions concerning any of the information found in this report relating to Downtown Development Authority should be directed to Downtown Development Authority, 936 Broad Street, Suite 107, Augusta, Georgia 30901.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

AUGUSTA, GEORGIA

Statement of Net Assets
December 31, 2010

	Primary Government			Component Units				
	Governmental Activities	Business Type Activities	Primary Government Total	Department of Health	Augusta Canal Authority	Downtown Development Authority	Urban Redevelopment Authority	Augusta-Richmond County Coliseum Authority
Assets								
Cash and temporary investments	$ 181,679,772	$ 50,049,712	$ 231,729,484	$ 2,046,801	$ 819,555	$ 170,170	$ 1,664,425	$ 2,188,457
Receivables (net of allowance (for doubtful accounts)								
Taxes	5,625,942	-	5,625,942	-	-	-	-	-
Accounts	18,098,983	24,695,884	42,794,867	68,690	190,494	3,533	-	111,074
Interest	265,204	7,125	272,329	-	-	-	-	-
Notes	3,362,263	-	3,362,263	-	-	-	-	-
Intergovernmental	-	202,603	202,603	781,296	-	-	-	-
Prepaid expenses	764,629	249,935	1,014,564	-	32,213	-	-	41,789
Inventory	82,341	3,366,213	3,448,554	-	42,391	-	-	-
Restricted cash and investments	108,629,833	51,206,873	159,836,706	-	1,892,008	-	3,896,848	-
Internal balances	5,583,295	(5,583,295)	-	-	-	-	-	-
Capital assets								
Land and construction in progress	233,000,160	70,115,668	303,115,828	1,947,997	827,826	-	-	1,674,426
Other capital assets, net of accumulated depreciation	171,851,271	629,634,503	801,485,774	7,855,468	13,461,878	3,157,500	-	8,204,317
Other assets	733,315	21,081,185	21,814,500	-	-	-	258,240	-
Total assets	729,677,008	845,026,406	1,574,703,414	12,700,252	17,266,365	3,331,203	5,819,513	12,220,063
Liabilities								
Accounts payable	13,375,656	8,713,676	22,089,332	1,250,928	81,243	96,726		980,836
Accrued interest	637,566	5,710,020	6,347,586	-	-	-	-	-
Accrued salaries and vacation	1,959,031	398,456	2,357,487	359,832	48,464	-	-	-
Other accrued liabilities	21,823,856	218,759	22,042,615	6,376	2,015	33,313		-
Unearned revenue	1,026,312	-	1,026,312	-	21,860	-	-	-
Liabilities due in less than one year	32,355,861	13,522,570	45,878,431	40,731	144,092		315,000	-
Liabilities due in greater than one year	85,215,880	517,890,205	603,106,085	497,575	623,036	-	7,685,000	-
Total liabilities	156,394,162	546,453,686	702,847,848	2,155,442	920,710	130,039	8,000,000	980,836
Net assets								
Invested in capital assets net of related debt	392,520,278	194,948,749	587,469,027	9,442,389	13,522,576	3,157,500	-	9,878,743
Restricted for:								
Capital projects	127,306,669	15,416,712	142,723,381	-	1,870,148	-	-	-
Debt service	-	12,231,713	12,231,713	-	-	-	-	-
Perpetual care	338,625	-	338,625	-	-	-	-	-
Health and welfare	-	-	-	1,378,578	-	-	-	-
Unrestricted	53,117,274	75,975,546	129,092,820	(276,157)	952,931	43,664	(2,180,487)	1,360,484
Total net assets	$ 573,282,846	$ 298,572,720	$ 871,855,566	$ 10,544,810	$ 16,345,655	$ 3,201,164	$ (2,180,487)	$ 11,239,227

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

AUGUSTA, GEORGIA

Statement of Activities
Year Ended December 31, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 41,420,563	$ 17,544,891	$ 3,061,604	$ -
Judicial	17,197,271	7,797,373	233,111	-
Public safety	82,198,232	7,236,047	1,024,014	-
Public works	16,010,143	2,307,975	-	-
Health and welfare	1,934,339	83,904	498,339	-
Culture and recreation	20,351,136	989,824	1,203,581	-
Housing and development	12,054,659	-	5,520,729	-
Interest on long-term debt	1,539,180	-	-	-
Total governmental activities	192,705,523	35,960,014	11,541,378	-
Business-type activities:				
Waste management	6,192,260	9,715,639	-	-
Water and sewer	81,438,293	84,460,784	-	-
Airports	18,281,091	16,430,053	78	532,542
Municipal golf course	629,179	376,667	-	-
Transit	4,935,179	727,297	181,639	3,551,587
Garbage collection	15,519,972	15,626,417	-	-
Total business-type activities	126,995,974	127,336,857	181,717	4,084,129
Total primary government	$ 319,701,497	$ 163,296,871	$ 11,723,095	$ 4,084,129
Component units:				
Richmond County Department of Health	$ 16,274,599	$ 4,060,070	$ 10,733,243	$ -
Augusta Canal Authority	1,724,050	853,681	392,694	66,700
Downtown Development Authority	536,602	59,257	207,194	626,710
Urban Redevelopment Authority	2,204,653	-	-	-
Augsuta-Ricmond County Coliseum Authority	4,919,828	2,644,442	-	-
Total component units	$ 25,659,732	$ 7,617,450	$ 11,333,131	$ 693,410
General revenues:				
Property taxes				
Sales taxes				
Franchise taxes				
Other taxes				
Unrestricted governmental revenues				
Revenues from use of money and property				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - beginning,				
Net assets - ending				

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

Net (Expense) Revenue and Changes in Net Assets								
Primary Government			Component Units					
Governmental Activities	Business-type Activities	Total	Department of Health	Augusta Canal Authority	Downtown Development Authority	Urban Redevelopment Authority	Augusta-Richmond County Coliseum Authority
$ (20,814,068)	$ -	$ (20,814,068)	$ -	$ -	$ -	$ -	$ -
(9,166,787)	-	(9,166,787)	-	-	-	-	-
(73,938,171)	-	(73,938,171)	-	-	-	-	-
(13,702,168)	-	(13,702,168)	-	-	-	-	-
(1,352,096)	-	(1,352,096)	-	-	-	-	-
(18,157,731)	-	(18,157,731)	-	-	-	-	-
(6,533,930)	-	(6,533,930)	-	-	-	-	-
(1,539,180)	-	(1,539,180)	-	-	-	-	-
(145,204,131)	-	(145,204,131)	-	-	-	-	-
-	3,523,379	3,523,379	-	-	-	-	-
-	3,022,491	3,022,491	-	-	-	-	-
-	(1,318,418)	(1,318,418)	-	-	-	-	-
-	(252,512)	(252,512)	-	-	-	-	-
-	(474,656)	(474,656)	-	-	-	-	-
-	106,445	106,445	-	-	-	-	-
-	4,606,729	4,606,729	-	-	-	-	-
$ (145,204,131)	$ 4,606,729	$ (140,597,402)	$ -	$ -	$ -	$ -	$ -
-	-	-	(1,481,286)	-	-	-	-
-	-	-	-	(410,975)	-	-	-
-	-	-	-	-	356,559	-	-
-	-	-	-	-	-	(2,204,653)	-
-	-	-	-	-	-	-	(2,275,386)
-	-	-	(1,481,286)	(410,975)	356,559	(2,204,653)	(2,275,386)
53,931,423	-	53,931,423	-	-	-	-	-
72,629,786	-	72,629,786	-	-	-	-	-
20,906,985	-	20,906,985	-	-	-	-	-
19,039,510	-	19,039,510	-	-	-	-	1,281,206
1,117,472	-	1,117,472	1,291,600	-	-		-
3,419,228	395,407	3,814,635	14,818	7,419	2,391	24,166	12,439
855,819	1,023,328	1,879,147	-	51,512	-	-	-
(4,952,501)	4,952,501	-	-	-	-	-	-
166,947,722	6,371,236	173,318,958	1,306,418	58,931	2,391	24,166	1,293,645
21,743,591	10,977,965	32,721,556	(174,868)	(352,044)	358,950	(2,180,487)	(981,741)
551,539,255	287,594,755	839,134,010	10,719,678	16,697,699	2,842,214	-	12,220,968
$ 573,282,846	$ 298,572,720	$ 871,855,566	$ 10,544,810	$ 16,345,655	$ 3,201,164	$ (2,180,487)	$ 11,239,227

FUND FINANCIAL STATEMENTS

AUGUSTA, GEORGIA

Balance Sheet
Governmental Funds
December 31, 2010

	General	Fire Protection	Special Sales Tax Phase IV
Assets			
Cash and temporary investments	$ 22,618,769	$ 14,521,433	$ 53,827,392
Receivables (net of allowance for doubtful accounts)			
Taxes	3,649,985	496,985	-
Accounts	8,399,497	-	11,868
Interest	-	-	-
Note	-	-	-
Prepaid items	763,944	-	-
Inventory	82,341	-	-
Restricted assets			
Reserve account	-	-	-
Perpetual care	-	-	-
Due from other funds	7,489,309	-	-
Total assets	$ 43,003,845	$ 15,018,418	$ 53,839,260
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ 3,793,421	$ 333,594	$ 584,336
Due to other funds	-	-	-
Accrued salaries	1,449,876	370,423	28,378
Other accrued liabilities	2,200,607	-	-
Deferred revenue	2,774,403	257,152	-
Total liabilities	10,218,307	961,169	612,714
Fund balances:			
Reserved for:			
Encumbrances	3,569,423	75,930	20,328,940
Inventory/prepaid items	846,285	-	-
Bond Projects	-	-	-
Unreserved - designated for:			
Other	-	10,506,999	-
Risk benefit	4,705,061	250,000	-
Unreserved - undesignated	23,664,769	3,224,320	32,897,606
Unreserved, reported in nonmajor:			
Special revenue	-	-	-
Debt service	-	-	-
Capital projects	-	-	-
Permanent	-	-	-
Total fund balances	32,785,538	14,057,249	53,226,546
Total liabilities and fund balances	$ 43,003,845	$ 15,018,418	$ 53,839,260

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

Special Sales Tax Phase V	Other Governmental Funds	Total Governmental Funds
$ 36,495,613	$ 52,736,130	$ 180,199,337
-	1,478,972	5,625,942
3,582,769	2,467,447	14,461,581
265,204	-	265,204
-	3,362,263	3,362,263
-	685	764,629
-	-	82,341
30,837,234	63,797,296	94,634,530
-	338,625	338,625
-	-	7,489,309
$ 71,180,820	$ 124,181,418	$ 307,223,761
$ 5,873,990	$ 2,012,017	$ 12,597,358
-	1,665,580	1,665,580
-	100,687	1,949,364
-	17,508	2,218,115
-	4,196,039	7,227,594
5,873,990	7,991,831	25,658,011
29,743,463	10,534,668	64,252,424
-	685	846,970
10,139,388	66,843,594	76,982,982
-	-	10,506,999
-	-	4,955,061
25,423,979	-	85,210,674
-	14,265,514	14,265,514
-	213,082	213,082
-	23,812,091	23,812,091
-	519,953	519,953
65,306,830	116,189,587	281,565,750
$ 71,180,820	$ 124,181,418	$ 307,223,761

AUGUSTA, GEORGIA

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets
December 31, 2010

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

Ending fund balance - governmental funds	$ 281,565,750
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Historical cost of capital assets	535,659,031
Accumulated depreciation	(130,807,600)
	404,851,431
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	
Adjustment of deferred revenue	6,201,282
Bond issue costs capitalized	731,790
	6,933,072
Net assets of internal service funds	1,340,961
Less: cumulative amounts allocated to business-type activities	465,441
Less: capital assets included in adjustment for capital assets	(376,713)
	1,429,689
Long-term liabilities, including bonds payable and accrued interest, are not due and payable in the current period and therefore are not reported in the funds.	
General obligation bonds payable	(67,431,441)
Revenue bonds payable	(22,120,000)
Compensated absences	(4,617,061)
Capital leases	(1,070,201)
Claims and judgements	(6,028,938)
Other post employement benefits liability	(19,569,950)
Annual pension liability	(21,939)
Accrued interest	(637,566)
	(121,497,096)
Net assets of governmental activities	$ 573,282,846

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

AUGUSTA, GEORGIA

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2010

	General	Fire Protection	Special Sales Tax Phase IV
Revenues			
Taxes - property	$ 37,841,223	$ 5,686,403	$ -
Taxes - other than property	52,052,628	10,506,999	-
Licenses and permits	1,516,948	-	-
Use of money and property	1,370,898	89,808	368,060
Charges for current services	18,524,472	151,936	-
Fines and forfeitures	4,970,334	-	-
Intergovernmental	3,844,271	-	851,445
Contributions and donations	48,610	-	-
Other	73,828	-	-
Total revenues	120,243,212	16,435,146	1,219,505
Expenditures			
Current:			
General government	27,454,137	-	549,523
Judicial	15,652,278	-	-
Public safety	55,757,652	21,320,486	334,220
Public works	5,726,070	-	4,586,206
Health and welfare	1,838,640	-	32,551
Culture and recreation	12,855,994	-	37,287
Housing and development	1,369,858	-	-
Capital outlay	-	544,500	8,574,994
Debt service	-	-	-
Intergovernmental	-	-	210,172
Total expenditures	120,654,629	21,864,986	14,324,953
Excess (deficiency) of revenues over (under) expenditures	(411,417)	(5,429,840)	(13,105,448)
Other financing sources (uses)			
Transfers in	3,636,100	4,960,000	-
Transfers (out)	(2,522,347)	-	-
Capital lease proceeds	917,469	-	-
Bonds proceeds	-	-	-
Premium on bonds sold	-	-	-
Total other financing sources (uses)	2,031,222	4,960,000	-
Net change in fund balances	1,619,805	(469,840)	(13,105,448)
Fund balance - beginning	31,165,733	14,527,089	66,331,994
Fund balance - ending	$ 32,785,538	$ 14,057,249	$ 53,226,546

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

Special Sales Tax Phase V	Other Governmental Funds	Total Governmental Funds
$ -	$ 11,077,927	$ 54,605,553
36,724,791	13,291,863	112,576,281
-	2,999,479	4,516,427
983,753	625,404	3,437,923
-	7,207,207	25,883,615
-	562,883	5,533,217
-	5,787,968	10,483,684
-	2,144,780	2,193,390
-	826,311	900,139
37,708,544	44,523,822	220,130,229
543,540	3,955,979	32,503,179
-	331,702	15,983,980
-	4,041,053	81,453,411
731,294	6,291,124	17,334,694
30,503,798	-	32,374,989
418,174	3,799,824	17,111,279
-	10,623,060	11,992,918
25,623,121	5,688,206	40,430,821
-	12,348,318	12,348,318
13,144	250,000	473,316
57,833,071	47,329,266	262,006,905
(20,124,527)	(2,805,444)	(41,876,676)
-	10,776,470	19,372,570
(9,697,900)	(12,542,919)	(24,763,166)
-	-	917,469
-	44,070,000	44,070,000
-	3,635,264	3,635,264
(9,697,900)	45,938,815	43,232,137
(29,822,427)	43,133,371	1,355,461
95,129,257	73,056,216	280,210,289
$ 65,306,830	$ 116,189,587	$ 281,565,750

AUGUSTA, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended December 31, 2010

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 1,355,461
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. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital outlay	81,080,521	
Depreciation expense	(11,843,994)	
		69,236,527
Governmental funds recognize revenues when current resources are provided; the Statement of Activities recognizes revenue when earned, resulting in a timing difference of current period revenues relating to converting from modified-accrual basis to full accrual basis.		(788,272)
The change in the net pension obligation or asset does not affect current financial resources and are not reported as a revenue or expense in the funds.		539,176
The change in the net other post employment benefit obligation or asset does not affect current financial resources and are not reported as a revenue or expense in the funds.		(11,035,931)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related accounts.		
General obligation bonds payable		(15,973,383)
Revenue bonds payable		(22,120,000)
Compensated absences		73,354
Capital leases		161,885
Claims and judgements		78,560
Bond issue costs capitalized		419,051
Accrued interest		(301,148)
		(37,661,681)
The net revenue of certain activities of the internal service fund is reported with governmental		98,311
Change in net assets of governmental activities		$ 21,743,591

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

AUGUSTA, GEORGIA

General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Budgeted Amounts			Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	2009 Actual
Revenues					
Taxes - property	$36,775,370	$ 36,775,370	$ 37,841,223	$ 1,065,853	$ 39,531,917
Taxes - other than property	52,683,820	52,683,820	52,052,628	(631,192)	52,604,037
Licenses and permits	1,582,000	1,582,000	1,516,948	(65,052)	1,396,547
Use of money and property	1,978,100	1,978,100	1,370,898	(607,202)	1,741,840
Charges for current services	18,804,420	18,820,420	18,524,472	(295,948)	17,676,616
Fines and forfeitures	5,439,820	5,439,820	4,970,334	(469,486)	4,967,862
Intergovernmental	4,984,210	6,156,943	3,844,271	(2,312,672)	4,253,024
Contributions and donations	10,640	34,405	48,610	14,205	16,097
Other	37,000	38,776	73,828	35,052	62,798
Total revenues	122,295,380	123,509,654	120,243,212	(3,266,442)	122,250,738
Expenditures					
Current:					
General government	25,325,162	28,633,988	27,454,137	1,179,851	26,807,908
Judicial	16,835,160	16,025,051	15,652,278	372,773	15,496,291
Public safety	57,698,515	57,936,155	55,757,652	2,178,503	57,767,154
Public works	6,839,929	6,529,488	5,726,070	803,418	5,972,836
Health and welfare	1,846,770	1,856,440	1,838,640	17,800	2,106,402
Culture and recreation	13,785,374	13,352,830	12,855,994	496,836	13,088,770
Housing and development	1,545,920	1,589,132	1,369,858	219,274	2,163,830
Total expenditures	123,876,830	125,923,084	120,654,629	5,268,455	123,403,191
Excess (deficiency) of revenues over (under) expenditures	(1,581,450)	(2,413,430)	(411,417)	2,002,013	(1,152,453)
Other financing sources (uses)					
Transfers in	3,944,540	3,858,720	3,636,100	(222,620)	14,375,443
Transfers (out)	(4,159,300)	(4,199,300)	(2,522,347)	1,676,953	(2,399,116)
Capital lease proceeds	-	-	917,469	917,469	1,127,154
Total other financing sources (uses)	(214,760)	(340,580)	2,031,222	2,371,802	13,103,481
Net change in fund balances	$ (1,796,210)	$ (2,754,010)	1,619,805	$ 4,373,815	11,951,028
Fund balance - beginning			31,165,733		19,214,705
Fund balance - ending			$ 32,785,538		$ 31,165,733

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

AUGUSTA, GEORGIA

Fire Protection
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2009 Actual
	Original	Final			
Revenues					
Taxes - property	$ 5,475,820	$ 5,475,820	$ 5,686,403	$ 210,583	$ 5,869,215
Taxes - other than property	10,880,000	10,880,000	10,506,999	(373,001)	10,821,499
Use of money and property	340,000	340,000	89,808	(250,192)	173,709
Charges for current services	127,000	127,000	151,936	24,936	168,844
Contributions and donations		-	-	-	1,000
Total revenues	16,822,820	16,822,820	16,435,146	(387,674)	17,034,267
Expenditures					
Current:					
Public safety	21,604,720	21,689,745	21,320,486	369,259	21,068,619
Capital outlay	178,100	1,129,788	544,500	585,288	1,135,655
Total expenditures	21,782,820	22,819,533	21,864,986	954,547	22,204,274
Excess (deficiency) of revenues over (under) expenditures	(4,960,000)	(5,996,713)	(5,429,840)	566,873	(5,170,007)
Other financing sources (uses)					
Transfers in	4,960,000	4,960,000	4,960,000	-	4,960,000
Total other financing sources (uses)	4,960,000	4,960,000	4,960,000	-	4,960,000
Net change in fund balances	$ -	$ (1,036,713)	(469,840)	$ 566,873	$ (210,007)
Fund balance - beginning			14,527,089		14,737,096
Fund balance - ending			$ 14,057,249		$ 14,527,089

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

AUGUSTA, GEORGIA

Statement of Net Assets
Proprietary Funds
December 31, 2010

Assets	Enterprise Funds: Water and Sewer System	Enterprise Funds: Augusta Regional Airport	Enterprise Funds: Other Enterprise Funds	Enterprise Funds: Total	Internal Service Funds
Current assets					
Cash and temporary investments	$ 19,247,877	$ 10,363,508	$ 20,438,327	$ 50,049,712	$ 1,480,435
Receivables (net of allowance for doubtful accounts)					
Accounts	18,516,850	375,681	5,803,353	24,695,884	3,637,402
Interest	6,542	-	583	7,125	-
Intergovernmental	-	202,603	-	202,603	-
Prepaid expenses	249,935	-	-	249,935	1,525
Inventory	2,794,536	331,584	240,093	3,366,213	-
Total current assets	40,815,740	11,273,376	26,482,356	78,571,472	5,119,362
Noncurrent assets					
Restricted cash and investments	21,412,265	20,280,543	9,514,065	51,206,873	13,656,678
Deferred bond issuance costs	5,302,755	889,935	584,783	6,777,473	-
Prepaid bond interest	13,930,212	-	-	13,930,212	-
Capital assets, net	599,623,343	52,448,837	47,677,991	699,750,171	376,713
Other assets	373,500	-	-	373,500	-
Total noncurrent assets	640,642,075	73,619,315	57,776,839	772,038,229	14,033,391
Total assets	681,457,815	84,892,691	84,259,195	850,609,701	19,152,753
Liabilities					
Current liabilities					
Accounts payable	4,920,152	1,394,540	2,398,984	8,713,676	778,298
Accrued interest	5,710,020	-	-	5,710,020	-
Due to other funds	1,896,474	2,249,979	971,401	5,117,854	705,875
Accrued salaries and vacation	741,690	254,685	256,651	1,253,026	9,667
Other accrued liabilities	-	-	218,759	218,759	13,852
Current portion of notes payable	2,555,048	-	-	2,555,048	-
Current portion of leases payable	942,309	-	1,100,643	2,042,952	-
Current portion of revenue bonds payable	7,285,000	-	785,000	8,070,000	-
Total current liabilities	24,050,693	3,899,204	5,731,438	33,681,335	1,507,692
Noncurrent liabilities					
Closure/postclosure accrual	-	-	16,245,410	16,245,410	-
Revenue bonds payable	438,115,990	19,605,000	10,789,554	468,510,544	16,304,100
Notes payable	26,510,625	-	-	26,510,625	-
Capital leases	5,503,461	-	1,120,165	6,623,626	-
Total noncurrent liabilities	470,130,076	19,605,000	28,155,129	517,890,205	16,304,100
Total liabilities	494,180,769	23,504,204	33,886,567	551,571,540	17,811,792
Net assets					
Invested in capital assets, net of related debt	118,710,910	32,843,837	43,394,002	194,948,749	376,713
Restricted for debt service	7,365,190	4,863,831	2,692	12,231,713	-
Restricted for capital projects	-	15,416,712	-	15,416,712	-
Unrestricted	61,200,946	8,264,107	6,975,934	76,440,987	964,248
Total net assets	$ 187,277,046	$ 61,388,487	$ 50,372,628	$ 299,038,161	$ 1,340,961

Some amounts reported for *business-type activities* in the statement of net assets are different because of the following:	
Certain internal fund assets and liabilities are included with business-type activities.	$ (361,921)
Certain internal fund expenses are allocated to business-type activities.	(103,520)
Total net assets for business-type activities	$ 298,572,720

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

AUGUSTA, GEORGIA

Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
Year Ended December 31, 2010

	Enterprise Funds				
	Water and Sewer System	Augusta Regional Airport	Other Enterprise Funds	Total	Internal Service Funds
Operating revenues					
Charges and fees	$ 84,460,784	$ 15,503,504	$ 26,547,274	$ 126,511,562	$ 31,630,650
Total operating revenues	84,460,784	15,503,504	26,547,274	126,511,562	31,630,650
Operating expenses					
Personal services and employee benefits	13,180,215	3,782,661	4,962,092	21,924,968	457,534
Purchased/contracted services	7,012,770	1,222,503	14,802,532	23,037,805	561,140
Supplies	8,603,711	9,035,531	1,843,447	19,482,689	226,758
Repairs and maintenance	5,088,167	277,196	2,022,156	7,387,519	4,518,483
Interfund/interdepartmental charges	2,188,950	221,460	628,615	3,039,025	-
Other costs	770	-	-	770	66,886
Depreciation	22,791,229	2,181,241	2,664,930	27,637,400	21,169
Closure/postclosure accrual	-	-	750,675	750,675	-
Lease expense	-	-	-	-	2,147,048
Risk benefit charges	-	-	-	-	1,061,508
Insurance	-	-	-	-	23,064,804
Total operating expenses	58,865,812	16,720,592	27,674,447	103,260,851	32,125,330
Operating income (loss)	25,594,972	(1,217,088)	(1,127,173)	23,250,711	(494,680)
Nonoperating revenue (expense)					
Interest revenue	165,056	81,900	170,646	417,602	277,012
Sale of property	32,104	42,737	18,334	93,175	4,669
Other revenue	-	1,683,019	63,098	1,746,117	78,353
Intergovernmental	-	377,018	3,888,828	4,265,846	-
Interest expense	(22,497,445)	(1,037,088)	(109,934)	(23,644,467)	(308,658)
Total nonoperating revenue (expense)	(22,300,285)	1,147,586	4,030,972	(17,121,727)	51,376
Income (loss) before transfers	3,294,687	(69,502)	2,903,799	6,128,984	(443,304)
Transfers in	-	-	5,077,501	5,077,501	438,095
Transfers out	-	-	(125,000)	(125,000)	-
Change in net assets	3,294,687	(69,502)	7,856,300	11,081,485	(5,209)
Total net assets - beginning	183,982,359	61,457,989	42,516,328		1,346,170
Total net assets - ending	$ 187,277,046	$ 61,388,487	$ 50,372,628		$ 1,340,961

Some amounts reported for *business-type activities* in the statement of net assets are different because of the following:	
Certain internal fund expenses are allocated to business-type activities.	(103,520)
Total change in net assets for business-type activities	$ 10,977,965

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

AUGUSTA, GEORGIA

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2010

	Enterprise Funds				
	Water & Sewer System	Augusta Regional Airport	Other Enterprise Funds	Total	Internal Service Funds
Operating activities					
Cash received from customers	$ 78,021,959	$15,828,236	$ 25,801,953	$119,652,148	$ -
Cash received from contributions	-	-	-	-	30,044,114
Cash advanced from other funds	-	-	230,134	230,134	704,350
Cash paid to suppliers	(16,712,213)	(11,008,074)	(18,731,806)	(46,452,093)	(29,544,497)
Cash paid to employees	(13,183,418)	(3,761,654)	(4,941,733)	(21,886,805)	(485,272)
Cash paid for interfund services used	(8,442,109)	-	(5,245)	(8,447,354)	-
Net cash provided by (used in) operating activities	39,684,219	1,058,508	2,353,303	43,096,030	718,695
Noncapital financing activities					
Transfers in	-	-	5,077,501	5,077,501	439,643
Transfers out	-	-	(125,000)	(125,000)	(1,548)
Operating grants	-	-	72,070	72,070	-
Interest expense on operating capital	-	-	22,393	22,393	(28,908)
Other revenue	-	-	-	-	77,953
Other expense	-	26,928	-	26,928	-
Net cash provided by (used in) noncapital financing activities	-	26,928	5,046,964	5,073,892	487,140
Capital and related financing activities					
Proceeds from grants		336,116	2,317,034	2,653,150	-
Proceeds from sale of property	32,104	-	160,454	192,558	7,791
Proceeds from notes payable borrowings	8,840,668	-	-	8,840,668	-
Proceeds from capital leases	346,393	-	528,705	875,098	-
Interest on bond funds	8,614	-	-	8,614	-
Loan origination fee	(373,500)	-	-	(373,500)	-
Other miscellaneous income		1,735,336	40,288	1,775,624	400
Proceeds from bond issuance	-	-	9,390,734	9,390,734	-
Purchase of capital assets	(38,095,367)	(1,115,623)	(12,045,038)	(51,256,028)	-
Bond issuance costs paid	-	-	(285,629)	(285,629)	-
Payments on bonds issued		-	(1,700,000)	(1,700,000)	-
Interest paid on capital debt	(21,121,471)	(1,037,088)	(123,496)	(22,282,055)	(234,611)
Payments on capital leases	(1,339,153)	-	(970,180)	(2,309,333)	-
Principal paid on revenue bonds	(6,455,000)	-	-	(6,455,000)	-
Net cash used in capital and related financing activities	(58,156,712)	(81,259)	(2,687,128)	(60,925,099)	(226,420)
Investing activities					
Interest received	163,693	81,900	170,755	416,348	276,788
Net cash provided by investing activities	163,693	81,900	170,755	416,348	276,788
Net decrease in cash and cash equivalents/investments	(18,308,800)	1,086,077	4,883,894	(12,338,829)	1,256,203
Cash and cash equivalents/investments					
Beginning of year	58,968,942	29,557,974	25,068,498	113,595,414	13,880,910
End of year	$ 40,660,142	$30,644,051	$ 29,952,392	$101,256,585	$15,137,113

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

AUGUSTA, GEORGIA

Statement of Cash Flows
Proprietary Funds
Year Ended December 31, 2010

	Enterprise Funds				
	Water & Sewer System	Augusta Regional Airport	Other Enterprise Funds	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	$ 25,594,972	$ (1,217,088)	$ (1,127,173)	$ 23,250,711	$ (494,680)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	22,791,229	2,181,241	2,664,930	27,637,400	21,168
Closure/post closure costs	-	-	750,675	750,675	-
Department of the Army loan	(2,455,980)	-	-	(2,455,980)	-
Net change in assets and liabilities:					
Accounts receivable	(3,982,845)	324,732	(745,321)	(4,403,434)	276,517
Inventory	(350,907)	1,813	(24,935)	(374,029)	-
Prepaid expenses	(5,968)	-	-	(5,968)	1,612,515
Accounts payable	749,443	551,159	2,326	1,302,928	225,226
Accrued salaries and vacation	(3,203)	27,291	20,359	44,447	(27,738)
Other accrued liabilites	-	-	(41,062)	(41,062)	13,852
Due to other funds	(2,652,522)	(810,640)	853,504	(2,609,658)	(908,165)
Total adjustments	14,089,247	2,275,596	3,480,476	19,845,319	1,213,375
Net cash provided by (used in) operating activities	$ 39,684,219	$ 1,058,508	$ 2,353,303	$ 43,096,030	$ 718,695
Reconciliation of cash and cash equivalents to the balance sheets					
Cash and cash equivalents in current assets	$ 19,247,877	$ 10,363,508	$ 20,438,327	$ 50,049,712	$ 1,480,435
Restricted cash and cash equivalents included in noncurrent cash and investments	21,412,265	20,280,543	9,514,065	51,206,873	13,656,678
Net cash and cash equivalents	$ 40,660,142	$ 30,644,051	$ 29,952,392	$ 101,256,585	$ 15,137,113
Noncash transactions					
Amortization of interest expense	$ 1,233,297	$ 36,508	$ -	$ -	$ -
Accrued interest on notes payable	(7,032)	-	-	-	-
Principal and interest reduction of note payable - Department of Army	2,455,980	-	-	-	-
Premiums on bonds sold	644,243				

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

AUGUSTA, GEORGIA

Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2010

	Pension Trust Funds	Private-purpose Trust Fund Joseph R. Lamar	Agency Funds
Assets			
Cash and cash equivalents	$ 5,775,907	$ 1,284	$ 10,586,935
Investments			
U.S. Government securities	12,136,837	-	-
Corporate bonds	6,054,555	-	-
Equity securities	41,539,691	-	-
Receivables (net of allowance for doubtful accounts)			
Taxes	-	-	21,274,839
Accounts	1,608,547	-	-
Interest	233,251	-	-
Perpetual care	-	5,000	-
Total assets	67,348,788	6,284	31,861,774
Liabilities			
Accounts payable	272	-	-
Due to other funds	-	-	10,586,935
Deferred revenue	-	-	21,274,839
	272	-	31,861,774
Net assets			
Held in trust for pension benefits and other purposes (See Schedules of Funding Progress)	$ 67,348,516	$ 6,284	

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

AUGUSTA, GEORGIA

Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
Year Ended December 31, 2010

	Pension Trust Funds	Private-purpose Trust Fund Joseph R. Lamar
Additions		
Contributions		
Contributions - employer	$ 3,069,309	$ -
Contributions - plan member	338,309	-
Total contributions	3,407,618	-
Investment earnings		
Interest and dividend income	6,189	307
Net increase (decrease) in fair value of investments	3,787,543	-
Total Investment earnings	3,793,732	307
Less investment expense	(433,467)	-
Net investment earnings	3,360,265	307
Total additions	6,767,883	307
Deductions		
Benefit payments	7,007,619	-
Total deductions	7,007,619	-
Net increase (decrease) in plan net assets	(239,736)	307
Total net assets - beginning	67,588,252	5,977
Total net assets - ending	$ 67,348,516	$ 6,284

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

Notes to Financial Statements

Note 1 - Summary of significant accounting policies

Augusta, Georgia ("the Government") accounts for its financial position and results of operations in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The Government's reporting entity applies all relevant Government Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements and in the proprietary fund financial statements, the Government applies Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails. Accordingly, the Government has adopted accounting policies, as described below.

A. Reporting entity

Augusta is located in the east central section of the state on the south bank of the Savannah River, which serves as the boundary between Georgia and South Carolina. Augusta is on the fall line and has a landscape dotted with foothills which descend to the coastal plain. Augusta is the head of the navigation on the Savannah River and is 135 miles east of Atlanta, 127 miles northwest of the port of Savannah, and 72 miles southwest of Columbia, South Carolina. Augusta is the trade center for 13 counties in Georgia and five in South Carolina, a section known as the Central Savannah River Area.

The Government was created by legislative act in the State of Georgia in 1995 from the unification of the two governments, the City of Augusta, Georgia and Richmond County, Georgia. On June 20, 1995, the citizens of Richmond County and the City of Augusta voted to consolidate into one government named Augusta, Georgia. The officials for the new government were elected and, based on the charter, took office on January 1, 1996. The unified government combined all functions and began financial operations January 1, 1996.

The Government is governed by a full-time Mayor, with a term of four years, and a ten member Commission, who serve on a part-time basis and are elected to staggered terms of four years. The Mayor and Commission appoint an Administrator who serves as a full-time administrative officer and is responsible for the daily operations of the Government.

The Government's financial statements include the accounts of all Augusta and Richmond County operations. The criteria for including organizations as component units within Augusta's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards,* include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Government holds the corporate powers of the organization
- the Government appoints a voting majority of the organization's board
- the Government is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Government
- there is fiscal dependency by the organization on the Government

Utilizing the above criteria, the following agencies and commissions were included using the blending method in the financial statements: Augusta Port Authority, due to degree of fiscal dependency on the Government, and Richmond County Public Facilities, Inc. (see Note 4D).

Complete financial statements for the individual component units may be obtained at the following address: Augusta, Georgia, Finance Department, 530 Greene Street, Augusta, Georgia 30901.

The Government's other component units; the Department of Health, Urban Redevelopment Authority, Augusta-Richmond County Coliseum Authority, Augusta Canal Authority and Downtown Development Authority are included in separate columns in the accompanying government-wide financial statements. These units are reported in separate columns to emphasize that they are legally separate from the Government. Separate financial statements may be obtained from the Richmond County Department of Health at 950 Laney Walker Blvd., Augusta, Georgia 30901. Separate financial statements for the Augusta-Richmond County Coliseum Authority may be obtained from the Civic Center, 601 Seventh St., Augusta, Georgia 30901. Separate financial statements for the Downtown Development

Note 1 - Summary of significant accounting policies (Continued)

Authority may be obtained from the Downtown Development Authority at 936 Broad Street, Suite 107, Augusta, Georgia, 30901. Separate financial statements for the Augusta Canal Authority may be obtained from the Augusta Canal Authority at 1450 Greene Street, Suite 400, Augusta, Georgia, 30903.

Information for the Department of Health and Augusta-Richmond County Coliseum Authority is presented for the year ended June 30, 2010, which were the latest financial statements available. The Department of Health and Augusta-Richmond County Coliseum Authority operate with the June 30 fiscal year end, which is different from the governments fiscal year end.

Urban Redevelopment Authority – A voting majority of the board is appointed by the Government, and fiscal dependency.
Augusta Canal Authority – A voting majority of the board is appointed by the Government, and fiscal dependency.
Richmond County Department of Health - A voting majority of the board is appointed by the Government.
Downtown Development Authority – A voting majority of the board is appointed by the Government.
Augusta-Richmond County Coliseum Authority – A voting majority of the board is appointed by the Government, and fiscal dependency.

B. Basis of presentation

Government-wide statements: The statement of net assets and the statement of activities display information about the primary government. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the Government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Government and for each function of the Government's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

Fund financial statements: The fund financial statements provide information about the Government's funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operation revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The Government reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Government. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state grants, and various other taxes and licenses. The primary expenditures are for public safety, recreation, street maintenance and improvements, and sanitation services.

Note 1 - Summary of significant accounting policies (Continued)

Fire Protection Fund – The Fire Protection Fund is a special revenue fund that accounts for the receipts and disbursements of tax revenues restricted for fire protection services in the unincorporated area only. The primary revenue source is ad valorem taxes, and the primary expenditures are for public safety.

Special Sales Tax Phase IV Fund – This fund was established for expenditures specifically budgeted from revenue from the one percent (1%) sales tax (Phase IV) collected from the years 2001 - 2006 to be used primarily for public works, recreation and outside agency projects.

Special Sales Tax Phase V Fund – This fund is a capital projects fund that accounts for receipts and disbursements of the one percent (1%) sales tax collected beginning March 2006 and expiring the quarter after the total of $160 million has been collected. The revenue sources are sales tax and earned interest, and expenditures will be for capital outlay projects, primarily for public facilities, public works, recreation, and outside agency projects. The funds will also be used to repay $44 million bonds issued for the expansion at the Webster Detention Center and the construction of the Trade, Event and Exhibit Center. Additionally the funds will be used for the repayment of $8 million bonds issued by the Canal Authority.

The Government reports the following nonmajor governmental funds:

Special Revenue Funds

Urban Services District Fund - This fund accounts for revenue primarily from ad valorem taxes from areas within the former city limits and expenditures related to governmental services such as “Main Street”, “Urban Street Lights”, and “Sanitation”.

Emergency Telephone System Fund - This fund accounts for the receipt and disbursement of revenues of the emergency telephone response system.

Capital Outlay Fund - This fund accounts for the disbursement of revenues for all capital expenditures in General Fund departments. Capital expenditures are defined as any non-disposable item over $500 which includes vehicles, office and computer equipment, communications equipment, building renovations and office furniture.

Law Enforcement Fund - This fund accounts for revenue and expenditures of the Sheriff’s Department and Jail.

Occupational Tax Fund - This fund accounts for the receipt and disbursement of tax revenues restricted for fire protection services in the unincorporated area only.

Special Assessment Fund - This fund accounts for the receipt and disbursement of street light assessment taxes for the installation of street lights in the Government.

Hotel/Motel tax and Promotion/Tourism Fund - This fund accounts for the receipt and disbursement of hotel/motel and beer/wine tax revenues to the Augusta-Richmond County Convention & Visitors Bureau and the Augusta-Richmond County Coliseum Authority.

Housing and Neighborhood Development Fund - This fund accounts for the financing and construction of various community development projects from grants received from the U.S. Department of Housing and Urban Development.

Urban Development Action Grant (UDAG) Fund - This fund accounts for loan transactions in relation to urban development action grants. Repayments of initial grant revenue loaned to qualified recipients are restricted to additional financing to qualified applicants.

Federal Drug Fund - This fund accounts for activities associated with drug education and enforcement.

State Drug Fund - This fund accounts for activities associated with drug education and enforcement.

Note 1 - Summary of significant accounting policies (Continued)

Law Library – This fund accounts for receipt and disbursement of the Library.

5% Crime Victim's Assistance Fund - This fund accounts for the 5% surcharge on certain fines with the proceeds used for a victim's assistance program.

Supplemental Juvenile Service Fund - This fund accounts for supervisory fees collected on juvenile cases.

Building Inspection Fund – This fund accounts for building inspection licensing and fees revenue and related expenditures.

Wireless Phase Fund – This fund accounts for activities associated with 911 charges for wireless service.

Perpetual Care I Fund - This fund accounts for monies collected from sale of perpetual care contracts at Government-owned cemeteries after October 1, 1970, as well as receipt of investment earnings on all perpetual care investments and payment of cemetery maintenance expenditures.

Downtown Development Fund – This fund accounts for excise taxes collected on rental motor vehicles, and debt payments made and appropriations given to the Downtown Development Authority.

Canine Forfeitures - This fund accounts for proceeds recovered from drug arrests, which are allocated to the canine unit in return for their assistance.

NPDES Permit Fees - This fund accounts for a per acre environmental fee charged to all contractors who disturb more than one acre of land at a building site.

Transportation and Tourism Fund – This fund accounts for a fee to provide enhanced public transportation services and to enhance the tourism opportunities in the Historic Heritage District The Government has implemented a $1.00 per night room fee. In exchange for the transportation fee, payers of the fee shall be entitled to free use of the public transportation systems for the duration of their hotel stay in Augusta. The revenues generated by the transportation fee shall be used to fund and enhance public transportation operation, management of the Trade Exhibit and Event Center, and to revitalize the Historic Heritage Districts of Augusta to enhance the transportation and tourism services available in Augusta.

Drug Court – This fund accounts for activities associated with drug education and enforcement.

Urban Redevelopment Projects – This fund accounts for the use of the related loan funds to assist the City in alleviating economic deterioration by means of increasing public and private investments in order to aid in economic recovery to strengthen the economics, employment, and tax base of the City. More specifically, the proceeds will finance the development of the Laney-Walker and Bethlehem Urban Redevelopment Area.

Debt Service Funds

2006 GO Sales Tax Bonds Debt Service Fund – This fund accounts for the general obligation bonds related to the General Obligation Sales Tax Bonds, Series 2006. The bonds are to be repaid with funds from SPLOST Phase V.

2009 GO Sales Tax Bonds Debt Service Fund – This fund account for the general obligation bonds related to the General Obligation Sales Tax Bonds, Series 2009. The bonds are to be repaid with funds from SPLOST Phase VI.

2010 GO Sales Tax Bonds Debt Service Fund - This fund accounts for the general obligation bonds related to the General Obligation Sales Tax Bonds, Series 2010. The bonds are to be repaid with funds from SPLOST Phase VII.

Coliseum Authority Revenue Bonds Debt Service – This fund accounts for the costs of certain acquisitions and capital improvements to the Augusta Entertainment Center Complex and the TEE Center Project.

Note 1 - Summary of significant accounting policies (Continued)

Capital Projects Funds

Community Development Fund - This fund accounts for the financing and construction of various community development projects. Financing is provided by grants received from the U.S. Department of Housing and Urban Development.

Special Sales Tax Phase II Fund - This fund accounts for financing and construction of various construction and road improvements, drainage, jail improvements, and museums. Financing is to be provided by receipts from a 1991 special one percent local option sales tax referendum.

Special Sales Tax Phase III Fund – The Special Sales Tax Phase III Fund is a capital projects fund that accounts for the receipts and disbursements of one percent (1%) sales tax currently collected from 1996 through 2000. The primary revenue sources are sales taxes, and the primary expenditures are capital outlay projects, primarily for the public works, recreation and outside agency projects.

Special Sales Tax Phase VI Fund – This fund is a capital projects fund that accounts for the receipts and disbursements of the one percent (1%) sales tax approved by the taxpayers on June 16, 2009. Collections are projected to start January 1, 2011. In 2009 the City of Augusta bonded $30.5 million of the estimated 184.7 million SPLOST. The revenue sources are sales tax and earned interest and expenditures will be primarily for the following: $10 million dollars was returned to the general fund as a reimbursement for the one time use of general fund balance for the purchase and demolition of the Gilbert Manor Housing projects by the Medical College of Georgia for the expansion of MCG's dental school, $18 million for renovations to the municipal building, $17 million to replace emergency services vehicles and 10.9 million to parks and recreation. Of the estimated $184.7 million dollars, $124 million will go towards infrastructure and $60.7 million will go towards non infrastructure projects.

Coliseum and TEE Center Capital Projects – This fund is a capital projects fund that accounts for the costs of acquiring, constructing, and installing certain capital improvements to the existing multi-use coliseum and civic center type facility, known as the Augusta Entertainment Center Complex, a portion of the costs of acquiring, constructing, and installing a new multi-use coliseum and civic center type facility, to be known as the "Augusta Trade, Exhibition, and Event Center" (TEE Center Project).

Permanent Fund

Perpetual Care II Fund - This fund accounts for the principal originally donated for the sale of perpetual care contracts at government-owned cemeteries after October 1, 1970. The principal must be maintained intact and invested.

The Government reports the following major enterprise funds:

Water and Sewer System Fund – This fund is used to account for the activity of providing water and sewer services to the residents of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, operations, maintenance, financing and related debt service, and billing and collection.

Augusta Regional Airport at Bush Field Fund - This fund accounts for the operations of Augusta Regional Airport at Bush Field, the only airport within the County from which service from the major airlines is available.

The Government reports the following nonmajor enterprise funds:

Waste Management Fund - This fund accounts for the provision of landfill services to residents and industries of the County. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, billing and collection.

Municipal Golf Course Fund - This fund accounts for the operation of the Municipal Golf Course, an 18-hole golf course located within the city limits.

Note 1 - Summary of significant accounting policies (Continued)

Transit Fund - This fund accounts for the operations of the Augusta Public Transit which provides scheduled bus service within Richmond and Columbia counties.

Daniel Field Airport Fund - This fund accounts for revenue and expenses related to Daniel Field Airport.

Garbage Collection Fund - This fund accounts for receipt and expenses related to the Government's garbage collection contract.

The Government also reports the following internal service funds:

Risk Management Fund – This fund accounts for the receipt and disbursement of settlement exposure and damage expense claims, commercial insurance premiums and bond on certain employees and elected officials.

Fleet Operations Fund – This fund accounts for the operation and maintenance of County vehicles. The Fund bills other County funds at amounts that will approximately recover all the cost of the services provided.

Workers' Compensation Fund – This fund accounts for the receipt and disbursement of self-insured workers' compensation claims.

Employee Health Benefits Fund – This fund accounts for the receipt and disbursement of self-insured employee group health insurance claims.

Unemployment Fund – This fund accounts for the receipt and disbursement of unemployment benefits.

Long-term Disability Insurance Fund – This fund accounts for the receipt and disbursement of long-term disability claims.

GMA Leases Fund – This fund accounts for the receipt and disbursement of the lease pool agreement with the Georgia Municipal Association.

Additionally, the Government reports the following fund types:

Pension Trust Fund – The Government has pension trust funds that account for the Government's employees' pension plans. The Government maintains the following pension trust funds: 1945 Pension Trust Fund, 1977 Pension Trust Fund, and the General Retirement Fund.

Private Purpose Trust Fund – The Government has a private-purpose trust fund that accounts for resources legally held in trust to finance awards for children attending Joseph R. Lamar School. The principal amount of the gift is to be maintained intact and invested. Investment earnings are used for the awards. The Government maintains the following private-purpose trust fund: Joseph R. Lamar Fund.

Agency Funds – Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the Government holds on behalf of others. The Government maintains the following agency funds: Tax Commissioner, which accounts for tax billings, collections and remittances made by the Tax Commissioner on behalf of the County and other governmental agencies; Probate judge, which accounts for the receipt and disbursement of licenses and other fees collected by the Probate Judge; Sheriff's Department, which accounts for the receipt and disbursement of funds collected by the department from individuals posting bond; Civil Court, which accounts for the receipt and disbursement of court-ordered fines, fees and garnishments made on behalf of third parties; and Clerk of Court, which accounts for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties and traffic violation fines.

Note 1 - Summary of significant accounting policies (Continued)

C. Measurement focus and basis of accounting

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

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

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. The principal operating revenues of the Government enterprise funds are charges to customers for sales and services. The Government also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise 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.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The Government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, expect for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual are property taxes, licenses, interest revenues and charges for services. State-shared revenues collected and held by the state at year-end on behalf of the Government also are recognized as revenue. Fines, fees and permits are not susceptible to accrual because generally they are not measurable until received in cash.

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

D. Budgets and budgetary accounting

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

1. Budgetary hearings are held in August to discuss departmental budgets.
2. The Administrator presents the tentative budget to the Commission in October.
3. The permanent budget is legally adopted by the Commission prior to the start of the next fiscal year.

Note 1 - Summary of significant accounting policies (Continued)

4. All budget revisions or changes must be approved as required by Georgia law and administrative policy. Transfer of budgeted amounts within operating categories within departments can be requested by department directors. Transfer of budget amounts involving capital outlay or salaries require approval of the Augusta-Richmond County Commission. The Augusta-Richmond County Commission must approve revisions that alter the total expenditures of any department or fund. Budgets for capital items may be reappropriated in the ensuing year's budget. Departments may request for other budget items to be reappropriated in the form of a budget adjustment, contingent of the Commission's approval.
5. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service and Capital Projects Funds.
6. Budgets for these funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).

Budget information for expenditures represents the operating budget (as amended) as approved by the Augusta-Richmond County Commission.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments 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 for the General Fund, Special Revenue Funds, Debt Service and Capital Projects Funds. Encumbrances are recorded when purchase orders are issued but are not considered expenditures until liabilities for payments are incurred. Encumbrances for outstanding purchase orders do not lapse at year end. Therefore, they are reported as reservations of fund balance.

F. Cash and cash equivalents

The Government maintains a cash and investment pool in which the General Fund and all funds share. Each fund's portion of the pool is displayed on its respective balance sheet as cash and cash equivalents and includes non-pooled cash and investments separately held. Funds which have an excess of outstanding checks over bank balance have had these balances reclassified as a due to the General Fund for purposes of financial statement presentation. Interest income is allocated to each fund monthly based on its average monthly balance.

For the purposes of financial statement presentation, the Government considers all highly liquid investments with an original maturity of three months or less, or with insignificant early withdrawal penalties, to be cash equivalents. Exceptions include the Government's pension plans which classify only cash as cash equivalents in order to appropriately report investment activity. Cash equivalents include amounts in certificates of deposit, repurchase agreements, and U.S. Treasury bills, and are stated at cost which approximates market. All deposits are stated at cost plus accrued interest, which reasonably estimates fair value.

The State statutes authorize the Government to invest in obligations of the United States government and agencies thereof, general obligations of the State of Georgia or any of its political subdivisions, or banks and savings and loan associations to the extent that they are secured by the Federal Deposit Insurance Corporation.

G. Investments

Investments are reported at fair value. Fair value is determined as follows: short-term investments are reported at cost, which approximates fair value; securities traded on national exchanges are valued at current prices or current prices of similar securities; securities for which an established market does not exist are reported at estimated fair value using selling prices for similar investments for which there is an active market; fair value of real estate is based on appraised values.

H. Inventories and prepaid expenses

Inventories in the governmental funds are valued at cost using the first-in, first-out method. Inventories in the proprietary funds are valued at the lower of cost (first-in, first-out) or market. The costs of governmental fund-type inventories and prepaid expenses are recorded as expenditures when consumed rather than when purchased. Reported inventories and prepaid expenses are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources".

Note 1 - Summary of significant accounting policies (Continued)

I. Interfund receivables/payable and Internal Balances

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" on the balance sheet of the fund financial statements and as "internal balances" on the statement of net assets in the government-wide financial statements.

J. Bond discounts and issuance costs

Bond discounts and issuance costs for proprietary funds are deferred and amortized over the term of the bonds using the effective-interest method. Bond discounts are presented as a reduction of the face amount of bonds payable, whereas issuance costs are recorded as deferred charges.

K. Restricted asset

Certain assets of the Debt Service Fund and Enterprise Funds are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants.

L. Capital assets

Capital assets are defined by the government as assets with an initial, individual cost of more than a certain cost and an estimated useful life in excess of one year. Minimum capitalization costs are $5,000 for all categories of capital assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to January 1, 2001, consist of the streets network that were acquired or that received substantial improvements subsequent to January 1, 1980. The streets network is reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation is computed using the straight-line method. A summary of the estimated useful lives is as follows:

Vehicles	5 years
Furniture and fixtures	7 years
Machinery and equipment	10 years
Buildings and improvements	30 years
Water and Sewer systems	30 - 70 years
Infrastructure	30 years

M. Compensated absences

The vacation policy of the Government provides for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. For the Government's government-wide financial statements and proprietary fund financial statements, an expense and a liability for compensated absences and the salary-related payments are recorded as leave is earned. The Government has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements.

No accrual has been established for accumulated sick leave of employees since it is the Government's policy to record the cost of sick leave only when it is used.

N. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

O. Reclassification

Certain 2009 amounts have been reclassified to conform to the 2010 financial statement presentation.

Note 2 - Stewardship, compliance and accountability

A. Excess of expenditures over appropriations

	Expenditures		Variance
	Budget	Actual	(Negative)
Nonmajor Governmental Funds			
Urban Services District Fund			
General government	$ 1,439,120	$ 1,502,226	$ (63,106)
Public works	434,140	447,350	(13,210)
Capital Outlay Fund			
Judicial	2,600	2,621	(21)
Urban Development Action Grant Fund			
Housing and development	11,800	23,116	(11,316)
5% Victim's Crime Assistance Fund			
Judicial	300,750	325,581	(24,831)
Urban Redevelopment Projects			
Debt service	0	7,523	(7,523)

B. Fund Balance or Net Assets

Following is a detail of funds with deficit fund balances or net assets. The Government plans to fund the deficits through the general operations of the Government.

Nonmajor Governmental Funds	
Hotel/Motel Tax and Promotion/Tourism	$ (1)
Housing and Neighborhood Development	(121,341)
Urban Redevelopment Projects	(7,523)
Internal Service Funds	
Fleet Operations	(127,121)
GMA Leases	(31,800)

Note 3 – Detailed notes on all funds

A. Deposits and investments

Primary government

Deposits:

Custodial Credit Risk for deposits is the risk that, in the event of bank failure, a government's deposits may not be returned to it. At December 31, 2010 approximately $278,400,000 of the Government's approximate $288,500,000 bank balance was uninsured. Of these uninsured deposits, none were collateralized with securities held by the financial institution's trust department or agent in the Government's name, approximately $240,100,000 were collateralized with securities held by the financial institution, by its trust department or agency, but not in the Government's name, and approximately $38,300,000 were uncollateralized.

Investments:

Primary Government (Other than Pension Trust Funds)

The investment policy of the Government is consistent with the State of Georgia's policy, which is to maximize the protection of State funds on deposit while accruing an advantageous yield on those funds in excess of those required for current operating expenses (Official Code of Georgia Annotated [OCGA] 50-17-51).

Note 3 – Detailed notes on all funds (continued)

Authorized pool investments are limited to the following in accordance with State statutes:

1) Obligations of the State of Georgia or of other states;
2) Obligations issued by the United States government;
3) Obligations fully insured or guaranteed by the United States government or a United States government agency;
4) Obligations of any corporation of the United States government;
5) Prime banker's acceptances;
6) Repurchase Agreements;
7) Obligations of other political subdivisions of the State; and
8) Commercial paper issued by domestic corporations.

Authorized investments are subject to certain restrictions.

Pooled cash and cash equivalents and investments are grouped into portfolios for investment purposes according to the operating needs of the State of Georgia and other pool contributors.

Pension Trust Funds
In accordance with Official Code of Georgia Annotated Public Retirement System Investment Authority Law, Public Retirement Systems may invest in the following:

1) United States or Canadian corporations or their obligations with limits as to the corporations' size and credit rating.
2) Repurchase and reverse repurchase agreements for direct obligations of the United States government and for obligations unconditionally guaranteed by agencies.
3) FDIC insured cash assets or deposits.
4) Bonds, notes, warrants, loans or other debt issued or guaranteed by the United States government.
5) Taxable bonds, notes warrants or other securities issued and guaranteed by any state, the District of Columbia, Canada or any province in Canada.
6) Bonds, debentures or other securities issued or insured or guaranteed by an agency, authority, unit, or corporate body created by the government of the United States of America.
7) Investment grade collateralized mortgage obligations.
8) Obligations issued, assumed or guaranteed by the International Bank for Reconstruction and Development or the International Financial Corporation.
9) Bonds, debentures, notes and other evidence of indebtedness issued, assumed, or guaranteed by any solvent institution existing under the laws of the United States of America or of Canada, or any state or province thereof, which are not in default and are secured to a certain level.
10) Secured and unsecured obligations issued by any solvent institution existing under the laws of the United States of America or of Canada, or any state or province thereof, bearing interest at a fixed rate, with mandatory principal and interest due at a specified time with additional limits.
11) Equipment trust obligations or interests in transportation equipment, wholly or in part within the United States of America, and the right to receive determinated portions or related income.
12) Loans that are secured by pledge or securities eligible for investment.
13) Purchase money mortgages or like securities received upon the sale or exchange of real property acquired.
14) Secured mortgages or mortgage participation, pass-through, conventional pass-through, trust certificate, or other similar securities with restrictions.
15) Land and buildings on such land used or acquired for use as a fund's office for the convenient transaction of its own business with restrictions.
16) Real property and equipment acquired under various circumstances.

In addition, large retirement systems have restrictions as to the concentration of investments in corporations and equities and additional stipulations exist related to decreases in a fund's asset value.

At December 31, 2010, the Government had two outstanding repurchase agreements. One agreement was to resell $11,933,373 of U.S. Government securities with a fair value of $11,933,373. The agreement yield is zero percent and

Note 3 – Detailed notes on all funds (continued)

matures June 1, 2028. The other agreement was to resell $1,576,512 of U.S. Government securities with a fair value of $1,576,512. The agreement yield is 5.63% and matures June 1, 2028.

As of December 31, 2010 the investments of the Government were:

Type of Investment	Fair Value	4-12 Months	1 – 5 Years	6 – 10 Years	Greater than 10 Years
U.S. Government securities	$ 12,136,836	$ 3,317,465	$ 8,282,738	$ 400,295	136,338
Corporate securities	6,054,555	208,097	5,846,458	-	-
		$ 3,525,562	$ 14,129,196	$ 400,295	136,338
Equity securities	41,539,691				
Georgia Fund 1	78,907,972				
Georgia Extended Asset Pool	12,832,570				
Total investments	$ 151,471,624				

The exposure of the Government's debt securities to credit quality risk is indicated below (as rated by Standard & Poor's):

Type of investment	Fair Value	AAA	AA	AA-	A+	A	BBB+
U.S. Government securities	$ 12,136,836	$ -	$ -	$ -	$ -	$ -	$ -
Corporate securities	6,054,555	634,039	324,042	667,806	1,507,027	2,921,642	-
	$ 18,191,391	$ 634,039	$ 324,042	$ 667,806	$ 1,507,027	$ 2,921,642	$

Additionally, as of December 31, 2010, the Government has money market funds in the amount of $1,562,871 and $38,175,931 included in cash and temporary investments and restricted cash and investments, respectively, on the Statement of Net Assets. The Government money market funds in the amount of $3,897,004 are included in cash and cash equivalents on the Statement of Fiduciary Net Assets. The balance of these money market funds was categorized as follows as of December 31, 2010:

Type of Investment	Average Credit Rating	Fair Value	Maturity Period Less than 1 Year
Money market funds	AAAm	$ 37,752,923	$ 37,752,923
Money market funds	Not rated	5,882,884	5,882,884

The local government investment pool "Georgia Fund 1", created by O.C.G.A. §36-83-8, is a stable net asset value investment pool. Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company; the regulatory oversight of the pool is assigned to the State of Georgia's Office of Treasury and Fiscal Services.

The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. As a public fund, Georgia Fund 1 is exempt from any disclosure of custodial credit risk.

The Georgia Extended Asset Pool (GEAP) is offered by the State of Georgia to counties, municipalities, public colleges and universities, board of education, special districts, state agencies, and other authorized entities as an alternative to Georgia Fund I. A primary objective of GEAP is the prudent management of public funds on behalf of state and local governments. GEAP was designed for those investors seeking taxable income higher than money market rates and willing to accept price fluctuations.

Deposit and investment transactions are subject to a variety of risks. The Government's adopted investment policies seek to promote the safety of principal, provide adequate liquidity for operation needs, earn market rates of return on investments consistent with liquidity needs and investment quality, and conform with legal requirements.

Note 3 – Detailed notes on all funds (continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The Government's investment policy states that the Government will structure its portfolio to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities prior to their maturity. The policy also emphasizes the purchase of shorter term or more liquid investment. The policy does not place formal limits on investment maturities. The Georgia Fund 1 has an interest rate risk of 24 day weighted average maturity.

Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The Government's investment policy seeks to minimize credit risk through diversification of investments within the choices allowed under state statutes. Investments in all corporate securities are limited to investment grade or higher as rated by a nationally recognized rating agency.

All of the Government's investments in U.S. Government securities carry the explicit guarantee of the U.S. government. U.S. Agency securities underlie the repurchase agreements.

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. Disclosures are required for any issuer that represents 5% or more of total investments, exclusive of mutual funds, external investment pools and investments issued or guaranteed by the U.S. government. No single issuer represented more than 5% of the total portfolio. The Government does not have a formally adopted policy for managing concentration of credit risk.

There are no limits on fixed income securities issued directly by the U.S. government or any agency thereof.

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

Basic financial statements:	
Cash and temporary investments	$ 231,729,484
Restricted cash and investments	159,836,706
Pension and agency funds	76,093,925
Total	$ 467,660,115
Notes to the financial statements:	
Cash on hand	$ 27,485
Deposits	316,161,006
Investments	151,471,624
Total	$ 467,660,115

Department of Health

At June 30, 2010, all of the Department of Health's deposits were either secured by Federal Depository Insurance Corporation (FDIC) or by collateral held by the agent in the Government's name.

Urban Redevelopment Authority

At December 31, 2010, all of the Urban Redevelopment Authority's deposits were either secured by Federal Depository Insurance Corporation (FDIC) or by collateral held by the agent in the Government's name.

Augusta-Richmond County Coliseum Authority

At June 30, 2010, the bank balance totaled $2,249,276. Of the total bank balance, $888,430 was insured or collateralized with securities held by the Authority of by its agent in the Authority's name. $1,360,846 was collateralized with securities held by pledging financial institution's trust department or agent in the Authority's name.

Augusta Canal Authority

At December 31, 2010, the bank balance totaled $2,712,246. Of the total bank balance, $500,000 was insured through the Federal Depository Insurance Corporation (FDIC). $2,178,052 was collateralized with pooled securities held by the financial institutions' trust departments. These securities are held in the name of the financial institution and not that of the Authority. The remaining $34,193 was uncollateralized.

Note 3 - Detailed notes on all funds (Continued)

Downtown Development Authority

At December 31, 2010, all of the Downtown Development Authority's deposits were secured by the Federal Depository Insurance Corporation (FDIC).

B. Receivables

Property taxes are administered on a calendar year basis subject to the following dates:

Lien date	January 1
Levy date	August 9
Collection period	September 10 - November 15
Due date	November 15

Receivables at December 31, 2010, including the applicable allowances for uncollectible accounts, consist of the following:

	General	Fire Protection	Special Sales Tax Phase IV	Special Sales Tax Phase V	Water and Sewer
Receivables:					
Taxes	$ 4,182,934	$ 578,399	$ -	$ -	$ -
Accounts	8,697,216	-	11,868	3,582,769	19,171,394
Interest	-	-	-	265,204	6,542
Note	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Gross receivables	12,880,150	578,399	11,868	3,847,973	19,177,936
Less: allowance for uncollectibles	(830,668)	(81,414)	-	-	(654,544)
Net total receivables	$ 12,049,482	$ 496,985	$ 11,868	$ 3,847,973	$ 18,523,392

	Bush Field	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total	Adjustments to Full Accrual	Statement of Net Assets
Receivables (Cont.):						
Taxes	$ -	$ 1,650,965	$ -	$ 6,412,298	$ -	$ 6,412,298
Accounts	415,520	2,502,728	6,255,399	40,636,894	3,637,402	44,274,296
Interest	-	-	583	272,329	-	272,329
Note	-	3,423,378	-	3,423,378	-	3,423,378
Intergovernmental	202,603	-	-	202,603	-	202,603
Gross receivables	618,123	7,577,071	6,255,982	50,947,502	3,637,402	54,584,904
Less: allowance for uncollectibles	(39,839)	(268,389)	(452,046)	(2,326,900)	-	(2,326,900)
Net total receivables	$ 578,284	$ 7,308,682	$ 5,803,936	$ 48,620,602	$ 3,637,402	$ 52,258,004

Adjustments to full accrual relate to internal service funds. Internal service funds predominately serve the governmental funds. Accordingly, the internal service funds receivables balances are included in governmental activities on the accompanying government-wide financial statement.

For the above-mentioned long-term notes receivable, the bank maintains records that are not recorded in the governmental fund financial statements. These loans represent funds received through HUD's Housing Rehabilitation Program. The Housing Rehabilitation Program is designed to fund improvements to homes owned and occupied by persons in low to moderate-income ranges. In 1993, loans were also made to owners of rental units under a deferred loan arrangement as part of the Housing Rehabilitation Program. Loans made for these projects vary as to amounts and interest rates based on the level of income of the owner/occupiers. In the governmental fund financial statements, repayments of these loans are recorded as other revenue in the Housing and Neighborhood Development Fund, a nonmajor special revenue fund.

Note 3 – Detailed notes on all funds (continued)

Finally, the Fiduciary fund financial statements include $21,274,839 in taxes receivable recorded in agency funds. This amount is excluded from the foregoing schedule and represents the amount of receivables billed on behalf of other governments in an agency relationship. Also, included in the Fiduciary fund financial statements and excluded from the foregoing schedule are interest receivable totaling $233,251 and accounts receivable totaling $1,608,547 the pension trust fund.

In a prior year, the former City of Augusta entered into an agreement with the Georgia Housing and Finance Authority (GHFA) to aid in the administration of Federal funds granted through the State for HUD's Rental Rehabilitation Program. The Government acts only in an administrative capacity and does not directly receive or disburse any funds related to this project. Therefore, the receipts, disbursements and related notes receivable for the GRFA program have not been included in the financial statements.

C. Capital assets

A summary of changes in capital assets is as follows:

Governmental Activities

	December 31, 2009	Additions	Disposals	December 31, 2010
Capital assets, not being depreciated				
Land	$ 21,157,064	$ 175,000	$ -	$ 21,332,064
Construction in process	140,128,093	80,410,124	(8,870,121)	211,668,096
Total capital assets not being depreciated	161,285,157	80,585,124	(8,870,121)	233,000,160
Capital assets being depreciated:				
Land and Site Improvements	11,680,812	1,422,127	-	13,102,939
Buildings	83,230,434	1,900,392	(39,940)	85,090,886
Building improvements	21,469,004	2,322,489	-	23,791,493
Vehicles	36,293,199	2,502,504	(1,112,109)	37,683,594
Machinery and equipment	16,195,782	751,035	(34,532)	16,912,285
IT – hardware	3,996,550	204,553	-	4,201,103
IT – software	3,266,722	132,923	(11,018)	3,388,627
Furniture and fixtures	1,962,107	-	(28,090)	1,934,017
Other capital	20,980	27,295	-	48,275
Infrastructure	103,762,769	87,400	-	103,850,169
Richmond County Public Facilities	12,655,483	-	-	12,655,483
Total capital assets being depreciated	294,533,842	9,350,718	(1,225,689)	302,658,871
Less accumulated depreciation for:				
Land and site improvements	(3,696,134)	(593,455)	-	(4,289,589)
Buildings	(33,016,725)	(2,545,783)	39,940	(35,522,568)
Building improvements	(4,399,553)	(846,506)	-	(5,246,059)
Vehicles	(28,635,947)	(2,684,789)	1,106,979	(30,213,757)
Machinery and equipment	(8,867,071)	(1,160,198)	30,173	(9,997,096)
IT – hardware	(3,485,254)	(302,131)	-	(3,787,385)
IT – software	(2,843,305)	(222,036)	11,018	(3,054,323)
Furniture and fixtures	(1,410,308)	(114,383)	28,090	(1,496,601)
Other capital	(10,432)	(7,676)	-	(18,108)
Infrastructure	(23,268,841)	(3,367,037)	-	(26,635,878)
Richmond County Public Facilities	(10,546,236)	-	-	(10,546,236)
Total accumulated depreciation	(120,179,806)	(11,843,994)	1,216,200	(130,807,600)
Capital assets being depreciated, net	174,354,036	(2,493,276)	(9,489)	171,851,271
Governmental activities capital assets, net	$ 335,639,193	$ 78,091,848	$ (8,879,610)	$ 404,851,431

Note 3 - Detailed notes on all funds (Continued)

Depreciation expense was charged to functions as follows:

Governmental activities	
General government	$ 815,883
Judicial	1,284,098
Public safety	3,421,034
Public works	4,225,364
Health and welfare	95,699
Culture and Recreation	1,925,118
Housing and development	55,630
Fleet	19,446
Risk	1,722
	$ 11,843,994

	Balance December 31, 2009	Additions	Disposals	Balance December 31, 2010
Business-type activities				
Capital assets, not being depreciated				
Land	$ 18,390,781	$ 422,488	$ -	$ 18,813,269
Construction in process	124,583,413	9,863,173	(83,144,187)	51,302,399
Total capital assets not being depreciated	142,974,194	10,285,661	(83,144,187)	70,115,668
Capital assets being depreciated:				
Site improvements	5,813,471	-	-	5,813,471
Building improvements	1,854,648	255,392	-	2,110,040
Landfill Cell IIC	9,399,876	-	-	9,399,876
Landfill Cell IIIC	5,616,841	-	-	5,616,841
Buildings	82,609,012	646,236	-	83,255,248
Vehicles	16,541,377	2,024,024	(121,768)	18,443,633
Machinery and equipment	26,125,503	1,477,177	(325,556)	27,277,124
Furniture and fixtures	1,148,211	73,465	-	1,221,676
Other capital	6,377,033	212,237	-	6,589,270
Water and sewerage systems	592,073,141	119,365,428	-	711,438,569
Contributed water and sewerage systems	10,563,423	-	-	10,563,423
Infrastructure	26,777,737	-	-	26,777,737
Information tech – hardware	268,113	19,563	-	287,676
Information tech – software	518,855	41,033	-	559,888
Total capital assets being depreciated	785,687,241	124,114,555	(447,324)	909,354,472
Less accumulated depreciation for:				
Site improvements	(3,020,932)	(330,666)	-	(3,351,598)
Building improvements	(1,289,849)	(54,925)	-	(1,344,774)
Landfill Cell IIC	(9,399,876)	-	-	(9,399,876)
Landfill Cell IIIC	(1,154,573)	(374,456)	-	(1,529,029)
Buildings	(37,101,658)	(2,312,407)	-	(39,414,065)
Vehicles	(12,600,702)	(1,351,095)	121,768	(13,830,029)
Machinery and equipment	(13,338,560)	(2,365,938)	183,435	(15,521,063)
Furniture and fixtures	(859,254)	(81,069)	-	(940,323)
Other capital	(5,598,165)	(385,896)	-	(5,984,061)
Water and sewerage systems	(144,931,889)	(19,376,460)	-	(164,308,349)
Contributed water and sewerage systems	(7,672,381)	(251,979)	-	(7,924,360)
Infrastructure	(14,756,382)	(706,570)	-	(15,462,952)
Information tech – hardware	(151,445)	(43,053)	-	(194,498)
Information tech – software	(512,106)	(2,886)	-	(514,992)
Total accumulated depreciation	(252,387,772)	(27,637,400)	305,203	(279,719,969)
Total capital assets being depreciated, net	533,299,469	96,477,155	(142,121)	629,634,503
Business-type activities capital assets, net	$ 676,273,663	$ 106,762,816	$ (83,286,308)	$ 699,750,171

Note 3 - Detailed notes on all funds (Continued)

Depreciation expense was charged to enterprise funds as follows:

Water and Sewer	$ 22,791,230
Augusta Regional Airport	2,181,240
Waste management and garbage collection	1,950,664
Transit	597,252
Daniel Field Airport	84,504
Municipal golf course	32,510
	$ 27,637,400

Construction costs include, among other things, capitalized interest costs. Capitalized net interest costs were approximately $1,800,000 for the year ended December 31, 2010.

Department of Health

Capital asset activity for the Department of Health for the year ended June 30, 2010 was as follows:

	June 30, 2009	Additions	Disposals	June 30, 2010
Capital assets, not being depreciated				
Land	$ 1,947,997	$ -	$	$ 1,947,997
Other capital assets:				
Buildings	9,846,066	-	-	9,846,066
Improvements	556,193	-	-	556,193
Equipment	708,182	-	-	708,182
Vehicles	152,393	-	-	152,393
	11,262,834	-	-	11,262,834
Less accumulated depreciation for:				
Buildings	(2,251,893)	(251,255)	-	(2,503,148)
Improvements	(410,194)	(27,810)	-	(438,004)
Equipment	(262,622)	(91,864)	-	(354,486)
Vehicles	(99,889)	(11,839)	-	(111,728)
Total accumulated depreciation	(3,024,598)	(382,768)	-	(3,407,366)
Other capital assets, net	8,238,236	(382,768)	-	7,855,468
Governmental activities capital assets, net	$ 10,186,233	$ (382,768)	$ -	$ 9,803,465

Note 3 - Detailed notes on all funds (Continued)

Augusta Canal Authority

Capital asset activity for the Augusta Canal Authority for the year ended December 31, 2010 was as follows:

	December 31, 2009	Additions	Deletions	December 31, 2010
Capital assets not being depreciated:				
Land	$ 467,000	$ 191,643	$ -	$ 658,643
Construction in process	205,014	152,709	(188,540)	169,183
Total capital assets not being depreciated	672,014	344,352	(188,540)	827,826
Capital assets being depreciated:				
Buildings	-	936,783	-	936,783
Leasehold improvements	3,968,156	-	-	3,968,156
Boats	697,071	-	-	697,071
Vehicles	24,621	-	-	24,621
Machinery and equipment	19,575	-	-	19,575
Computer equipment	18,649	-	-	18,649
Office equipment	4,601	-	-	4,601
Furniture and fixtures	32,676	-	-	32,676
Infrastructure	10,197,044	-	-	10,197,044
Total capital assets being depreciated	14,962,393	936,783	-	15,899,176
Less accumulated depreciation for:				
Buildings	-	(8,985)	-	(8,985)
Leasehold improvements	(975,402)	(147,082)	-	(1,122,484)
Boats	(168,459)	(27,883)	-	(196,342)
Vehicles	(18,849)	(2,676)	-	(21,525)
Machinery and equipment	(15,137)	(2,346)	-	(17,483)
Computer equipment	(16,980)	(578)	-	(17,558)
Office equipment	(4,508)	(94)	-	(4,602)
Furniture and fixtures	(24,115)	(2,509)	-	(26,624)
Infrastructure	(771,048)	(250,647)	-	(1,021,695)
Total accumulated depreciation	(1,994,498)	(442,800)	-	(2,437,298)
Total capital assets being depreciated - net	12,967,895	493,983	-	13,461,878
Governmental activities capital assets, net	$ 13,639,909	$ 838,335	$ (188,540)	$ 14,289,704

Depreciation expense for the year ended December 31, 2010 was $442,800.

Downtown Development Authority

Capital asset activity for the year ended December 31, 2010 was as follows:

	December 31, 2009	Additions	Deletions	December 31, 2010
Capital assets:				
Port Royal parking deck	$ 2,600,000	$ -	$ -	$ 2,600,000
Riverfront parking deck	3,816,000	-	-	3,816,000
Clock	41,393	-	-	41,393
Furniture and equipment	7,920	-	-	7,920
Total capital assets	6,465,313	-	-	6,465,313
Less accumulated depreciation for:				
Port Royal parking deck	(1,300,000)	(65,000)	-	(1,365,000)
Riverfront parking deck	(1,812,600)	(95,400)	-	(1,908,000)
Clock	(23,988)	(4,139)	-	(28,127)
Furniture and equipment	(5,555)	(1,131)	-	(6,686)
Total accumulated depreciation	(3,142,143)	(165,670)	-	(3,307,813)
Capital assets, net	$ 3,323,170	$ (165,670)	$ -	$ 3,157,500

Note 3 - Detailed notes on all funds (Continued)

Depreciation expense for the year ended December 31, 2010 was $165,670.

The Downtown Development Authority (the "Authority") owns additional properties which were contributed in prior years. The Authority did not obtain valuations of the properties at the date of contribution and records are not available to reflect the correct fair market value of the properties on the date contributed. Therefore, the Authority's financial statements do not reflect the value of these properties. If the property values were attainable, the net assets of the Authority would increase by the respective property values. The assets that are excluded from the financial statements are as follows:

Date Property was Transferred	Property Description
October 18, 1993	18 Eighth Street, Augusta, GA
April 27, 1994	1 Fifth Street, Augusta, GA
November 12, 1999	1 James Brown Blvd., Augusta, GA
December 20, 1999	925 Reynolds Street, Augusta, GA
April 11, 2000	3 Eighth Street, Augusta, GA

Coliseum Authority

Capital asset activity for the Coliseum Authority for the year ended June 30, 2010 was as follows:

	June 30, 2009	Additions	Deletions	June 30, 2010
Capital assets not being depreciated:				
Land	$ 1,674,426	$ -	$ -	$ 1,674,426
Construction in process	50,306	3,858	(54,164)	-
Total capital assets not being depreciated	1,724,732	3,858	(54,164)	1,674,426
Capital assets being depreciated:				
Buildings and facilities	25,794,078	210,024	-	26,004,102
Machinery, equipment and other	1,780,351	131,772	-	1,912,123
Total capital assets being depreciated	27,574,429	341,796	-	27,916,225
Less accumulated depreciation for:				
Buildings and facilities	(15,667,898)	(950,267)	-	(16,618,165)
Machinery, equipment and other	(3,093,743)	-	-	(3,093,743)
Total accumulated depreciation	(18,761,641)	(950,267)	-	(19,711,908)
Total capital assets being depreciated - net	$ 10,537,520	$ (604,613)	$ (54,164)	$ 9,878,743

Depreciation expense for the year ended June 30, 2010 was $950,267.

D. Accounts payable and accrued liabilities

Payables for the Government at December 31, 2010 were as follows:

	Governmental Funds	Enterprise Funds	Total	Adjustments To Full Accrual	Statement of Net Assets
Payables:					
Accounts payable	$ 12,597,358	$ 8,713,676	$ 21,311,034	$ 778,298	$ 22,089,332
Accrued interest	-	5,710,020	5,710,020	637,566	6,347,586
Accrued salaries and vacation	1,949,364	1,253,026	3,202.390	(844,903)	2,357,487
Other accrued liabilities	2,218,115	218,759	2,436,874	19,605,741	22,042,615
Total accounts payable and accrued liabilities	$ 16,764,837	$ 15,895,481	$ 32,660,318	$ 20,176,702	$ 52,837,020

Note 3 - Detailed notes on all funds (Continued)

Adjustments to full-accrual basis include $637,566 related to accrued interest on governmental long-term debt, $19,569,950 to other liabilities related to unfunded health insurance contribution for retirees, $21,939 to other liabilities related to unfunded annual pension cost, $(854,570) relating to the reclassification of accrued vacation from accrued liabilities to liabilities due within one year, and account payable, other accrued liabilities and accrued salaries and vacation of $778,298, $13,852 and $9,667, respectively, related to internal service funds. Internal service funds predominately serve the governmental funds. Accordingly, the accounts payable and accrued liability balances for the internal service funds are included in the governmental activities on the accompanying government-wide financial statement.

E. Deferred/Unearned Revenues

The balance of deferred revenues in the fund financial statements (includes both the deferred and unearned amounts disclosed below) and unearned revenues in the government-wide financial statements at year-end is composed of the following elements:

	Deferred Revenue	Unearned Revenue
Taxes receivable net of allowance – General Fund	$ 1,748,091	$ -
Taxes receivable net of allowance – Fire Protection Fund	257,152	-
Taxes receivable net of allowance – Nonmajor governmental funds	819,783	-
Grant income received in advance of being earned – General Fund	-	28,616
Business license income received in advance of being earned – General Fund	-	997,696
Housing and Development long-term notes receivable – Nonmajor governmental funds	3,376,256	
	$ 6,201,282	$ 1,026,312

F. Landfill closure and postclosure costs

State and Federal laws and regulations require the Government to 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. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs has a balance of $16,245,410 as of December 31, 2010, which is based on 93.60% usage (filled) of Cell II C and 5.03% usage (filled) of Cell III, which are operating currently, and 100% usage (filled) of Cells II A and II B. This liability is recorded in the Waste Management Enterprise Fund. It is estimated that an additional $11,523,413 be recognized as closure and postclosure care expenses between the date of the statement of net assets and the date the landfills are expected to be filled to capacity, which is in 2015 and 2165, respectively. The estimated total current cost of the landfill closure and postclosure care, $27,768,823, is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2010. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

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

G. Long-term debt

Primary government

1. Governmental activities

In a prior year, a portion of the Certificates of Participation (Series 1993) was defeased by the creation of an irrevocable trust fund. Original proceeds remaining from the issue were used to purchase U.S. Government securities that were placed in a trust fund. The investments and fixed earnings from the investment are sufficient to

Note 3 - Detailed notes on all funds (Continued)

fully service the defeased debt until the debt matures. For financial reporting purposes, the debt is considered defeased and, therefore, not included as a liability in the government-wide financial statements Funds. As of December 31, 2010 the amount of defeased debt outstanding but removed from the governmental debt is $475,000.

In 2007, the Housing and Neighborhood Development Section 108 loan was defeased by the creation of an irrevocable trust fund. Funds received from repayment of a loan to a local hotel were used to purchase U.S. Government securities that were placed in a trust fund. The investments and fixed earnings from the investment are sufficient to fully service the defeased debt until the debt matures. For financial reporting purposes, the debt is considered defeased and, therefore, not included as a liability in the government-wide financial statements Funds. As of December 31, 2010, the amount of defeased debt outstanding but removed from the governmental debt is $2,500,000.

General obligation bonds	
$44,000,000 2006 sales tax bonds – due in annual installments of $8,125,000 to $9,505,000, plus interest at 4% through December 2011.	$ 9,505,000
$30,550,000 2009 sales tax bonds – due in annual installments of $5,000,000 to $11,800,000, plus interest at 3% to 5% through October 2015.	30,550,000
$21,950,000 2010 sales tax bonds – due in periodic installments of $1,250,000 to $5,700,000, plus interest at 2% to 4% through October of 2015.	21,950,000
Revenue bonds	
$22,120,000 series 2010 revenue bonds – due in annual installments of $710,000 to $1,645,000, plus interest at 2% to 5% through October 2030.	22,120,000
Total bonds payable	84,125,000
Add: Bond issue premiums	5,426,441
	$ 89,551,441
Certificates of Participation	
GMA Leases Fund:	
$16,888,000 Certificates of Participation – principal due in a lump sum payment on June 1, 2028. Interest only payments are due annually at a rate of 4.75%, through June 1, 2028.	
Original issue amount	$ 16,888,000
Original issue discount	(583,900)
Total	$ 16,604,100

Year ending December 31	General Obligation Bonds		Revenue Bonds	
	Principal	Interest	Principal	Interest
2011	$ 19,505,000	$ 1,916,044	$ 710,000	$ 1,016,290
2012	-	1,411,000	800,000	926,325
2013	12,500,000	1,411,000	815,000	910,325
2014	12,500,000	1,036,000	850,000	889,950
2015	17,500,000	586,000	865,000	864,450
2016 – 2020	-	-	4,745,000	3,888,950
2021 – 2025	-	-	5,860,000	2,776,250
2026 – 2030	-	-	7,475,000	1,157,500
	$ 62,005,000	$ 6,360,044	$ 22,120,000	$ 12,430,040

Note 3 - Detailed notes on all funds (Continued)

Continued	Certificates of Participation		Total	
Year ending December 31	Principal	Interest	Principal	Interest
2011	$ -	$ 802,180	$ 20,215,000	$ 3,734,514
2012	-	802,180	800,000	3,139,505
2013	-	802,180	13,315,000	3,123,505
2014	-	802,180	13,350,000	2,728,130
2015	-	802,180	18,365,000	2,252,630
2016 – 2020	-	4,010,900	4,745,000	7,899,850
2021 – 2025	-	4,010,900	5,860,000	6,787,150
2026 – 2030	16,888,000	1,938,602	24,363,000	3,096,102
	$ 16,888,000	$ 13,971,302	$ 101,013,000	$ 32,761,386

Certificates of Participation

In June 1998, the Government entered into a lease pool agreement with the Georgia Municipal Association (the "Association"). The funding of the lease pool was provided by the issuance of $150,126,000 Certificates of Participation by the Association. The Association passed the net proceeds of $15,765,117 through to the participating municipalities with the Government's participation totaling $16,888,000, net of original issue discount of $1,122,883. The lease pool agreement with the Association provides that the Government owns their portion of the assets invested by the pool and is responsible for the payment of their portion of the principal and interest of the Certificates of Participation. The principal of $16,888,000 is due in a lump sum payment on June 1, 2028. Interest is payable at a rate of 4.75% each year. The Government draws from the investment to lease equipment from the Association. The lease pool agreement requires the Government to make lease payments back into its investment account to fund the principal and interest requirements of the 1998 GMA Certificates of Participation. Equipment in the amount of $1,896,551 was leased during 2010.

2. Business-type activities

Revenue bonds

Water and Sewer:

$160,000,000 2004 Water and Sewer Bonds – due in interest only payments of $8,400,000 through October 2032. Principal due in annual installments beginning October 2033 through October 2039. From $19,500,000 to $26,510,000, plus interest of 5.25%.	$ 160,000,000
$149,400,000 2002 Water and Sewer Bonds – due in annual installments of $235,000 to $20,610,000 starting October 2002 through October 2032, plus interest varying from 2.50% to 5.75% on $57,840,000 serial bonds, with interest of 5.0% on $91,560,000 term bonds.	101,890,000
$97,080,000 2000 Water and Sewer Bonds – due in annual installments of $355,000 to $11,105,000, plus interest at 4.4% to 5.25% through October 2030.	4,860,000
$177,010,000 2007 Water and Sewer Bonds – due in annual installments of $2,060,000 to $12,260,000 plus interest at 4.0% to 5.0% through October 2030 (this liability is reflected in the Water and Sewer Fund net of deferred refunding amount of $6,543,874).	171,384,999
Total	438,134,999
Less: Deferred refunding amounts	(6,543,874)
Less: Bond issue discounts	(738,853)
Add: Bond issue premiums	14,548,718
Total revenue bonds – Water and sewer	$ 445,400,990

Note 3 - Detailed notes on all funds (Continued)

Augusta Regional Airport at Bush Field		
Airport Passenger Facility Charge and General Revenue Bonds (Series 2005A) – issued in the original amount of $8,990,000 in 2005 with interest of 5.15% payable semi-annually beginning July 1, 2005 and principal payable annually beginning January 2031 ranging from $540,000 to $2,165,000 through 2034 and principal payable of $2,275,000 on January 1, 2035.	$	8,990,000
Airport Passenger Facility Charge and General Revenue Bonds (Series 2005B) – issued in the original amount of $4,415,000 in 2005 with interest of 5.35% payable semi-annually beginning July 1, 2005 and principal payable annually beginning January 1, 2025 ranging from $1,355,000 to $1,505,000 through 2027 and principal payable of $130,000 on maturity at January 1, 2028.		4,415,000
Airport Passenger Facility Charge and General Revenue Bonds (Series 2005C) – issued in the original amount of $6,200,000 in 2005 with interest of 5.45% payable semi-annually beginning July 1, 2005 and principal payable annually beginning January 1, 2028 ranging from $1,455,000 to $1,760,000 through 2030 and principal payable of $1,315,000 on maturity at January 1, 2031.		6,200,000
Total revenue bonds – Bush Field	$	19,605,000
Waste Management:		
$11,475,000 Solid Waste Management Authority of Augusta Revenue Bonds, Series 2004 – due in annual installments of $170,000 to $1,700,000, starting December 1, 2005 through December 1, 2019, plus interest of 3.0% to 4.0% payable semi-annually on June 1 and December 1, beginning December 1, 2004.	$	2,065,000
$9,165,000 Solid Waste Management Authority of Augusta Revenue Bonds, Series 2010 – Due in annual installments of $250,000 to $660,000 starting October 1, 2011 through October 1, 2030, plus interest from 3.0% to 4.5% payable semi-annually on April 1 and October 1, beginning April 1, 2011.		9,165,000
Add: Bond issue premium		344,554
Total revenue bonds – Waste Management	$	11,574,554
Total revenue bonds	$	476,580,544
Notes payable		
Water and Sewer Fund:		
$5,143,272 State revolving loan – due in quarterly principal and interest installments of $94,668, bearing interest at 4%, through May 2016.	$	1,861,207
$6,493,318 State revolving loan – due in monthly principal and interest installments of $36,125, bearing interest at 3%, through May 2031		6,493,318
$6,553,217 State revolving loan – principal and interest due in quarterly installments of $119,392, bearing interest at 4%, through July 2019.		3,511,151
$2,347,350 State revolving loan – due in monthly principal and interest installments of $13,027, including interest at 3%, through October 2031		2,347,350
$19,196,880 Federal Government loan – due in monthly principal and interest installments of $204,665, bearing interest at 5.11%, through March 2018.		14,852,647
Total	$	29,065,673

Note 3 - Detailed notes on all funds (Continued)

Year ending December 31	Business-type Activities					
	Notes Payable		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2011	$ 2,555,048	$ 1,049,125	$ 8,070,000	$ 23,566,470	$ 10,625,048	$ 24,615,595
2012	2,839,588	1,062,447	8,090,000	23,317,242	10,929,588	24,379,689
2013	2,972,925	929,111	8,435,000	22,975,851	11,407,925	23,904,962
2014	3,112,695	790,332	8,845,000	22,563,113	11,957,695	23,353,445
2015	3,259,214	642,823	9,285,000	22,128,813	12,544,214	22,771,636
2016-2020	9,053,201	1,402,054	53,495,000	103,345,090	62,548,201	104,747,144
2021-2025	2,325,272	623,812	68,335,000	88,943,228	70,660,272	89,567,040
2026-2030	2,701,075	248,010	93,869,999	69,371,269	96,571,074	69,619,279
2031-2035	246,655	2,061	112,175,000	43,567,580	112,421,655	43,569,641
2036-2040	-	-	98,370,000	13,241,025	98,370,000	13,241,025
	$ 29,065,673	$ 6,749,775	$ 468,969,999	$ 433,019,681	$ 498,035,672	$ 439,769,456

Series 2007 Water and Sewerage Revenue Bonds

During 2007, the Government issued $177,010,000 in Series 2007 Water and Sewerage Revenue Bonds. A portion of the proceeds from the sale of these bonds was used to refund all of the former Series 1996 and 1997 Water and Sewerage Revenue Bonds in the amount of $56,875,000. The remaining portion of the bond proceeds of $120,135,000 was used to advance refund a portion of the Series 2000 and 2002 Water and Sewerage Revenue Bonds. The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately $4,300,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2030 using the effective-interest method. The refunding decreased the total debt service payments over the next 21 years by approximately $5,600,000 and produced an economic gain of approximately $3,700,000. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately $3,200,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2030 using the effective-interest method. The refunding decreased the total debt service payments over the next 23 years by approximately $7,200,000 and produced an economic gain of approximately $4,600,000. Proceeds of approximately $126,793,000 from the defeased issues were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust fund with an escrow agency to provide for all future debt service payments on the above mentioned bonds. As of December 31, 2010, the amount of these defeased debts outstanding but removed from the Water and Sewer Fund is $37,010,000 .

Series 2004 Water and Sewerage Bonds

During 2004, the Government issued $160,000,000 in Series 2004 Water and Sewerage Revenue Bonds for the purpose of financing the costs of making additions, extensions and improvement to the Utilities' water and sewer system.

Series 2004 Solid Waste Management Authority of Augusta Revenue Bonds

During 2004, the Government issued $11,475,000 in Series 2004 Solid Waste Management Authority of Augusta Revenue Bonds for the purpose of paying all or a portion of the costs of improving and equipping the Government's municipal solid waste landfill.

Series 2002 Water and Sewerage Revenue Bonds

During 2002, the Government issued $149,400,000 in Series 2002 Water and Sewerage Revenue Bonds. A portion of the proceeds from the sale of these bonds was used to pay the outstanding balance of the Georgia Environmental Facilities Authority revolving loan in the amount of $8,815,000 with an interest rate of 5.5%. The remaining portion of the bond proceeds of $140,585,000 was issued for the purpose of financing the costs of making additions, extensions and improvements to the Utilities' water and sewer system. A portion of the net proceeds of $8,692,368 (after payment of $153,574 of underwriting fees and other issuance costs) was used to repay the Georgia Environmental Facilities Authority revolving loan.

Note 3 - Detailed notes on all funds (Continued)

The remaining portion of the proceeds of $125,691,320 (after payment of $2,748,066 of underwriting fees and other issuance costs) plus an additional $11,753,672 of funds from a capitalized interest fund is to be used for improvements to the Utilities' water and sewer system. No difference resulted in the current refunding between the reacquisition price and the net carrying amount of the old debt. The Government completed the refunding to obtain an economic gain (difference between present values of the old and new debt service payments) of approximately $792,000.

Series 2000 Water and Sewerage Revenue Bonds

During 2000, the Government issued $97,080,000 in Series 2000 Water and Sewerage Revenue Bonds for the purpose of financing the costs of making additions, extensions and improvements to the Utilities' water and sewer system.

Series 1996 Water and Sewerage Revenue Bonds

During 1996, the Government issued $66,600,000 in Series 1996 Water and Sewerage Revenue Bonds. A portion of the proceeds from the sale of these bonds was used to advance refund all of the former City of Augusta's Series 1972 and 1991 Water and Sewerage Revenue Bonds and the former Richmond County's Series 1987 and 1991 Water and Sewer Revenue Bonds. Proceeds of $19,400,000 plus an additional $4,900,000 of sinking fund monies from the defeased issues were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust fund with an escrow agent to provide for all future debt service payments on the above-mentioned bonds. As a result, the bonds are considered to be defeased and the liabilities for those bonds have been removed from the Water and Sewer Fund. The advance refunding during 1996 resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately $2,500,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2028 using the effective-interest method. The refunding increased the total debt service payments over the next 30 years by approximately $8,600,000 and produced an economic gain of approximately $260,000.

Series 1997 Water and Sewerage Revenue Bonds

In 1997, the Government issued $5,900,000 in Series 1997 Water and Sewerage Revenue Bonds. A portion of the proceeds from the sale of these bonds was used to advance refund all of the former Richmond County's Series 1986 Water and Sewerage Revenue Bond. Proceeds of approximately $5,600,000 plus an additional $900,000 of sinking fund monies from the defeased issues were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust fund with an escrow agent to provide for all future debt service payments on the above-mentioned bonds. As a result, the bonds are considered defeased and the liability for those bonds have been removed from the Water and Sewer Fund. The advance refunding during 1997 resulted in a difference between the reacquisition price and the net carrying amount of the old debt of approximately $540,000. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2021 using the effective-interest method. The refunding will increase total debt service payments over the next 24 years by approximately $2,100,000 and will produce an economic gain of approximately $110,000.

As of December 31, 2010, the amount of these defeased debts outstanding but removed from the Water and Sewer Fund is $350,000.

Revenues Pledged

The Water and Sewer Fund has pledged future water customer revenues, net of specified operating expenses, to repay $438.1 million remaining in water system revenue bonds issued in 2000, 2002, 2004 and 2007. Proceeds from the bonds provided financing for the construction of making additions, extensions and improvements to the Utilities' water and sewer system. The bonds are payable solely from water customer net revenues and are payable through 2043. Annual principal and interest payments on the bonds are expected to require less than 39.9 percent of net revenues. The total principal and interest remaining to be paid on the bonds is $845.2 million. Principal and interest paid for the current year and total customer net revenues were $27.6 million and $69.1 million, respectively.

The Augusta Regional Airport has pledged certain future revenues to repay $19,605,000 in Airport Revenue Bonds issued in 2005. Proceeds from the bonds provided financing for the acquisition, construction and installation of a new airline passenger terminal and certain other capital improvements.

Note 3 – Detailed notes on all funds (Continued)

The Airport Passenger Facility Charge and General Revenue Bonds Series 2005A and 2005B are payable through 2035 primarily from Passenger Facility Charge No. 99-01-C-AGS approved by the Federal Aviation Administration in 2004. Should the proceeds of the Passenger Facility Charge not be sufficient to pay when due interest and principal on Series 2005A and 2005B, the interest and principal shortfall will be paid from Airport Net General Revenues, derived by the Government from the ownership and operation of the Airport, remaining after the payment of expenses of operating, maintaining, and repairing the Airport ("Net General Revenues"), and (2) those passenger facility charge revenues that are allocable to the 2005 Project ("PFC Revenues"). The total principal and interest remaining to be paid on the Series 2005A and 2005B Revenue Bonds was approximately $28,044,000 as of December 31, 2010. There were no principal payments in the current year, while interest paid was approximately $699,000. Total Passenger Facility Charge revenue was $909,816 for the year ended December 31, 2010.

The Series 2005C Revenue Bonds are payable through 2031 solely from and secured by a first priority pledge or and lien on Net General Revenues only. Annual principal and interest payments on the bonds are expected to require less than 35 percent of net revenues through 2012. The total principal and interest remaining to be paid on the bonds was approximately $12,780,000 as of December 31, 2010. There were no principal payments in the current year, while interest paid was approximately $338,000. Total net general revenues were $1,713,292 for the year ended December 31, 2010.

Financial Covenants

Pursuant to the Bond Resolution, the Augusta Regional Airport is subject to meeting certain financial covenants related to the Airport Revenue Bonds. The financial covenants include requirements to (i) provide for 100 percent of the Expenses of Operation and Maintenance and for the accumulation in the Operation and Maintenance Reserve Fund of the Operating Reserve; and (ii) produce Net General Revenues, together with Other Available Moneys, in each fiscal year which will (a) equal at least 125 percent of the Debt Service Requirement on all General Revenue Bonds then outstanding for the sinking fund year ending on the next January 1 and at least 100 percent of the debt service or other amounts payable on all Subordinate Bonds and Other Airport Obligations payable from Net General Revenues then outstanding for the year of computation, (b) enable the Aviation Commission to make all required payments, if any, into the Debt Service Reserve Account, the PFC Debt Service Reserve Account, the Rebate Fund, the Renewal and Replacement Fund and on any Contract or Other Airport Obligation, (c) enable the Aviation Commission to accumulate an amount to be held in the Capital Improvement Fund, which in the judgment of the Aviation Commission is adequate to meet the costs of major renewals, replacements, repairs, additions, betterments, and improvements to the Airport, necessary to keep the same in good operating condition or as is required by any governmental agency having jurisdiction over the Airport, and (d) remedy all deficiencies in required payments from the Revenue Fund from prior fiscal years. As of December 31, 2010 the Airport was in compliance with all covenants.

Urban Redevelopment Agency

Urban Redevelopment Agency of Augusta (Georgia) Taxable Revenue Bonds (Laney Walker and Bethlehem Project, Series 2010:

In June of 2010, the Urban Redevelopment Agency of Augusta issued $8,000,000 Urban Redevelopment Agency Revenue Bonds, Series 2010. The proceeds of these bonds were used to fund projects of the Laney-Walker and Bethlehem Urban Redevelopment Plan. Interest on the bonds is variable from 1.215% to 3.100%. Interest is payable semiannually on April 1 and October 1 of each year and principal payable annually beginning October 1, 2010 ranging from $315,000 to $6,710,000 through October 1, 2015. At December 31, 2010, the amount of principal outstanding was $8,000,000.

Note 3 – Detailed notes on all funds (Continued)

Year ending December 31	Revenue Bond Principal	Revenue Bond Interest
2011	$ 315,000	$ 232,328
2012	320,000	228,501
2013	325,000	233,304
2014	330,000	216,541
2015	6,710,000	208,010
2016 – 2020	-	-
2021 – 2025	-	-
2026 – 2030	-	-
	$ 8,000,000	$ 1,118,684

H. Leases

The Government has entered into several long-term lease agreements for various vehicles and machinery and equipment. Although the leases contain clauses which provide that the leases are cancelable if funds are not appropriated for the periodic payments for any future fiscal periods, the leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 Accounting for Leases and the National Council on Governmental Accounting Statement No. 5 Accounting and Financial Reporting Principles for Lease Agreements of State and Local Governments.

The Government has lease agreements are through the Georgia Municipal Association and are accounted for in an internal service fund. They also have lease agreements other the Georgia Municipal Association agreements that are accounted for within the business-type activities and for governmental activities within the general long-term debt account group.

Future minimum lease payments under the leases and the net present value of the minimum lease payments as of December 31, 2010 are as follows:

	Governmental Activities	Business-type Activities
2011	$ 683,666	$ 2,271,590
2012	346,179	1,791,614
2013	40,356	1,451,800
2014	-	1,047,033
2015	-	955,221
2016 – 2020	-	2,051,095
Total minimum lease payment	1,070,201	9,568,353
Less: Amount representing interest	-	901,776
Present value of lease payments	$ 1,070,201	$ 8,666,577

Interest amounts are not material to the financial statements.

The Government is lessor of terminal space, land and buildings at Augusta Regional Airport at Bush Field and Daniel Field under various operating leases. Revenues and related expenses for Augusta Regional Airport at Bush Field are recorded in the Augusta Regional Airport at Bush Field Fund while the revenue and related expenses for Daniel Field are recorded in the Daniel Field Airport Fund. Some of the leases provide for additional payments based on usage activity in addition to non-cancelable amounts of fixed rates.

During 2010, rental income totaled approximately $2,398,000 and $101,000 in the Augusta Regional Airport at Bush Field and Daniel Field Airport Funds, respectively.

Note 3 – Detailed notes on all funds (Continued)

The assets acquired through capital leases as of December 31, 2010 are as follows:

	Governmental Activities	Business-type Activities
Vehicles	$ 2,131,711	$ 230,425
Machinery and equipment	-	13,660,072
	2,131,711	13,890,497
Less: accumulated depreciation	(265,707)	(4,807,236)
Carrying value	$ 1,866,004	$ 9,083,261

I. Changes in long-term liabilities

Primary government

The following is a summary of long-term debt transactions of the year ended December 31, 2010:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
Governmental activities:					
Bonds and notes payable:					
Revenue bonds payable	$ -	$ 22,120,000	$ -	$ 22,120,000	$ 710,000
General obligation bonds payable	49,190,000	21,950,000	9,135,000	62,005,000	19,505,000
Add: Bond issue premiums	2,268,058	3,635,264	476,881	5,426,441	856,111
Total bonds and notes payable	51,458,058	47,705,264	9,611,881	89,551,441	21,071,111
Certificates of participation	16,888,000	-	-	16,888,000	-
Less: original issue discount	(628,815)	-	(44,915)	(583,900)	(44,915)
Total certificates of participation	16,259,185	-	(44,915)	16,304,100	(44,915)
Other liabilities:					
Compensated absences	4,696,888	4,617,061	4,696,888	4,617,061	4,617,061
Capital leases	1,225,613	917,469	1,072,881	1,070,201	683,666
Claims and judgments	6,107,498	2,440,382	2,518,942	6,028,938	6,028,938
Total other liabilities	12,029,999	7,974,912	8,288,711	11,716,200	11,329,665
Governmental activities long-term liabilities	$ 79,747,242	$ 55,680,176	$ 17,855,677	$ 117,571,741	$ 32,355,861
Business-type activities:					
Revenue debt:					
Revenue bonds payable	$ 467,959,999	$ 9,165,000	$ 8,155,000	$ 468,969,999	$ 8,070,000
Less: deferred refunding amounts	(6,874,618)	-	(330,744)	(6,543,873)	-
Less: bond issue discounts	(813,257)	-	(74,403)	(738,853)	-
Add: bond issue premiums	15,325,760	225,734	658,222	14,893,272	-
Total revenue debt	475,597,884	9,390,734	8,408,074	476,580,544	8,070,000
Other liabilities:					
Compensated absences	848,501	854,570	848,501	854,570	854,570
Notes payable	22,420,295	8,840,668	2,195,289	29,065,673	2,555,048
Capital leases	9,556,177	979,082	1,868,681	8,666,578	2,042,952
Closure/postclosure accrual	15,494,735	750,675	-	16,245,410	-
Total other liabilities	48,319,708	11,424,995	4,912,471	54,832,231	5,452,570
Business-type activities long-term liabilities	$ 523,917,592	$ 20,815,729	$ 13,320,545	$ 531,412,775	$ 13,522,570

Note 3 – Detailed notes on all funds (Continued)

The total interest incurred for the year ended December 31, 2010 was approximately $25,900,000. Of this amount, approximately $1,800,000 was capitalized as a component of the cost of capital assets constructed during the year and approximately $24,100,000 was charged to expense.

Typically, the General Fund has been used to liquidate claims and judgments. Compensated absences are liquidated by the fund which recorded the related salary costs, primarily the General Fund, Fire Protection Fund, and the Water and Sewer System Fund. Capital leases are liquidated by the fund which received the benefit of the related asset.

Department of Health

At June 30, 2010, the Department of Health's long-term liabilities consisted of obligations for compensated absences and an obligation under capital lease.

Capital lease

The Department has entered into a long-term lease agreement for land and buildings. The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 (SFAS 13) *Accounting for Leases*.

The future minimum lease payments under the lease and the net present value of the value of minimum lease payments at June 30, 2010 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2011	$ 40,731	$ 23,985	$ 64,716
2012	43,675	21,041	64,716
2013	46,832	17,884	64,716
2014	50,218	14,498	64,716
2015	53,848	10,868	64,716
2016-2020	125,772	9,815	135,587
Totals	$ 361,076	$ 98,091	$ 459,167

Long-term liability activity for the year ended June 30, 2010 was as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
Compensated absences	$ 566,568	$ 285,918	$ (315,424)	$ 537,062	$ 358,832
Obligations under capital lease	399,061	-	(37,985)	361,076	40,731
Totals	$ 965,629	$ 285,918	$ (353,409)	$ 898,138	$ 400,563

Downtown Development Authority

Long-term debt activity for the year ended December 31, 2010 was as follows:

	General Long-term Debt Development Authority Revenue Bonds, Series 2003
Debt outstanding at December 31, 2009	$ 615,000
Principal payments	(615,000)
Debt outstanding at December 31, 2010	$ -
Current portion	$ -

Note 3 – Detailed notes on all funds (Continued)

J. Due from/to other funds

The composition of interfund balances as of December 31, 2010 are as follows:

	Due to other funds					
Due from other funds	Water and Sewer Fund	Bush Field	Nonmajor Governmental	Nonmajor Enterprise	Internal Service	Funds Total
General Fund	$ 1,896,474	$ 2,249,979	$ 1,665,580	$ 971,401	$ 705,875	$ 7,489,309
Total interfund balances	$ 1,896,474	$ 2,249,979	$ 1,665,580	$ 971,401	$ 705,875	$ 7,489,309

Amounts were due to other funds primarily for timing of payments from agency funds.

Note 4 – Other information

A. Risk management

The Government is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Government is self-insured. The Risk Management Funds (an internal service fund) are utilized by the Government to account for and finance its self-insured risks of loss. The Risk Management Funds are maintained to provide general liability insurance, workers' compensation coverage, and unemployment coverage. The Government is self-insured for workers' compensation coverage through a self-insurance program that is administered under contracts with a third party administrator. Future claims can be paid from designated funds established in 1987 from previously unrestricted-unreserved funds. Balances as of December 31, 2010, include the following:

General Fund - undesignated	$ 2,156,790
General Fund – Transit asset reserve	2,548,271
Total General Fund	4,705,061
Fire Protection Fund	250,000
Risk Management Fund	1,008,865
Total reserve	$ 5,963,926

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

The following represents the changes in the balance of claim liabilities for the Government from January 1, 2009 to December 31, 2010:

Unpaid claims, January 1, 2009	$ 3,171,222
Incurred claims (including IBNRs)	2,471,780
Claim payments	(1,786,916)
Unpaid claims, December 31, 2009	3,856,086
Incurred claims (including IBNRs)	2,440,382
Claim payments	(1,833,833)
Unpaid claims, December 31, 2010	$ 4,462,635

Note 4 – Other information (Continued)

Transfers to/from other funds

Transfers in (out) for the year ended December 31, 2010 are summarized below:

	Transfers out				
Transfers in	General Fund	Nonmajor Governmental	Special Sales Tax Phase V	Nonmajor Enterprise	Total
General Fund	$ -	$ 3,511,100	$ -	$ 125,000	$ 3,636,100
Fire Protection Fund	-	4,960,000	-	-	4,960,000
Nonmajor Governmental	1,078,570	-	9,697,900	-	10,776,470
Nonmajor Enterprise	1,030,200	4,047,301	-	-	5,077,501
Internal Service	413,577	24,518	-	-	438,095
Total transfers	$ 2,522,347	$ 12,542,919	$ 9,697,900	$ 125,000	$ 24,888,166

Transfers are used to move unrestricted revenues in the general fund and nonmajor governmental funds to finance various programs that the Government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies for nonmajor governmental funds, nonmajor enterprise funds and internal service funds.

B. Contingent liabilities

Litigation

The Government is party to various legal proceedings which normally occur in governmental operations. The Government follows the practice of recording liabilities resulting from claims and legal actions only when they become probable and measurable. The Government has accrued a liability in the Risk Management Fund (an internal service fund) for all claims for which a loss is probable and measurable.

Possible unasserted claims

The Government participates in a number of Federal and state assisted grant programs, which are subject to program compliance audits under the Single Audit Act Amendments of 1996. An audit of these programs has been performed for the year ended December 31, 2010, in compliance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. However, the audit is pending final acceptance by the various grantor agencies. The amount, if any, of expenditures, which may be disallowed by the granting agencies, is expected to be immaterial.

C. Contracts and commitments

Augusta-Richmond County Coliseum Authority

The Government has committed to provide funds to service the Augusta-Richmond County Coliseum Authority's debt to the extent of the 50% Hotel-Motel Excise Tax and 30% of the Beer Tax collected.

D. Richmond County Public Facilities, Inc.

The Richmond County Public Facilities, Inc. is a nonprofit organization, tax exempt under Internal Revenue Code Section 501(c)(3)The purpose of this nonprofit organization is to construct and maintain buildings and equipment to be leased by the Government, the Department of Family and Children Services, and the Richmond County Board of Education. The Richmond County Public Facilities, Inc. is part of the reporting entity of Augusta, Georgia, due to the degree of control the Government has over the Board of Directors of Richmond County Public Facilities, Inc.

Richmond County Public Facilities, Inc. issued Certificates of Participation to provide funds for the Government to refund the 1990 Certificates of Participation issue and for certain capital projects. The related assets are included in the financial statements of the Government in the governmental activities. The Certificates of Participation were retired during 2001.

Note 4 – Other information (Continued)

In addition, the Richmond County Public Facilities, Inc. issued Certificates of Participation of $13,240,000 for the Richmond County Board of Education in a prior year. These Certificates of Participation are the sole responsibility of the Richmond County Board of Education and the related assets and liabilities have not been included in the financial statements of the Government.

Note 5 – Pension plans

A. Plan descriptions, contribution information and funding policies

The Government has six single-employer pension plans and one agent multiple-employer pension plan currently in existence. The Government has a single-employer post-retirement plan that provides medical and death benefits to eligible retirees and their spouses. These plans are defined benefit plans. The Government also has a single-employer, defined contribution plan. The following is a summary of funding policies, contribution methods, and benefit provisions for each plan.

Single-employer pension plans

1945 Plan

The 1945 Plan was available to all former Richmond County employees hired prior to October 1, 1975 that met the Plan's age and length of service requirements. Participants in the Plan who retired at or after age 60 are entitled to a monthly benefit equal to 2% of average earnings multiplied by years of service. Also, the benefit is not to exceed 60% of the average earnings. The Plan provides death and disability benefits. These benefit provisions and all other requirements including amendments are established by Government ordinance. The Plan also provides for reduced benefits if the participant elects to retire after attaining age 50 and completing 15 years of service. Employees are required to make contributions to the Plan equal to 5% of earnings. The Government is required to contribute the remaining amounts necessary to fund the Plan. If a participant terminates employment prior to completion of ten years of credited service, the participant receives a lump-sum amount equal to his total contributions to the Plan, with 5% interest computed from January 1, 1997. After completion of at least ten years of credited service, the participant receives a monthly benefit deferred to his normal retirement date, equal to the benefit computed as for normal retirement multiplied by the percentage based on completed years of credited service, as follows: 50% after 10 years, increasing 10% each year to 100% after 15 years of credited service. This is a closed retirement plan (new employees may not participate in the Plan). The 1945 Plan does not issue a stand-alone financial statement report.

The funding policies for the 1945 Plan provides for actuarially determined periodic contributions at rates that, for individual employees, remain stable over time so that sufficient assets will be available to pay benefits when due. The attained age aggregate cost method has been used to compute the normal cost for the plan. Any unfunded plan costs are spread over the average future working lifetime of the participants as a level percentage of payroll. The significant actuarial assumptions used to compute pension contribution requirements are the same as those used to determine the standard measure of the pension obligation.

General Pension Plan, Policemen's Pension Plan, Firemen's Pension Plan and the City Employees' Pension Plan

These Plans covered former City of Augusta employees. Policemen and firemen hired before 1945 are covered under the General Pension Plan. Policemen hired between 1945 and 1949 are covered under the Policemen's Pension Plan. Firemen hired between 1945 and 1949 are covered under the Firemen's Pension Plan. Other former City of Augusta employees hired between 1945 and 1949 are covered by the City Employees' Pension Plan. Pension benefits are being paid under these Plans to retired employees and beneficiaries. These are closed retirement plans (new employees may not participate in the plans). These plans do not issue stand-alone financial statement reports.

Note 5 – Pension plans (Continued)

General Retirement Plan

Employees hired after March 1, 1949 and before March 1, 1987, whose age did not exceed thirty-five years at the time of their employment and are not participants of the 1977 Plan are covered under the General Retirement Plan. Pension benefits vest after an employee is 45 years of age and has 15 years of full-time employment. An employee may retire at age 60 with 25 years of service and receive annual pension benefits equal to 2% of the employee's average salary earned during the last three years of employment, multiplied by the number of full-time years of employment. The Plan provides death and disability benefits. These benefit provisions and all other requirements including amendments are established by Government ordinance. All full-time employees hired before July 1, 1980, must contribute 8% of gross earnings to the Plan, with the Government contributing remaining amounts sufficient to provide future pensions. This is a closed retirement plan (new employees may not participate in the Plan). The General Retirement Plan does not issue a stand-alone financial statement report.

Employer contributions are determined as part of the January 1, 2011 actuarial valuation using the frozen entry age cost method. The unfunded accrued liability is composed of pieces that are amortized over various periods to comply with Georgia law as a level percentage of payroll. When the actuarial value of assets exceeds 150% of the present value of accrued benefits, the Official Code of Georgia Annotated states that there is no minimum required contribution. The significant actuarial assumptions used to compute pension contribution requirements are the same as those used to determine the standard measure of the pension obligation.

Agent multiple-employer pension plan

Georgia Municipal Employees Benefit System (GMEBS)

Employees hired after March 1, 1987 and before consolidation on December 31, 1996, and who were not participants in any other employer-sponsored retirement plan are covered under the Georgia Municipal Employees Benefit System. The Plan provides pension benefits, deferred allowances, and death and disability benefits. These benefit provisions and all other requirements including amendments are established by Government ordinance. A participant may retire after reaching the age of 65 if the participant is not classified as public safety personnel; participating public safety personnel may retire at age 65 or age 55 with 25 years of total credited service, whichever is earlier. Early retirement may be taken at age 55 with 10 years of credited service. Benefits vest after 10 years of service. Employees who retire at or after age 55 with 10 or more years of service are entitled to pension payments for the remainder of their lives equal to 1 ¼% of their final five-year average salary times the number of years of which they were employed as a participant in the GMEBS. The final five-year average salary is the average salary of the employee during the final five years of full-time employment. Pension provisions include deferred allowances, whereby an employee may terminate his or her employment with the Government after accumulating 10 years of service but before reaching the age of 55. If the employee does not withdraw his or her accumulated contributions, the employee is entitled to all pension benefits upon reaching the age of 55. Employees must contribute 3.5% of their gross earnings to the Plan. In addition, the Government must provide annual contributions sufficient to satisfy the actuarially determined contribution requirements as amended by GMEBS. The GMEBS Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Employees Benefit System, 201 Pryor Street, SW, Atlanta, Georgia 30303.

The employer contributions are determined as part of a July 1, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial value of plan assets are computed with a smoothing method that uses a roll forward of prior year's actuarial value with contributions, disbursements, and expended return of investments, plus 10% of investment gains (losses) during 10 prior years. Normal cost is funded on a current basis. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law. Since the Government's policy is to contribute the pension expense in each year, the funding strategy should provide sufficient resources to pay employee pension benefits on a timely basis. The significant actuarial assumptions used to compute pension contribution requirements are the same as those used to determine the standardized measure of the pension obligation. The plan's unfunded actuarial accrued liability is being amortized over 30 years as a level dollar.

Note 5 – Pension plans (Continued)

Membership of the defined benefit plans are as follows:

	Retirees and beneficiaries receiving benefits	Terminated plan members entitled to but not yet receiving benefits	Active Plan members
1945 Plan	30	0	4
General Pension Plan	0	0	0
Policemen's Pension Plan	1	0	0
Firemen's Pension Plan	5	0	0
City Employees' Pension Plan	7	0	0
General Retirement Plan (City 1949)	158	7	122
GMEBS	263	130	2,031
Total	464	137	2,157

The costs of administering the plans are financed through investment earnings.

Defined contribution plan

Augusta-Richmond County Board of Commissioners Retirement Savings Plan (the "1998 Plan")

All full-time employees with more than one month of service are eligible to participate in the Retirement Savings Plan. The Plan is a defined contribution plan under Section 401(a) of the Internal Revenue Code, and is administered by Nationwide Life Insurance, PPA support. The Plan was organized and may be amended by a majority vote of the full-body of the governing board, the Augusta-Richmond County Commission. Employees contribute four percent (4%) of their salary, and the Government contributes two percent (2%) of the employee's salary. Contribution requirements may be amended by a majority vote of the full-body of the governing board, the Augusta-Richmond County Commission. At December 31, 2010, there were approximately 258 plan participants. Participants are considered fully vested in the Government's contributions after completing five (5) years of service. For the year ended December 31, 2010, the employees' contributions were $383,823, and the Government's contributions were $191,911. This is a closed retirement plan (new employees may not participate in the Plan).

Richmond County Department of Health – General Retirement Plan

All current full-time employees of the Department of Health participate in the Employees' Retirement System of Georgia (ERS), which is a cost-sharing multi-employer, defined benefit, public employee retirement system. The Department contributes at a specified percentage of active members payroll determined by actuarial valuation. The contribution requirements of plan members and the Department are established and may be amended by the ERS Board of Trustees. Retirement contributions made on behalf of eligible participants for the year ended June 30, 2010 were $580,599. Members become fully vested after ten years of service.

B. Summary of significant accounting policies

Basis of Accounting

Pension trust funds are accounted for on the accrual basis. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the Government has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. For information relating to reported investment values, see Note 1 G.

Method used to Value Investments

Investments are reported at fair value. Money market mutual funds are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price or exchange rate. Net appreciation (depreciation) in fair value of investments includes the difference between cost and fair value of investments held as well as the net realized gains or losses from securities sold. Interest and dividend income is recognized on the accrual basis when earned. Purchases and sales of investments are recorded on a trade date basis.

Note 5 – Pension plans (Continued)

C. Concentrations and reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits for any plans.

The plans held no individual investments whose market value exceeds five percent or more of net assets available for benefits. There are no long-term contracts for contributions.

D. Annual pension cost and net pension obligation

Employer contributions have been determined as follows:

	1945 Plan	General Retirement Pension Plan (City 1949)
Valuation date	12/31/2010	12/31/2010
Actuarial cost method	Attained age aggregate	Aggregate cost method
Amortization method	Level percentage of payroll (closed)	Level percentage of payroll (closed)
Amortization period	Average future working lifetime	Various periods to comply with state law
Actuarial asset valuation method	Market value plus receivables	Market Value plus receivables
Actuarial assumptions:		
Investment rate of return	8.0%	8.0%
Projected salary increases	5.0%	5.5%
Post retirement benefit increases	5.0%	4.0%
Inflation	5.0%	4.0%

	General Pension Plan	Policemen's Pension Plan
Valuation date	12/31/2010	12/31/2010
Actuarial cost method	Actuarial present value of total Projected benefits	Actuarial present value of total Projected benefits
Amortization method	N/A	N/A
Amortization period	N/A	N/A
Actuarial asset valuation method	N/A	N/A
Actuarial assumptions:		
Investment rate of return	8.0%	8.0%
Projected salary increases	N/A	N/A
Post retirement benefit increases	N/A	N/A
Inflation	N/A	N/A

Note 5 – Pension plans (Continued)

	Firemen's Pension Plan	City Employees' Pension Plan
Valuation date	12/31/2010	12/31/2010
Actuarial cost method	Actuarial present value of total Projected benefits	Actuarial present value of total Projected benefits
Amortization method	N/A	N/A
Amortization period	N/A	N/A
Actuarial asset valuation method	N/A	N/A
Actuarial assumptions:		
Investment rate of return	8.0%	8.0%
Projected salary increases	N/A	N/A
Post retirement benefit increases	N/A	N/A
Inflation	N/A	N/A

	GMEBS
Valuation date	07/01/10
Actuarial cost method	Projected unit credit
Amortization method	Closed level dollar for remaining unfunded liability
Amortization period	Varies for the bases
Actuarial asset valuation method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 44% of market value.
Actuarial assumptions:	
Investment rate of return	7.75%
Projected salary increases	3.50%
Post retirement benefit increases	None
Inflation	None

The aggregate actuarial cost method is used to determine the annual required contribution of the employer for the General Retirement Pension Plan (City 1949). Because the method does not identify or separately amortize unfunded actuarial liabilities, information about the Plan's funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and the information presented is intended to serve as a surrogate for the funded status and funding progress of the Plan.

Note 5 – Pension plans (Continued)

Three-year trend information is as follows:

	Fiscal Year Beginning	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension (Asset) Obligation
2008					
1945 Plan	01/01/2008	$ 143,673	$ 191,465	133%	$ (41,874)
General Pension Plan	01/01/2008	6,610	6,610	100%	-
Policemen's Pension Plan	01/01/2008	48,960	48,960	100%	-
Firemen's Pension Plan	01/01/2008	131,558	131,558	100%	-
City Employees' Pension Plan	01/01/2008	276,009	276,009	100%	-
General Retirement Plan (City 1949)	01/01/2008	-	-	0%	-
GMEBS	01/01/2008	2,527,165	1,912,558	76%	614,607

	Fiscal Year Beginning	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension (Asset) Obligation
2009					
1945 Plan	01/01/2009	$ 340,951	$ 302,173	89%	$ (113,621)
General Pension Plan	01/01/2009	-	-	0%	-
Policemen's Pension Plan	01/01/2009	39,026	39,026	100%	-
Firemen's Pension Plan	01/01/2009	131,558	131,558	100%	-
City Employees' Pension Plan	01/01/2009	253,852	253,852	100%	-
General Retirement Plan (City 1949)	01/01/2009	1,403,253	1,306,374	100%	-
GMEBS	01/01/2009	1,673,213	1,673,213	100%	614,607

	Fiscal Year Beginning	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension (Asset) Obligation
2010					
1945 Plan	01/01/2010	$ 340,781	$ 340,451	100%	$ (74,843)
General Pension Plan	01/01/2010	-	-	0%	-
Policemen's Pension Plan	01/01/2010	28,238	28,238	100%	-
Firemen's Pension Plan	01/01/2010	134,737	134,737	100%	-
City Employees' Pension Plan	01/01/2010	223,322	223,322	100%	-
General Retirement Plan (City 1949)	01/01/2010	1,402,826	1,403,253	100%	96,879
GMEBS	01/01/2010	1,855,271	2,469,878	100%	-

Note 5 – Pension plans (Continued)

The net pension obligation (asset) has been calculated as follows:

	1945 Plan	General Pension Plan
Annual required contribution	$ 340,451	$ -
Interest on net pension obligation	(5,987)	-
Adjustment on annual required contribution	6,317	-
Annual pension cost	340,781	-
Contributions made	(340,451)	-
Increase (decrease) in net obligation	$ 330	$ -
Net pension obligation (asset) (beginning of year)	$ (74,843)	$ -
Net OPEB obligation (asset) (end of year)	$ (74,513)	$ -

	Policeman's Pension Plan	Fireman's Pension Plan
Annual required contribution	$ 28,238	$ 134,737
Interest on net pension obligation	-	-
Adjustment on annual required contribution	-	-
Annual pension cost	28,238	134,737
Contributions made	(28,238)	(134,737)
Increase (decrease) in net obligation	$ -	$ -
Net pension obligation (asset) (beginning of year)	$ -	$ -
Net OPEB obligation (asset) (end of year)	$ -	$ -

	City Employees' Pension Plan	General Retirement Pension Plan (City 1949)	GMEBS
Annual required contribution	$ 232,322	$ 1,403,253	$ 1,855,271
Interest on net pension obligation	-	7,750	-
Adjustment on annual required contribution	-	(8,177)	-
Annual pension cost	232,322	1,402,826	1,855,271
Contributions made	(232,322)	(1,403,253)	(2,469,878)
Increase (decrease) in net obligation	$ -	$ (427)	$ (614,607)
Net pension obligation (asset) (beginning of year)	$ -	$ 96,879	$ 614,607
Net OPEB obligation (asset) (end of year)	$ -	$ 96,452	$ -

Note 5 – Pension plans (Continued)

E. Funded status

The funded status of each plan as of the most recent valuation date is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability AAL Entry Age	(Funded) Unfunded AAL (FAAL) UAAL	Funded Ratio	Covered Payroll	(FAAL) UAAL as A % of Covered Payroll
1945 Plan						
12/31/10	$ 7,860,568	$ 11,366,929	$ 3,506,361	69 %	$ 125,359	2,797 %
Policemen's Pension Plan						
12/31/10	-	101,504	101,504	-	-	-
Firemen's Pension Plan						
12/31/10	-	532,748	532,748	-	-	
City Employees' Pension Plan						
12/31/10	-	953,250	953,250	-	-	-
General Retirement Plan (City 1949)						
12/31/10	68,221,054	79,243,698	11,022,644	86	4,707,547	234
GMEBS						
07/01/10	60,004,921	82,560,251	22,555,330	73	73,248,453	31

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

F. Post-employment retirement benefits

Plan description. Augusta-Richmond County sponsors a single-employer post-retirement plan provides medical and death benefits to eligible retirees and their spouses.

Annual OPEB cost and net OPEB obligation. The Government's annual other post-retirement benefit (OPEB) cost (expense) is calculated based on the annual 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 period not to exceed 30 years. The following table shows the components of the Government's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Government's net OPEB obligation:

Components of net OPEB obligation	
Annual required contribution	$ 7,735,722
Interest on net OPEB obligation	789,286
Adjustment on annual required contribution	(987,410)
Annual OPEB cost (expense)	7,537,598
Contributions made or accrued	(2,318,304)
Increase in net obligation	$ 5,219,294
Net OPEB obligation (beginning of year)	$ 14,350,656
Net OPEB obligation (end of year)	$ 19,569,950

Note 5 – Pension plans (Continued)

The Government's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of OPEB Cost	Net OPEB Obligation
12/31/2010	$ 7,537,598	30.8%	$ 19,569,950
12/31/2009	6,958,580	16.4%	14,350,656
12/31/2008	7,064,158	16.2%	8,534,019

Funding policy. The Government intends to continue to fund the OPEB on an actual pay-as-you-go expense. OPEB is fully funded by the Government and plan members are not required to contribute. Contribution requirements may be amended by a majority vote of the full-body of the governing board, the Augusta-Richmond County Commission.

Funded status and funding progress. As of January 1, 2010, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was $91,479,290 and the actuarial value of assets was $0, resulting in an unfunded actuarial accrued liability (UAAL) of $ 91,479,290.

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. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Actuarial methods and assumptions. Projections of benefits for financial reporting purposes are based on substantive plan (the plan as understood by the employer and the plan members) and includes the type of benefits provided at the time of each valuation and the historical pattern of sharing the 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.

In the January 1, 2010 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 5.5% investment rate of return (net of administrative expenses), based on the employer's own investments and used to discount liabilities at the valuation date, and an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 5% after three years. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at January 1, 2010 was 27 years.

Note 6 – Joint venture and related organization

Joint venture

Under Georgia law, the Government, in conjunction with the sixteen counties and fifty-four cities in east Georgia known as the Central Savannah River Area (CSRA), is a member of the CSRA Regional Development Center (CSRA RDC). The CSRA RDC is a public organization that assists local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. The operations are mainly financed by membership dues and financial assistance provided by the State of Georgia. Membership in the CSRA RDC is required by the Official Code of Georgia Annotated (O.C.G.A.) §58-8-34 with annual dues based on a per capita amount. During the year ended December 31, 2010, the Government paid $193,270 in such dues, which was based on a per capita amount of $1.00. The CSRA RDC Board membership is composed of one city official, one county official, and one private sector individual from each county. O.C.G.A. §58-8-39.1 provides that the Government is liable for any debts or obligations of the CSRA RDC. The Comprehensive Annual Financial Report of the CSRA RDC may be obtained from:

CSRA Regional Development Center
3023 River Watch Pkwy
Augusta, Georgia 30907

Note 6 – Joint venture and related organization (Continued)

Related organization

The Government officials are responsible for appointing the members of the boards of another organization, but the Government's accountability for these organizations do not extend beyond making the appointments. The Government commission appoints the voting majority of the members of the Augusta-Richmond County Coliseum Authority and the Housing Authority of the City of Augusta, Georgia.

Note 7 – Hotel/motel lodging tax

The Government has levied a 6% lodging tax. A summary of the transactions for the year ended December 31, 2010 follows:

Lodging tax receipts	$ 3,969,575
Disbursements to the Augusta-Richmond County Coliseum Authority and the Augusta Convention and Visitors Bureau -for promotion of tourism	(3,706,039)
Balance of lodging tax funds on hand at end of year	$ 263,536

The Government has received audit reports from the Augusta-Richmond County Coliseum Authority and the Augusta Convention and Visitors Bureau, covering the lodging tax monies. The subcontractor's expenditures were for promotion of tourism as required by O.C.G.A. §48-13-51.

Note 8 – Significant contingencies

Federal and State assisted programs

The Government has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Arbitrage

The Government's bond issues are subject to federal arbitrage regulations, and the Government has elected to review its potential arbitrage liability annually on the bond issue dates. The arbitrage rebate payments are payable on the fifth anniversary of the bond issue date and every fifth year subsequent to the date. As of December 31, 2010, the estimate arbitrage payable of $1,566,303 has been included in claims and judgments in the accompanying financial statements.

Note 9 – Expenditure of federal grant funds

General deficiencies applicable to all federal grants have been identified, and specific deficiencies have been identified for grants from the U. S. Department of Housing and Urban Development, U. S. Department of Justice, and the U. S. Department of Transportation, all of which are more fully described in the City's Single Audit report for the year ended December 31, 2010. These deficiencies may result in federal claims for refunds for these grants. The City has not estimated or recorded a liability for any potential claim.

Note 10 – New accounting pronouncements

GASB issued GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which, among other things, enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. The Government's management is currently evaluating the impact GASB No. 54 will have on the Government's financial statements.

PENSION PLAN REQUIRED SUPPLEMENTARY INFORMATION

AUGUSTA, GEORGIA

Defined Benefit Pension Trusts – Required Supplementary Information
(Unaudited)
December 31, 2010

Schedules of funding progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability AAL Entry Age	(Funded) Unfunded AAL (FAAL) UAAL	Funded Ratio	Covered Payroll	(FAAL) UAAL as A % of Covered Payroll
1945 Plan						
12/31/2008	$ 9,839,493	$ 11,083,498	$ 1,244,005	89 %	$ 252,660	492 %
12/31/2009	8,127,448	11,403,336	3,275,888	71	244,941	1,337
12/31/2010	7,860,568	11,366,929	3,506,361	69	125,359	2,797
Policemen's Pension Plan						
12/31/08	$ -	$ 188,987	$ 188,987	- %	$ -	- %
12/31/09	-	145,368	145,368	-	-	-
12/31/10	-	101,504	101,504	-	-	-
Firemen's Pension Plan						
12/31/08	$ -	$ 558,594	$ 558,594	- %	$ -	- %
12/31/09	-	539,044	539,044	-	-	-
12/31/10	-	532,748	532,748	-	-	-
City Employees' Pension Plan						
12/31/08	$ -	$ 1,265,155	$ 1,265,155	- %	$ -	- %
12/31/09	-	1,122,867	1,122,867	-	-	-
12/31/10	-	953,250	953,250	-	-	-
General Retirement Plan (City 1949)						
12/31/2008	$ 74,862,875	$ 70,398,531	$ (4,464,344)	106 %	$ 6,416,602	(70) %
12/31/2009	65,807,023	74,884,813	9,077,790	88	5,775,104	157
12/31/2010	68,221,054	79,243,698	11,022,644	86	4,707,547	234
GMEBS						
11/01/08	$ 48,945,634	$ 69,899,757	$ 20,954,123	70 %	$ 60,618,181	35 %
07/01/09	52,223,077	66,712,927	14,489,850	78	72,194,233	20
07/01/10	60,004,921	82,560,251	22,555,330	73	73,248,453	31

COMBINING AND INDIVIDUAL FUND STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

AUGUSTA, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Special Revenue Funds	Capital Project Funds	Debt Service Funds
Assets			
Cash and temporary investments	$ 14,330,725	$ 38,208,871	$ 15,206
Receivables (net of allowance for doubtful accounts)			
Taxes	1,478,972	-	-
Accounts	2,467,447	-	-
Note	3,362,263	-	-
Prepaid items	685	-	-
Restricted assets			
Reserve account	-	62,572,089	1,225,207
Perpetual care	-	-	-
Total assets	$ 21,640,092	$ 100,780,960	$ 1,240,413
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ 1,508,285	$ 503,732	$ -
Due to other funds	638,249	-	1,027,331
Accrued salaries and vacation	100,687	-	-
Other accrued liabilities	17,508	-	-
Deferred revenue	4,196,039	-	-
Total liabilities	6,460,768	503,732	1,027,331
Fund balances :			
Reserved for:			
Encumbrances	913,125	9,621,543	-
Inventory/prepaid items	685	-	-
Bond Projects	-	66,843,594	-
Unreserved - undesignated	14,265,514	23,812,091	213,082
Total fund balances	15,179,324	100,277,228	213,082
Total liabilities and fund balances	$ 21,640,092	$ 100,780,960	$ 1,240,413

Permanent Fund	Total Nonmajor Governmental Funds
Perpetual Care - II	
$ 181,328	$ 52,736,130
-	1,478,972
-	2,467,447
-	3,362,263
-	685
-	63,797,296
338,625	338,625
$ 519,953	$ 124,181,418
$ -	$ 2,012,017
-	1,665,580
-	100,687
-	17,508
-	4,196,039
-	7,991,831
-	10,534,668
-	685
-	66,843,594
519,953	38,810,640
519,953	116,189,587
$ 519,953	$ 124,181,418

AUGUSTA, GEORGIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2010

	Special Revenue Funds	Capital Project Funds	Debt Service Funds
Revenues			
Taxes - property	$ 11,077,927	$ -	$ -
Taxes - other than property	13,291,863	-	-
Licenses and permits	2,999,479	-	-
Use of money and property	180,515	373,079	50,748
Charges for current services	7,206,807	-	-
Fines and forfeitures	562,883	-	-
Intergovernmental	5,512,521	275,447	-
Contributions and donations	2,144,780	-	-
Other	826,311	-	-
Total revenues	43,803,086	648,526	50,748
Expenditures			
Current:			
General government	3,413,362	542,617	-
Judicial	331,702	-	-
Public safety	3,827,503	213,550	-
Public works	4,861,006	1,430,118	-
Culture and recreation	3,736,927	62,897	-
Housing and development	10,623,060	-	-
Capital outlay	2,176,628	3,511,578	-
Debt service	1,088,310	-	11,260,008
Intergovernmental	-	250,000	-
Total expenditures	30,058,498	6,010,760	11,260,008
Excess (deficiency) of revenues over (under) expenditures	13,744,588	(5,362,234)	(11,209,260)
Other financing sources (uses)			
Transfers in	1,078,570	-	9,697,900
Transfers (out)	(12,542,919)	-	-
Transfers in (out) between nonmajor funds	(1,796,027)	48,689,377	(46,893,350)
Bonds proceeds	-	-	44,070,000
Premium on bonds sold	-	-	3,635,264
Total other financing sources (uses)	(13,260,376)	48,689,377	10,509,814
Net change in fund balances	484,212	43,327,143	(699,446)
Fund balance - beginning	14,695,112	56,950,085	912,528
Fund balance - ending	$ 15,179,324	$ 100,277,228	$ 213,082

Permanent Fund Perpetual Care - II	Total Nonmajor Governmental Funds
$ -	$ 11,077,927
-	13,291,863
-	2,999,479
21,062	625,404
400	7,207,207
-	562,883
-	5,787,968
-	2,144,780
-	826,311
21,462	44,523,822
-	3,955,979
-	331,702
-	4,041,053
-	6,291,124
-	3,799,824
-	10,623,060
-	5,688,206
-	12,348,318
-	250,000
-	47,329,266
21,462	(2,805,444)
-	10,776,470
-	(12,542,919)
-	-
-	44,070,000
-	3,635,264
-	45,938,815
21,462	43,133,371
498,491	73,056,216
$ 519,953	$ 116,189,587

AUGUSTA, GEORGIA

Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Urban Services District	Emergency Telephone System	Capital Outlay	Law Enforcement
Assets				
Cash and temporary investments	$ 3,193,989	$ 715,163	$ 3,151,967	$ 271,763
Receivables (net of allowance for doubtful accounts)				
Taxes	1,122,171	-	356,801	-
Accounts	842,999	493,283	99,492	5,926
Note	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 5,159,159	$ 1,208,446	$ 3,608,260	$ 277,689
Liabilities and fund balances (deficits)				
Liabilities:				
Accounts payable	$ 119,735	$ 51,159	$ 408,465	$ -
Due to other funds	-	-	-	-
Accrued salaries and vacation	4,491	50,841	-	-
Other accrued liabilities	17,381	-	-	-
Deferred revenue	452,827	-	172,538	-
Total liabilities	594,434	102,000	581,003	-
Fund balances (deficits):				
Reserved for:				
Encumbrances	-	2,013	876,942	8,325
Inventory/prepaid items	-	-	-	-
Unreserved - undesignated	4,564,725	1,104,433	2,150,315	269,364
Total fund balances (deficits)	4,564,725	1,106,446	3,027,257	277,689
Total liabilities and fund balances (deficits)	$ 5,159,159	$ 1,208,446	$ 3,608,260	$ 277,689

Occupational Tax	Special Assessment	Hotel/Motel Tax and Promotion/ Tourism	Housing and Neighborhood Development	Urban Development Action Grant	Federal Drug Fund	State Drug Fund
$ -	$ 1,044,661	$ 262,535	$ 182,589	$ 42,372	$ 717,480	$ 605,624
-	-	-	-	-	-	-
-	256,193	-	643,982	15,855	-	-
-	-	-	3,256,502	105,761	-	-
-	-	-	685	-	-	-
$ -	$ 1,300,854	$ 262,535	$ 4,083,758	$ 163,988	$ 717,480	$ 605,624
$ -	$ 298,690	$ 262,536	$ 229,749	$ 142	$ 11,906	$ 639
-	-	-	576,716	31,749	-	-
-	3,836	-	22,378	-	-	-
-	-	-	-	-	-	-
-	194,418	-	3,376,256	-	-	-
-	496,944	262,536	4,205,099	31,891	11,906	639
-	1,296	-	15,435	200	7,350	1,495
-	-	-	685	-	-	-
-	802,614	(1)	(137,461)	131,897	698,224	603,490
-	803,910	(1)	(121,341)	132,097	705,574	604,985
$ -	$ 1,300,854	$ 262,535	$ 4,083,758	$ 163,988	$ 717,480	$ 605,624

AUGUSTA, GEORGIA

Combining Balance Sheet
Nonmajor Special Revenue Funds - Continued
December 31, 2010

	Law Library	5% Victim's Crime Assistance	Supplemental Juvenille Services	Building Inspection
Assets				
Cash and temporary investments	$ -	$ 93,421	$ 49,034	$ 714,736
Receivables (net of allowance for doubtful accounts)				
Taxes	-	-	-	-
Accounts	1,547	30,963	1,190	-
Note	-	-	-	-
Prepaid items	-	-	-	-
Total assets	$ 1,547	$ 124,384	$ 50,224	$ 714,736
Liabilities and fund balances (deficits)				
Liabilities:				
Accounts payable	$ -	$ 2,481	$ -	$ 11,601
Due to other funds	1,547	-	-	-
Accrued salaries and vacation	-	5,458	-	13,683
Other accrued liabilities	-	127	-	-
Deferred revenue	-	-	-	-
Total liabilities	1,547	8,066	-	25,284
Fund balances (deficits):				
Reserved for:				
Encumbrances	-	-	-	69
Inventory/prepaid items	-	-	-	-
Unreserved - undesignated	-	116,318	50,224	689,383
Total fund balances (deficits)	-	116,318	50,224	689,452
Total liabilities and fund balances (deficits)	$ 1,547	$ 124,384	$ 50,224	$ 714,736

Wireless Phase	Perpetual Care - I	Downtown Development	Canine Forfeitures	NPDES Permit Fees	Transportation and Tourism	Drug Court	Urban Redevelopment Projects	Total Nonmajor Special Revenue Funds
$ 1,901,296	$ 358,646	$ -	$ 21,694	$ 124,900	$ 682,263	$ 105,501	$ 91,091	$ 14,330,725
-	-	-	-	-	-	-	-	1,478,972
-	3,327	28,449	-	-	-	44,241	-	2,467,447
-	-	-	-	-	-	-	-	3,362,263
-	-	-	-	-	-	-	-	685
$ 1,901,296	$ 361,973	$ 28,449	$ 21,694	$ 124,900	$ 682,263	$ 149,742	$ 91,091	$ 21,640,092
$ 8,503	$ 4,065	$ -	$ -	$ -	$ -	$ -	$ 98,614	$ 1,508,285
-	-	28,237	-	-	-	-	-	638,249
-	-	-	-	-	-	-	-	100,687
-	-	-	-	-	-	-	-	17,508
-	-	-	-	-	-	-	-	4,196,039
8,503	4,065	28,237	-	-	-	-	98,614	6,460,768
-	-	-	-	-	-	-	-	913,125
-	-	-	-	-	-	-	-	685
1,892,793	357,908	212	21,694	124,900	682,263	149,742	(7,523)	14,265,514
1,892,793	357,908	212	21,694	124,900	682,263	149,742	(7,523)	15,179,324
$ 1,901,296	$ 361,973	$ 28,449	$ 21,694	$ 124,900	$ 682,263	$ 149,742	$ 91,091	$ 21,640,092

AUGUSTA, GEORGIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year Ended December 31, 2010

	Urban Services District	Emergency Telephone System	Capital Outlay	Law Enforcement
Revenues				
Taxes - property	$ 7,478,635	$ -	$ 3,599,292	$ -
Taxes - other than property	8,663,069	-	-	-
Licenses and permits	-	-	-	-
Use of money and property	32,275	5,724	51,180	1,835
Charges for current services	339,345	3,134,629	-	79,332
Fines and forfeitures	-	-	-	-
Intergovernmental	-	-	-	-
Contributions and donations	-	-	-	-
Other	-	-	-	-
Total revenues	16,513,324	3,140,353	3,650,472	81,167
Expenditures				
Current:				
General government	1,502,226	3,323	1,042,971	-
Judicial	-	-	2,621	-
Public safety	-	3,157,174	2,150	37,070
Public works	447,350	-	204,135	-
Culture and recreation	6,674	-	156,470	-
Housing and development	320,009	-	48,981	-
Capital outlay	-	-	1,787,226	-
Debt service	-	-	1,079,354	-
Total expenditures	2,276,259	3,160,497	4,323,908	37,070
Excess (deficiency) of revenues over (under) expenditures	14,237,065	(20,144)	(673,436)	44,097
Other financing sources (uses)				
Transfers in	-	340,000	-	-
Transfers (out)	(9,977,051)	-	-	-
Transfers in (out) between nonmajor funds	(2,834,836)	-	(1,250,000)	-
Total other financing sources (uses)	(12,811,887)	340,000	(1,250,000)	-
Net change in fund balances (deficits)	1,425,178	319,856	(1,923,436)	44,097
Fund balance (deficits) - beginning	3,139,547	786,590	4,950,693	233,592
Fund balance (deficits) - ending	$ 4,564,725	$ 1,106,446	$ 3,027,257	$ 277,689

Occupational Tax	Special Assessment	Hotel/Motel Tax and Promotion/ Tourism	Housing and Neighborhood Development	Urban Development Action Grant	Federal Drug Fund	State Drug Fund
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	4,094,575	-	-	-	-
2,186,476	-	-	-	-	-	-
1,262	-	-	-	3,250	5,027	35,290
-	2,059,052	-	-	-	-	-
-	-	-	-	-	33,311	112,560
-	-	-	5,512,521	-	-	-
-	-	-	-	-	-	-
9,642	-	-	811,348	5,321	-	-
2,197,380	2,059,052	4,094,575	6,323,869	8,571	38,338	147,850
6,030	15,749	-	152,250	4,070	-	-
-	-	-	-	-	-	-
-	-	-	-	-	41,557	32,959
-	4,207,771	-	-	-	-	-
-	-	3,548,549	-	-	-	-
-	-	-	6,703,710	23,116	-	-
-	95,366	-	-	-	-	288,690
-	-	-	-	-	-	-
6,030	4,318,886	3,548,549	6,855,960	27,186	41,557	321,649
2,191,350	(2,259,834)	546,026	(532,091)	(18,615)	(3,219)	(173,799)
-	738,570	-	-	-	-	-
(2,191,350)	-	-	(12,369)	-	-	-
-	2,037,270	(546,027)	544,460	-	-	-
(2,191,350)	2,775,840	(546,027)	532,091	-	-	-
-	516,006	(1)	-	(18,615)	(3,219)	(173,799)
-	287,904	-	(121,341)	150,712	708,793	778,784
$ -	$ 803,910	$ (1)	$ (121,341)	$ 132,097	$ 705,574	$ 604,985

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Continued
Nonmajor Special Revenue Funds
Year Ended December 31, 2010

	Law Library	5% Victim's Crime Assistance	Supplemental Juvenille Services	Building Inspection	Wireless Phase
Revenues					
Taxes - property	$ -	$ -	$ -	$ -	$ -
Taxes - other than property	-	-	-	-	-
Licenses and permits	-	-	-	798,040	-
Use of money and property	-	681	319	5,689	12,549
Charges for current services	-	-	14,425	-	527,362
Fines and forfeitures	-	266,741	-	-	-
Intergovernmental	-	-	-	-	-
Contributions and donations	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	-	267,422	14,744	803,729	539,911
Expenditures					
Current:					
General government	-	6,750	1,040	32,680	-
Judicial	-	325,581	3,500	-	-
Public safety	-	-	-	-	556,593
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Housing and development	-	-	-	947,727	-
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	-
Total expenditures	-	332,331	4,540	980,407	556,593
Excess (deficiency) of revenues over (under) expenditures	-	(64,909)	10,204	(176,678)	(16,682)
Other financing sources (uses)					
Transfers in	-	-	-	-	-
Transfers (out)	-	-	-	(12,149)	-
Transfers in (out) between nonmajor funds	-	-	-	-	-
Total other financing sources (uses)	-	-	-	(12,149)	-
Net change in fund balances (deficits)	-	(64,909)	10,204	(188,827)	(16,682)
Fund balance (deficits) - beginning	-	181,227	40,020	878,279	1,909,475
Fund balance (deficits) - ending	$ -	$ 116,318	$ 50,224	$ 689,452	$ 1,892,793

Perpetual Care - I	Downtown Development	Canine Forefeitures	NPDES Permit Fees	Transportation and Tourism	Drug Court	Urban Redevelopment Projects	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,077,927
-	534,219	-	-	-	-	-	13,291,863
-	-	-	14,963	-	-	-	2,999,479
20,254	-	147	843	3,601	589	-	180,515
-	-	-	-	1,052,662	-	-	7,206,807
-	-	1,883	-	-	148,388	-	562,883
-	-	-	-	-	-	-	5,512,521
-	-	-	-	-	-	2,144,780	2,144,780
-	-	-	-	-	-	-	826,311
20,254	534,219	2,030	15,806	1,056,263	148,977	2,144,780	43,803,086
-	631,282	-	-	-	14,991	-	3,413,362
-	-	-	-	-	-	-	331,702
-	-	-	-	-	-	-	3,827,503
-	-	-	1,750	-	-	-	4,861,006
25,234	-	-	-	-	-	-	3,736,927
-	154,610	-	-	280,127	-	2,144,780	10,623,060
5,346	-	-	-	-	-	-	2,176,628
-	1,433	-	-	-	-	7,523	1,088,310
30,580	787,325	-	1,750	280,127	14,991	2,152,303	30,058,498
(10,326)	(253,106)	2,030	14,056	776,136	133,986	(7,523)	13,744,588
-	-	-	-	-	-	-	1,078,570
-	-	-	-	(350,000)	-	-	(12,542,919)
-	253,106	-	-	-	-	-	(1,796,027)
-	253,106	-	-	(350,000)	-	-	(13,260,376)
(10,326)	-	2,030	14,056	426,136	133,986	(7,523)	484,212
368,234	212	19,664	110,844	256,127	15,756	-	14,695,112
$ 357,908	$ 212	$ 21,694	$ 124,900	$ 682,263	$ 149,742	$ (7,523)	$ 15,179,324

AUGUSTA, GEORGIA

Urban Services District Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Taxes - property	$ 7,466,983	$ 7,478,635	$ 11,652	$ 7,839,331
Taxes - other than property	8,220,000	8,663,069	443,069	8,637,125
Use of money and property	75,000	32,275	(42,725)	64,746
Charges for current services	315,000	339,345	24,345	376,887
Total revenues	16,076,983	16,513,324	436,341	16,918,089
Expenditures				
Current:				
General government	1,439,120	1,502,226	(63,106)	1,360,254
Public works	434,140	447,350	(13,210)	373,455
Culture and recreation	7,350	6,674	676	6,672
Housing and development	345,638	320,009	25,629	341,525
Total expenditures	2,226,248	2,276,259	(50,011)	2,081,906
Excess (deficiency) of revenues over (under) expenditures	13,850,735	14,237,065	386,330	14,836,183
Other financing sources (uses)				
Transfers (out)	(11,260,590)	(9,977,051)	1,283,539	(11,440,280)
Transfers in (out) between nonmajor funds	(2,590,145)	(2,834,836)	(244,691)	(2,614,983)
Total other financing sources (uses)	(13,850,735)	(12,811,887)	1,038,848	(14,055,263)
Net change in fund balances	$ -	1,425,178	$ 1,425,178	780,920
Fund balance - beginning		3,139,547		2,358,627
Fund balance - ending		$ 4,564,725		$ 3,139,547

AUGUSTA, GEORGIA

Emergency Telephone System Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 8,000	$ 5,724	$ (2,276)	$ 10,241
Charges for current services	2,928,180	3,134,629	206,449	2,794,286
Total revenues	2,936,180	3,140,353	204,173	2,804,527
Expenditures				
Current:				
General government	3,670	3,323	347	3,326
Public safety	3,433,890	3,157,174	276,716	3,389,542
Capital outlay	10,000	-	10,000	89,543
Total expenditures	3,447,560	3,160,497	287,063	3,482,411
Excess (deficiency) of revenues over (under) expenditures	(511,380)	(20,144)	491,236	(677,884)
Other financing sources (uses)				
Transfers in	340,000	340,000	-	340,000
Total other financing sources (uses)	340,000	340,000	-	340,000
Net change in fund balances	$ (171,380)	319,856	$ 491,236	(337,884)
Fund balance - beginning		786,590		1,124,474
Fund balance - ending		$ 1,106,446		$ 786,590

AUGUSTA, GEORGIA

Capital Outlay Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Taxes - property	$ 3,511,344	$ 3,599,292	$ 87,948	$ 3,784,415
Use of money and property	-	51,180	51,180	58,336
Total revenues	3,511,344	3,650,472	139,128	3,842,751
Expenditures				
Current:				
General government	1,403,115	1,042,971	360,144	1,227,771
Judicial	2,600	2,621	(21)	62,130
Public safety	2,160	2,150	10	-
Public works	315,079	204,135	110,944	62,738
Culture and recreation	190,825	156,470	34,355	203,202
Housing and development	50,000	48,981	1,019	103,699
Capital outlay	3,093,204	1,787,226	1,305,978	1,052,661
Debt service	1,079,358	1,079,354	4	1,438,340
Total expenditures	6,136,341	4,323,908	1,812,433	4,150,541
Excess (deficiency) of revenues over (under) expenditures	(2,624,997)	(673,436)	1,951,561	(307,790)
Other financing sources (uses)				
Transfers in	1,250,000	-	(1,250,000)	-
Transfers (out)	-	-	-	(179,815)
Transfers in (out) between nonmajor funds	(1,250,000)	(1,250,000)	-	-
Total other financing sources (uses)	-	(1,250,000)	(1,250,000)	(179,815)
Net change in fund balances	$ (2,624,997)	(1,923,436)	$ 701,561	(487,605)
Fund balance - beginning		4,950,693		5,438,298
Fund balance - ending		$ 3,027,257		$ 4,950,693

AUGUSTA, GEORGIA

Law Enforcement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 1,835	$ 1,835	$ 3,315
Charges for current services	200,000	79,332	(120,668)	391,459
Total revenues	200,000	81,167	(118,833)	394,774
Expenditures				
Current:				
Public safety	200,000	37,070	162,930	70,149
Capital outlay	-	-	-	55,570
Total expenditures	200,000	37,070	162,930	125,719
Excess (deficiency) of revenues over (under) expenditures	-	44,097	44,097	269,055
Other financing sources (uses)				
Transfers (out)	-	-	-	(500,000)
Total other financing sources (uses)	-	-	-	(500,000)
Net change in fund balances	$ -	44,097	$ 44,097	(230,945)
Fund balance - beginning		233,592		464,537
Fund balance - ending		$ 277,689		$ 233,592

AUGUSTA, GEORGIA

Occupation Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Licenses and permits	$ 2,400,000	$ 2,186,476	$ (213,524)	$ 2,193,810
Use of money and property	20,000	1,262	(18,738)	3,022
Other	-	9,642	9,642	5,226
Total revenues	2,420,000	2,197,380	(222,620)	2,202,058
Expenditures				
Current:				
General government	6,030	6,030	-	5,360
Total expenditures	6,030	6,030	-	5,360
Excess (deficiency) of revenues over (under) expenditures	2,413,970	2,191,350	(222,620)	2,196,698
Other financing sources (uses)				
Transfers (out)	(2,413,970)	(2,191,350)	222,620	(2,196,698)
Total other financing sources (uses)	(2,413,970)	(2,191,350)	222,620	(2,196,698)
Net change in fund balances	$ -	-	$ -	-
Fund balance - beginning		-		-
Fund balance - ending		$ -		$ -

AUGUSTA, GEORGIA

Special Assessment Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Charges for current services	$ 2,030,000	$ 2,059,052	$ 29,052	$ 2,051,472
Use of money and property	-	-	-	750
Total revenues	2,030,000	2,059,052	29,052	2,052,222
Expenditures				
Current:				
General government	45,000	15,749	29,251	15,660
Public works	4,660,840	4,207,771	453,069	4,231,407
Capital outlay	100,000	95,366	4,634	30,866
Total expenditures	4,805,840	4,318,886	486,954	4,277,933
Excess (deficiency) of revenues over (under) expenditures	(2,775,840)	(2,259,834)	516,006	(2,225,711)
Other financing sources (uses)				
Transfers in	738,570	738,570	-	750,000
Transfers in (out) between nonmajor funds	2,037,270	2,037,270	-	1,719,860
Total other financing sources (uses)	2,775,840	2,775,840	-	2,469,860
Net change in fund balances	$ -	516,006	$ 516,006	244,149
Fund balance - beginning		287,904		43,755
Fund balance - ending		$ 803,910		$ 287,904

AUGUSTA, GEORGIA

Hotel/Motel Tax and Promotion/Tourism Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Taxes - other than property	$ 4,245,000	$ 4,094,575	$ (150,425)	$ 4,637,904
Total revenues	4,245,000	4,094,575	(150,425)	4,637,904
Expenditures				
Current:				
Culture and recreation	4,245,000	3,548,549	696,451	4,637,903
Total expenditures	4,245,000	3,548,549	696,451	4,637,903
Excess (deficiency) of revenues over (under) expenditures	-	546,026	546,026	1
Transfers in (out) between nonmajor funds	-	(546,027)	(546,027)	-
Total other financing sources (uses)	-	(546,027)	(546,027)	-
Net change in fund balances	$ -	(1)	$ (1)	1
Fund balance (deficit) - beginning		-		(1)
Fund balance (deficit) - ending		$ (1)		$ -

AUGUSTA, GEORGIA

Housing and Neighborhood Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Intergovernmental	$ 10,602,740	$ 5,512,521	$ (5,090,219)	$ 4,879,990
Other	1,098,290	811,348	(286,942)	1,018,694
Total revenues	11,701,030	6,323,869	(5,377,161)	5,898,684
Expenditures				
Current:				
General government	152,250	152,250	-	154,270
Housing and development	11,769,145	6,703,710	5,065,435	6,560,064
Total expenditures	11,921,395	6,855,960	5,065,435	6,714,334
Excess (deficiency) of revenues over (under) expenditures	(220,365)	(532,091)	(311,726)	(815,650)
Other financing sources (uses)				
Transfers (out)	-	(12,369)	(12,369)	(12,410)
Transfers in (out) between nonmajor funds	220,365	544,460	324,095	580,123
Total other financing sources (uses)	220,365	532,091	311,726	567,713
Net change in fund balances	$ -	-	$ -	(247,937)
Fund balance - beginning		(121,341)		126,596
Fund balance (deficit) - ending		$ (121,341)		$ (121,341)

AUGUSTA, GEORGIA

Urban Development Action Grant Fund (UDAG)
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 5,300	$ 3,250	$ (2,050)	$ 4,789
Intergovernmental	-	-	-	35,000
Other	-	5,321	5,321	1,450
Total revenues	5,300	8,571	3,271	41,239
Expenditures				
Current:				
General government	4,070	4,070	-	8,100
Housing and development	11,800	23,116	(11,316)	836,186
Total expenditures	15,870	27,186	(11,316)	844,286
Excess (deficiency) of revenues over (under) expenditures	(10,570)	(18,615)	(8,045)	(803,047)
Other financing sources (uses)				
Transfers in (out) between nonmajor funds	-	-	-	803,818
Total other financing sources (uses)	-	-	-	803,818
Net change in fund balances	$ (10,570)	(18,615)	$ (8,045)	771
Fund balance - beginning		150,712		149,941
Fund balance - ending		$ 132,097		$ 150,712

AUGUSTA, GEORGIA

Federal Drug Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 5,027	$ 5,027	$ 8,045
Fines and forfeitures	600,000	33,311	(566,689)	167,897
Total revenues	600,000	38,338	(561,662)	175,942
Expenditures				
Current:				
Public safety	592,650	41,557	551,093	2,862
Capital outlay	7,350	-	7,350	50,661
Total expenditures	600,000	41,557	558,443	53,523
Excess (deficiency) of revenues over (under) expenditures	-	(3,219)	(3,219)	122,419
Net change in fund balances	$ -	(3,219)	$ (3,219)	122,419
Fund balance - beginning		708,793		586,374
Fund balance - ending		$ 705,574		$ 708,793

AUGUSTA, GEORGIA

State Drug Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 35,290	$ 35,290	$ 10,241
Fines and forfeitures	800,000	112,560	(687,440)	120,219
Intergovernmental	-	-	-	215,703
Total revenues	800,000	147,850	(652,150)	346,163
Expenditures				
Current:				
Public safety	507,374	32,959	474,415	158,129
Housing and development	-	-	-	238,656
Capital outlay	292,626	288,690	3,936	253,855
Total expenditures	800,000	321,649	478,351	650,640
Excess (deficiency) of revenues over (under) expenditures	-	(173,799)	(173,799)	(304,477)
Net change in fund balances	$ -	(173,799)	$ (173,799)	(304,477)
Fund balance - beginning		778,784		1,083,261
Fund balance - ending		$ 604,985		$ 778,784

AUGUSTA, GEORGIA

5% Victim's Crime Assistance Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 5,000	$ 681	$ (4,319)	$ 2,161
Fines and forfeitures	302,500	266,741	(35,759)	280,492
Total revenues	307,500	267,422	(40,078)	282,653
Expenditures				
Current:				
General government	6,750	6,750	-	7,740
Judicial	300,750	325,581	(24,831)	350,844
Total expenditures	307,500	332,331	(24,831)	358,584
Excess (deficiency) of revenues over (under) expenditures	-	(64,909)	(64,909)	(75,931)
Net change in fund balances	$ -	(64,909)	$ (64,909)	(75,931)
Fund balance - beginning		181,227		257,158
Fund balance - ending		$ 116,318		$ 181,227

AUGUSTA, GEORGIA

Supplemental Juvenile Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 319	$ 319	$ 438
Charges for current services	15,000	14,425	(575)	6,475
Total revenues	15,000	14,744	(256)	6,913
Expenditures				
Current:				
General government	1,040	1,040	-	1,580
Judicial	15,000	3,500	11,500	2,990
Total expenditures	16,040	4,540	11,500	4,570
Excess (deficiency) of revenues over (under) expenditures	(1,040)	10,204	11,244	2,343
Net change in fund balances	$ (1,040)	10,204	$ 11,244	2,343
Fund balance - beginning		40,020		37,677
Fund balance - ending		$ 50,224		$ 40,020

AUGUSTA, GEORGIA

Building Inspection
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Licenses and permits	$ 1,084,140	$ 798,040	$ (286,100)	$ 1,024,801
Use of money and property	8,000	5,689	(2,311)	11,664
Total revenues	1,092,140	803,729	(288,411)	1,036,465
Expenditures				
Current:				
General government	93,145	32,680	60,465	26,030
Housing and development	998,995	947,727	51,268	935,310
Capital outlay	-	-	-	185,508
Total expenditures	1,092,140	980,407	111,733	1,146,848
Excess (deficiency) of revenues over (under) expenditures	-	(176,678)	(176,678)	(110,383)
Other financing sources (uses)				
Transfers (out)	-	(12,149)	(12,149)	(12,410)
Total other financing sources (uses)	-	(12,149)	(12,149)	(12,410)
Net change in fund balances	$ -	(188,827)	$ (188,827)	(122,793)
Fund balance - beginning		878,279		1,001,072
Fund balance - ending		$ 689,452		$ 878,279

AUGUSTA, GEORGIA

Wireless Phase Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 9,000	$ 12,549	$ 3,549	$ 17,627
Charges for current services	594,540	527,362	(67,178)	867,354
Total revenues	603,540	539,911	(63,629)	884,981
Expenditures				
Current:				
Public safety	603,540	556,593	46,947	273,407
Total expenditures	603,540	556,593	46,947	273,407
Excess (deficiency) of revenues over (under) expenditures	-	(16,682)	(16,682)	611,574
Net change in fund balances	$ -	(16,682)	$ (16,682)	611,574
Fund balance - beginning		1,909,475		1,297,901
Fund balance - ending		$ 1,892,793		$ 1,909,475

AUGUSTA, GEORGIA

Perpetual Care - I Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 79,800	$ 20,254	$ (59,546)	$ 27,387
Total revenues	79,800	20,254	(59,546)	27,387
Expenditures				
Current:				
Culture and recreation	58,800	25,234	33,566	46,380
Capital outlay	21,000	5,346	15,654	-
Total expenditures	79,800	30,580	49,220	46,380
Excess (deficiency) of revenues over (under) expenditures	-	(10,326)	(10,326)	(18,993)
Net change in fund balances	$ -	(10,326)	$ (10,326)	(18,993)
Fund balance - beginning		368,234		387,227
Fund balance - ending		$ 357,908		$ 368,234

AUGUSTA, GEORGIA

Downtown Development Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances (Deficit)
Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Taxes - other than property	$ 497,870	$ 534,219	$ 36,349	$ 497,832
Total revenues	497,870	534,219	36,349	497,832
Expenditures				
Current:				
General government	657,770	631,282	26,488	628,214
Housing and development	154,610	154,610	-	181,090
Debt service	18,000	1,433	16,567	3,318
Total expenditures	830,380	787,325	43,055	812,622
Excess (deficiency) of revenues over (under) expenditures	(332,510)	(253,106)	79,404	(314,790)
Other financing sources (uses)				
Transfers in (out) between nonmajor funds	332,510	253,106	(79,404)	315,000
Total other financing sources (uses)	332,510	253,106	(79,404)	315,000
Net change in fund balances (deficit)	$ -	-	$ -	210
Fund balance (deficit) - beginning		212		2
Fund balance - ending		$ 212		$ 212

AUGUSTA, GEORGIA

Canine Forfeitures
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 147	$ 147	$ 212
Fines and forfeitures	20,000	1,883	(18,117)	595
Total revenues	20,000	2,030	(17,970)	807
Expenditures				
Current:				
Public safety	20,000	-	20,000	-
Total expenditures	20,000	-	20,000	-
Excess (deficiency) of revenues over (under) expenditures	-	2,030	2,030	807
Net change in fund balances	$ -	2,030	$ 2,030	807
Fund balance - beginning		19,664		18,857
Fund balance - ending		$ 21,694		$ 19,664

AUGUSTA, GEORGIA

NPDES Permit Fees
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Licenses and permits	$ 30,000	$ 14,963	$ (15,037)	$ 6,391
Use of money and property	1,370	843	(527)	1,299
Total revenues	31,370	15,806	(15,564)	7,690
Expenditures				
Current:				
Public works	31,370	1,750	29,620	-
Total expenditures	31,370	1,750	29,620	-
Excess (deficiency) of revenues over (under) expenditures	-	14,056	14,056	7,690
Net change in fund balances	$ -	14,056	$ 14,056	7,690
Fund balance - beginning		110,844		103,154
Fund balance - ending		$ 124,900		$ 110,844

AUGUSTA, GEORGIA

Transportation and Tourism
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 3,601	$ 3,601	$ 2,795
Charges for current services	930,000	1,052,662	122,662	997,000
Total revenues	930,000	1,056,263	126,263	999,795
Expenditures				
Current:				
Housing and development	280,127	280,127	-	-
Total expenditures	280,127	280,127	-	-
Excess (deficiency) of revenues over (under) expenditures	649,873	776,136	126,263	999,795
Other financing sources (uses)				
Transfers (out)	(900,000)	(350,000)	550,000	(350,000)
Transfers in (out) between nonmajor funds	-	-	-	(803,818)
Total other financing sources (uses)	(900,000)	(350,000)	550,000	(1,153,818)
Net change in fund balances	$ (250,127)	426,136	$ 676,263	(154,023)
Fund balance - beginning		256,127		410,150
Fund balance - ending		$ 682,263		$ 256,127

AUGUSTA, GEORGIA

Drug Court
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 589	$ 589	$ 60
Fines and forfeitures	135,000	148,388	13,388	26,096
Total revenues	135,000	148,977	13,977	26,156
Expenditures				
Current:				
General government	135,000	14,991	120,009	10,400
Total expenditures	135,000	14,991	120,009	10,400
Excess (deficiency) of revenues over (under) expenditures	-	133,986	133,986	15,756
Net change in fund balances	$ -	133,986	$ 133,986	15,756
Fund balance - beginning		15,756		-
Fund balance - ending		$ 149,742		$ 15,756

AUGUSTA, GEORGIA

Urban Redevelopment Projects
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Amended Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Contributions and donations	$ 3,851,000	$ 2,144,780	$ (1,706,220)	$ -
Total revenues	3,851,000	2,144,780	(1,706,220)	-
Expenditures				
Housing and development	3,851,000	2,144,780	1,706,220	-
Debt service	-	7,523	(7,523)	-
Total expenditures	3,851,000	2,152,303	1,698,697	-
Excess (deficiency) of revenues over (under) expenditures	-	(7,523)	(7,523)	-
Net change in fund balances	$ -	(7,523)	$ (7,523)	-
Fund balance - beginning		-		-
Fund balance - ending		$ (7,523)		$ -

AUGUSTA, GEORGIA

Combining Balance Sheet
Nonmajor Debt Service Funds
December 31, 2010

	2006 GO Sales Tax Bonds Debt Service	2009 GO Sales Tax Bonds Debt Service	2010 GO Bonds Debt Service	Coliseum Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
Assets					
Cash and temporary investments	$ 15,206	$ -	$ -	$ -	$ 15,206
Restricted assets					
Reserve account	-	1,028,749	125,108	71,350	1,225,207
Total assets	$ 15,206	$ 1,028,749	$ 125,108	$ 71,350	$ 1,240,413
Liabilities and fund balances					
Liabilities:					
Due to other funds	$ -	$ 1,027,331	$ -	$ -	$ 1,027,331
Total liabilities	-	1,027,331	-	-	1,027,331
Fund balances:					
Unreserved - undesignated	15,206	1,418	125,108	71,350	213,082
Total fund balances	15,206	1,418	125,108	71,350	213,082
Total liabilities and fund balances	$ 15,206	$ 1,028,749	$ 125,108	$ 71,350	$ 1,240,413

AUGUSTA, GEORGIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
Year Ended December 31, 2010

	2006 GO Sales Tax Bonds Debt Service	2009 GO Sales Tax Bonds Debt Service	2010 GO Bonds Debt Service	Coliseum Authority Revenue Bonds Debt Service	Total Nonmajor Debt Service Funds
Revenues					
Use of money and property	$ -	$ 40,575	$ -	$ 10,173	$ 50,748
Total revenues	-	40,575	-	10,173	50,748
Expenditures					
Debt service	9,698,400	935,979	247,986	377,643	11,260,008
Total expenditures	9,698,400	935,979	247,986	377,643	11,260,008
Excess (deficiency) of revenues over (under) expenditures	(9,698,400)	(895,404)	(247,986)	(367,470)	(11,209,260)
Other financing sources (uses)					
Transfers in	9,697,900	-	-	-	9,697,900
Transfers in (out) between nonmajor funds	-	-	(22,893,350)	(24,000,000)	(46,893,350)
Bonds proceeds	-	-	21,950,000	22,120,000	44,070,000
Premium on bonds sold	-	-	1,316,444	2,318,820	3,635,264
Total other financing sources (uses)	9,697,900	-	373,094	438,820	10,509,814
Net change in fund balances	(500)	(895,404)	125,108	71,350	(699,446)
Fund balance - beginning	15,706	896,822	-	-	912,528
Fund balance - ending	$ 15,206	$ 1,418	$ 125,108	$ 71,350	$ 213,082

AUGUSTA, GEORGIA

2006 GO Sales Tax Bonds Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 750	$ -	$ (750)	$ -
Total revenues	750	-	(750)	-
Expenditures				
Debt service	9,698,650	9,698,400	250	9,706,800
Total expenditures	9,698,650	9,698,400	250	9,706,800
Excess (deficiency) of revenues over (under) expenditures	(9,697,900)	(9,698,400)	(500)	(9,706,800)
Other financing sources (uses)				
Transfers in	9,697,900	9,697,900	-	9,707,050
Total other financing sources (uses)	9,697,900	9,697,900	-	9,707,050
Net change in fund balances	$ -	(500)	$ (500)	250
Fund balance - beginning		15,706		15,456
Fund balance - ending		$ 15,206		$ 15,706

AUGUSTA, GEORGIA

2009 GO Sales Tax Bonds Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ 41,500	$ 40,575	$ (925)	$ -
Total revenues	41,500	40,575	(925)	-
Expenditures				
Debt service	937,180	935,979	1,201	91,352
Total expenditures	937,180	935,979	1,201	91,352
Excess (deficiency) of revenues over (under) expenditures	(895,680)	(895,404)	276	(91,352)
Other financing sources (uses)				
Transfers in (out) between nonmajor funds	-	-	-	(31,533,270)
Bonds proceeds	-	-	-	30,550,000
Premium on bonds sold	-	-	-	1,971,444
Total other financing sources (uses)	-	-	-	988,174
Net change in fund balances	$ (895,680)	(895,404)	$ 276	896,822
Fund balance - beginning		896,822		-
Fund balance - ending		$ 1,418		$ 896,822

AUGUSTA, GEORGIA

2010 GO Sales Tax Bonds Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Expenditures				
Debt service	$ 373,095	$ 247,986	$ 125,109	$ -
Total expenditures	373,095	247,986	125,109	-
Excess (deficiency) of revenues over (under) expenditures	(373,095)	(247,986)	125,109	-
Other financing sources (uses)				
Transfers in (out) between nonmajor funds	(22,893,350)	(22,893,350)	-	-
Bonds proceeds	21,950,000	21,950,000	-	-
Premium on bonds sold	1,316,445	1,316,444	(1)	-
Total other financing sources (uses)	373,095	373,094	(1)	-
Net change in fund balances	$ -	125,108	$ 125,108	-
Fund balance - beginning		-		-
Fund balance - ending		$ 125,108		$ -

AUGUSTA, GEORGIA

Coliseum Authority Revenue Bonds Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Year Ended December 31, 2010
With comparative amounts for December 31, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)	2009 Actual
Revenues				
Use of money and property	$ -	$ 10,173	$ 10,173	$ -
Total revenues	-	10,173	10,173	-
Expenditures				
Debt service	438,820	377,643	61,177	-
Total expenditures	438,820	377,643	61,177	-
Excess (deficiency) of revenues over (under) expenditures	(438,820)	(367,470)	71,350	-
Other financing sources (uses)				
Transfers in (out) between nonmajor funds	(24,000,000)	(24,000,000)	-	-
Bonds proceeds	22,120,000	22,120,000	-	-
Premium on bonds sold	2,318,820	2,318,820	-	-
Total other financing sources (uses)	438,820	438,820	-	-
Net change in fund balances	$ -	71,350	$ 71,350	-
Fund balance - beginning		-		-
Fund balance - ending		$ 71,350		$ -

AUGUSTA, GEORGIA

Combining Balance Sheet
Nonmajor Capital Project Funds
December 31, 2010

	Community Development	Special Sales Tax Phase II	Special Sales Tax Phase III
Assets			
Cash and temporary investments	$ 137,697	$ 2,511,121	$ 28,478,123
Restricted assets			
Reserve account	-	-	-
Total assets	$ 137,697	$ 2,511,121	$ 28,478,123
Liabilities and fund balances			
Liabilities:			
Accounts payable	$ -	$ 19,374	$ 240,611
Total liabilities	-	19,374	240,611
Fund balances:			
Encumbrances	-	275,162	6,603,864
Bond Projects	-	-	-
Unreserved - undesignated	137,697	2,216,585	21,633,648
Total fund balances	137,697	2,491,747	28,237,512
Total liabilities and fund balances	$ 137,697	$ 2,511,121	$ 28,478,123

Special Sales Tax Phase VI	Coliseum and TEE Center Capital Projects	Total Nonmajor Capital Project Funds
$ 6,535,903	$ 546,027	$ 38,208,871
38,572,089	24,000,000	62,572,089
$ 45,107,992	$ 24,546,027	$ 100,780,960
$ 243,747	$ -	$ 503,732
243,747	-	503,732
2,742,517	-	9,621,543
42,843,594	24,000,000	66,843,594
(721,866)	546,027	23,812,091
44,864,245	24,546,027	100,277,228
$ 45,107,992	$ 24,546,027	$ 100,780,960

AUGUSTA, GEORGIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
Year Ended December 31, 2010

	Community Development	Special Sales Tax Phase II	Special Sales Tax Phase III
Revenues			
Use of money and property	$ -	$ 37,575	$ 302,529
Intergovernmental	-	-	275,447
Total revenues	-	37,575	577,976
Expenditures			
Current:			
General government	-	4,010	217,960
Public safety	-	-	-
Public works	-	129,867	1,300,251
Culture and recreation	-	-	250
Capital outlay	-	-	3,511,578
Intergovernmental	-	-	-
Total expenditures	-	133,877	5,030,039
Excess (deficiency) of revenues over (under) expenditures	-	(96,302)	(4,452,063)
Other financing sources (uses)			
Transfers in (out) between nonmajor funds	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	-	(96,302)	(4,452,063)
Fund balance - beginning	137,697	2,588,049	32,689,575
Fund balance - ending	$ 137,697	$ 2,491,747	$ 28,237,512

Special Sales Tax Phase VI	Coliseum and TEE Center Capital Projects	Total Nonmajor Capital Project Funds
$ 32,975	$ -	$ 373,079
-	-	275,447
32,975	-	648,526
320,647	-	542,617
213,550	-	213,550
-	-	1,430,118
62,647	-	62,897
-	-	3,511,578
250,000	-	250,000
846,844	-	6,010,760
(813,869)	-	(5,362,234)
24,143,350	24,546,027	48,689,377
24,143,350	24,546,027	48,689,377
23,329,481	24,546,027	43,327,143
21,534,764	-	56,950,085
$ 44,864,245	$ 24,546,027	$ 100,277,228

NONMAJOR ENTERPRISE FUNDS

AUGUSTA, GEORGIA

Combining Statement of Net Assets
Nonmajor Enterprise Funds
December 31, 2010

	Waste Management	Municipal Golf Course	Transit
Assets			
Current assets			
Cash and temporary investments	$ 12,877,551	$ -	$ 150
Receivables			
Accounts	1,190,983	20,302	2,254,120
Interest	-	-	-
Inventory	-	6,617	233,476
Total current assets	14,068,534	26,919	2,487,746
Noncurrent assets			
Restricted cash and investments	9,514,065	-	-
Deferred bond issuance costs	584,783	-	-
Capital assets, net	38,377,308	1,335,289	4,563,358
Total noncurrent assets	48,476,156	1,335,289	4,563,358
Total assets	62,544,690	1,362,208	7,051,104
Liabilities			
Current liabilities			
Accounts payable	1,059,208	19,915	299,527
Due to other funds	-	31,166	649,111
Accrued salaries and vacation	66,562	5,719	162,183
Other accrued liabilities	218,759	-	-
Current portion of leases payable to GMA Lease Fund	294,364	-	-
Current portion of revenue bonds payable	785,000	-	-
Total current liabilities	2,423,893	56,800	1,110,821
Noncurrent liabilities			
Closure/postclosure accrual	16,245,410	-	-
Revenue bonds payable	10,789,554	-	-
Capital leases payable to GMA Lease Fund	648,202	-	-
Total noncurrent liabilities	27,683,166	-	-
Total liabilities	30,107,059	56,800	1,110,821
Net assets (deficit)			
Invested in capital assets, net of related debt	35,371,561	1,335,289	4,563,358
Restricted for debt service	2,692	-	-
Unrestricted	(2,936,622)	(29,881)	1,376,925
Total net assets (deficit)	$ 32,437,631	$ 1,305,408	$ 5,940,283

Daniel Field Airport	Garbage Collection	Total Nonmajor Enterprise Funds
$ 581,965	$ 6,978,661	$ 20,438,327
114,407	2,223,541	5,803,353
583	-	583
-	-	240,093
696,955	9,202,202	26,482,356
-	-	9,514,065
-	-	584,783
1,747,621	1,654,415	47,677,991
1,747,621	1,654,415	57,776,839
2,444,576	10,856,617	84,259,195
42,450	977,884	2,398,984
291,124	-	971,401
-	22,187	256,651
-	-	218,759
-	806,279	1,100,643
-	-	785,000
333,574	1,806,350	5,731,438
-	-	16,245,410
-	-	10,789,554
-	471,963	1,120,165
-	471,963	28,155,129
333,574	2,278,313	33,886,567
1,747,621	376,173	43,394,002
-	-	2,692
363,381	8,202,131	6,975,934
$ 2,111,002	$ 8,578,304	$ 50,372,628

AUGUSTA, GEORGIA

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Nonmajor Enterprise Funds
Year Ended December 31, 2010

	Waste Management	Municipal Golf Course	Transit
Operating revenues			
Charges and fees	$ 9,715,639	$ 376,892	$ 727,297
Total operating revenues	9,715,639	376,892	727,297
Operating expenses			
Personal services and employee benefits	1,185,571	317,264	3,080,446
Purchased/contracted services	276,487	66,751	141,622
Supplies	965,490	132,455	657,491
Repairs and maintenance	1,709,227	30,184	250,619
Interfund/interdepartmental charges	309,647	48,890	211,884
Depreciation	1,154,380	32,510	597,252
Closure/postclosure accrual	750,675	-	-
Total operating expenses	6,351,477	628,054	4,939,314
Operating income (loss)	3,364,162	(251,162)	(4,212,017)
Nonoperating revenue (expense)			
Interest revenue	99,258	-	18,496
Sale of property	14,828	-	3,506
Other revenue	(11)	23,383	846
Intergovernmental	-	-	3,733,226
Interest expense	(109,517)	(417)	-
Total nonoperating revenue (expense)	4,558	22,966	3,756,074
Income (loss) before transfers	3,368,720	(228,196)	(455,943)
Transfers in	-	230,200	1,900,000
Transfers out	(125,000)	-	-
Change in net assets	3,243,720	2,004	1,444,057
Total net assets (deficit) - beginning	29,193,911	1,303,404	4,496,226
Total net assets (deficit) - ending	$ 32,437,631	$ 1,305,408	$ 5,940,283

Daniel Field Airport	Garbage Collection	Total
$ 101,029	$ 15,626,417	$ 26,547,274
101,029	15,626,417	26,547,274
25,165	353,646	4,962,092
14,791	14,302,881	14,802,532
13,347	74,664	1,843,447
26,843	5,283	2,022,156
15,844	42,350	628,615
84,504	796,284	2,664,930
-	-	750,675
180,494	15,575,108	27,674,447
(79,465)	51,309	(1,127,173)
2,097	50,795	170,646
-	-	18,334
38,880	-	63,098
155,602	-	3,888,828
-	-	(109,934)
196,579	50,795	4,030,972
117,114	102,104	2,903,799
-	2,947,301	5,077,501
-	-	(125,000)
117,114	3,049,405	7,856,300
1,993,888	5,528,899	42,516,328
$ 2,111,002	$ 8,578,304	$ 50,372,628

AUGUSTA, GEORGIA

Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year Ended December 31, 2010

	Waste Management	Municipal Golf Course	Transit
Operating activities			
Cash received from customers	9,514,149	$ 375,629	$ 727,297
Cash advanced from other funds	-	-	-
Cash paid to suppliers	(2,689,641)	(225,888)	(1,418,707)
Cash paid to employees	(1,166,924)	(328,276)	(3,069,821)
Cash paid for interfund services used	(309,647)	(74,631)	437,227
Net cash provided by (used in) operating activities	5,347,937	(253,166)	(3,324,004)
Noncapital financing activities			
Transfers in	-	230,200	1,900,000
Transfers out	(125,000)	-	-
Operating grants	-	-	72,070
Interest expense on operating capital	-	22,393	-
Net cash provided by noncapital financing activities	(125,000)	252,593	1,972,070
Capital and related financing activities			
Proceeds from sale of property	156,948	-	3,506
Proceeds from grants	-	-	2,161,432
Proceeds from capital leases	353,318	-	-
Proceeds from bonds issued	9,390,734	-	-
Payments on bonds issued	(1,700,000)	-	-
Payments on capital leases	(193,316)	-	-
Payment of bond issue costs	(285,629)	-	-
Purchase of capital assets	(9,934,738)	-	(1,713,886)
Interest paid on capital debt	(123,496)	-	-
Other miscellaneous income	(11)	573	846
Net cash provided by (used in) capital and related financing activites	(2,336,190)	573	451,898
Investing activities			
Interest received	99,258	-	18,496
Net cash provided by investing activities	99,258	-	18,496
Net increase (decrease) in cash and cash equivalents/investments	2,986,005	-	(881,540)
Cash and cash equivalents/investments			
Beginning of year	19,405,611	-	881,690
End of year	$ 22,391,616	$ -	$ 150

Daniel Field Airport	Garbage Collection	Total Nonmajor Enterprise Funds
$ (13,378)	$ 15,198,256	$ 25,801,953
230,134	-	230,134
(12,353)	(14,385,217)	(18,731,806)
(26,299)	(350,413)	(4,941,733)
(15,844)	(42,350)	(5,245)
162,260	420,276	2,353,303
-	2,947,301	5,077,501
-	-	(125,000)
-	-	72,070
-	-	22,393
-	2,947,301	5,046,964
-	-	160,454
155,602	-	2,317,034
-	175,387	528,705
-	-	9,390,734
-	-	(1,700,000)
-	(776,864)	(970,180)
-	-	(285,629)
(156,356)	(240,058)	(12,045,038)
-	-	(123,496)
38,880	-	40,288
38,126	(841,535)	(2,687,128)
2,206	50,795	170,755
2,206	50,795	170,755
202,592	2,576,837	4,883,894
379,373	4,401,824	25,068,498
$ 581,965	$ 6,978,661	$ 29,952,392

AUGUSTA, GEORGIA

Combining Statement of Cash Flows - Continued
Nonmajor Enterprise Funds
Year Ended December 31, 2010

	Waste Management	Municipal Golf Course	Transit
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	$ 3,364,162	$ (251,162)	$ (4,212,017)
Adjustments to reconcile operating income (loss) to net cash proided by (used in) operating activities:			
Depreciation and amortization	1,154,380	32,510	597,252
Closure/post closure costs	750,675	-	-
Accounts receivable	(201,490)	(1,263)	-
Inventory	-	2,941	(27,876)
Accounts payable	302,625	561	(341,099)
Accrued salaries and vacation	18,647	(11,012)	10,625
Other accrued liabilites	(41,062)	-	-
Due to other funds	-	(25,741)	649,111
Total adjustments	1,983,775	(2,004)	888,013
Net cash provided by (used in) operating activities	$ 5,347,937	$ (253,166)	$ (3,324,004)
Reconciliation of cash and cash equivalents to the balance sheets			
Cash and cash equivalents in current assets	$ 12,877,551	$ -	$ 150
Restricted cash and cash equivalents included in noncurrent cash and investments	9,514,065	-	-
Net cash and cash equivalents	$ 22,391,616	$ -	$ 150

Daniel Field Airport	Garbage Collection	Total Nonmajor Enterprise Funds
$ (79,465)	$ 51,309	(1,127,173)
84,504	796,284	2,664,930
-	-	750,675
(114,407)	(428,161)	(745,321)
-	-	(24,935)
42,628	(2,389)	2,326
(1,134)	3,233	20,359
-	-	(41,062)
230,134	-	853,504
241,725	368,967	3,480,476
$ 162,260	$ 420,276	$ 2,353,303
$ 581,965	$ 6,978,661	20,438,327
-	-	9,514,065
$ 581,965	$ 6,978,661	$ 29,952,392

INTERNAL SERVICE FUNDS

AUGUSTA, GEORGIA

Combining Statement of Net Assets
Internal Service Funds
December 31, 2010

	Risk Management	Fleet Operations	Workers Compensation
Assets			
Current assets			
Cash and temporary investments	$ 1,066,055	$ 223,275	$ 175,447
Capital leases receivable from other funds	-	-	-
Prepaid expenses	-	-	-
Total current assets	1,066,055	223,275	175,447
Noncurrent assets			
Restricted investments	-	-	137,769
Capital assets, net	312,721	63,992	-
Total noncurrent assets	312,721	63,992	137,769
Total assets	1,378,776	287,267	313,216
Liabilities			
Current liabilities			
Accounts payable	50,018	407,065	150,578
Due to other funds	-	-	-
Accrued salaries and vacation	7,172	2,495	-
Other accrued liabilities	-	4,828	-
Total current liabilities	57,190	414,388	150,578
Noncurrent liabilities			
Revenue bonds payable	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	57,190	414,388	150,578
Net assets (deficit)			
Invested in capital assets, net of related debt	312,721	63,992	-
Unrestricted	1,008,865	(191,113)	162,638
Total net assets (deficit)	$ 1,321,586	$ (127,121)	$ 162,638

Employee Health Benefits	Unemployment	Long-term Disability Insurance	GMA Leases	Total
$ -	$ -	$ 15,658	$ -	$ 1,480,435
-	-	-	3,637,402	3,637,402
1,525	-	-	-	1,525
1,525	-	15,658	3,637,402	5,119,362
-	-	-	13,518,909	13,656,678
-	-	-	-	376,713
-	-	-	13,518,909	14,033,391
1,525	-	15,658	17,156,311	19,152,753
-	-	-	170,637	778,298
1,525	-	-	704,350	705,875
-	-	-	-	9,667
-	-	-	9,024	13,852
1,525	-	-	884,011	1,507,692
-	-	-	16,304,100	16,304,100
-	-	-	16,304,100	16,304,100
1,525	-	-	17,188,111	17,811,792
-	-	-	-	376,713
-	-	15,658	(31,800)	964,248
$ -	$ -	$ 15,658	$ (31,800)	$ 1,340,961

AUGUSTA, GEORGIA

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
Year Ended December 31, 2010

	Risk Management	Fleet Operations	Workers Compensation
Operating revenues			
Charges and fees	$ 1,690,097	$ 5,026,670	$ 2,170,030
Total operating revenues	1,690,097	5,026,670	2,170,030
Operating expenses			
Personal services and employee benefits	337,806	119,728	-
Purchased/contracted services	452,208	25,974	-
Supplies	67,439	159,319	-
Repairs and maintenance	220	4,518,263	-
Other costs	3,519	63,367	-
Depreciation	1,722	19,447	-
Lease expense	-	-	-
Risk benefit charges	914,278	125,440	4,600
Insurance	-	-	2,165,837
Total operating expenses	1,777,192	5,031,538	2,170,437
Operating income (loss)	(87,095)	(4,868)	(407)
Nonoperating revenue (expense)			
Interest revenue	10,030	-	408
Sale of property	-	4,669	-
Other revenue	72,320	400	-
Interest expense	-	(665)	-
Total nonoperating revenue (expense)	82,350	4,404	408
Income (loss) before transfers	(4,745)	(464)	1
Transfers in	-	-	-
Transfers between Internal Service Funds	-	-	-
Change in net assets	(4,745)	(464)	1
Total net assets (deficit) - beginning	1,326,331	(126,657)	162,637
Total net assets (deficit) - ending	$ 1,321,586	$ (127,121)	$ 162,638

Employee Health Benefits	Unemployment	Long-term Disability Insurance	GMA Leases	Total
$ 19,830,842	$ 266,580	$ 486,432	$ 2,159,999	$ 31,630,650
19,830,842	266,580	486,432	2,159,999	31,630,650
-	-	-	-	457,534
82,958	-	-	-	561,140
-	-	-	-	226,758
-	-	-	-	4,518,483
-	-	-	-	66,886
-	-	-	-	21,169
-	-	-	2,147,048	2,147,048
15,870	-	1,320	-	1,061,508
20,147,454	265,077	486,436	-	23,064,804
20,246,282	265,077	487,756	2,147,048	32,125,330
(415,440)	1,503	(1,324)	12,951	(494,680)
-	-	-	266,574	277,012
-	-	-	-	4,669
5,633	-	-	-	78,353
(26,740)	(1,503)	(224)	(279,526)	(308,658)
(21,107)	(1,503)	(224)	(12,952)	51,376
(436,547)	-	(1,548)	(1)	(443,304)
438,095	-	-	-	438,095
(1,548)	-	1,548	-	-
-	-	-	(1)	(5,209)
-	-	15,658	(31,799)	1,346,170
$ -	$ -	$ 15,658	$ (31,800)	$ 1,340,961

AUGUSTA, GEORGIA

Combining Statement of Cash Flows
Internal Service Funds
Year Ended December 31, 2010

	Risk Management	Fleet Operations	Workers Compensation
Operating activities			
Cash received from contributions	$ 1,715,322	$ 5,027,424	$ 2,170,030
Cash received from General Fund	-	-	-
Cash paid to suppliers	(1,397,787)	(4,872,000)	(2,171,261)
Cash paid to employees	(356,723)	(128,549)	-
Net cash provided by (used in) operating activities	(39,188)	26,875	(1,231)
Noncapital financing activities			
Transfers in	-	-	-
Transfers out	-	-	-
Interest earned (expensed) on operating capital	-	(665)	-
Other miscellaneous income	72,320	-	-
Net cash provided by (used in) noncapital financing activities	72,320	(665)	-
Capital and related financing activities			
Proceeds from sale of property	-	7,791	-
Other miscellaneous income	-	400	-
Interest paid on capital debt	-	-	-
Net cash provided by (used in) capital and related financing activities	-	8,191	-
Investing activities			
Interest received	10,030	-	408
Net cash provided by investing activities	10,030	-	408
Net increase (decrease) in cash and cash equivalents	43,162	34,401	(823)
Cash and cash equivalents/investments			
Beginning of year	1,022,893	188,874	314,039
End of year	$ 1,066,055	$ 223,275	$ 313,216

Employee Health Benefits	Unemployment	Long-term Disability Insurance	GMA Leases	Total Internal Service Funds
$ 18,218,327	$ 266,580	$ 486,432	$ 2,159,999	$ 30,044,114
-	-	-	704,350	704,350
(18,633,767)	(265,077)	(487,756)	(1,716,849)	(29,544,497)
-	-	-	-	(485,272)
(415,440)	1,503	(1,324)	1,147,500	718,695
438,095	-	1,548	-	439,643
(1,548)	-	-	-	(1,548)
(26,740)	(1,503)	-	-	(28,908)
5,633	-	-	-	77,953
415,440	(1,503)	1,548	-	487,140
-	-	-	-	7,791
-	-	-	-	400
-	-	-	(234,611)	(234,611)
-	-	-	(234,611)	(226,420)
-	-	(224)	266,574	276,788
-	-	(224)	266,574	276,788
-	-	-	1,179,463	1,256,203
-	-	15,658	12,339,446	13,880,910
$ -	$ -	$ 15,658	$ 13,518,909	$ 15,137,113

AUGUSTA, GEORGIA

Combining Statement of Cash Flows - Continued
Internal Service Funds
Year Ended December 31, 2010

	Risk Management	Fleet Operations	Workers Compensation
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	$ (87,095)	$ (4,868)	$ (407)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	1,721	19,447	-
Change in assets and liabilities:			
Accounts receivable	25,225	754	-
Prepaid expenses	-	-	-
Accounts payable	39,878	15,535	(824)
Accrued salaries and vacation	(18,917)	(8,821)	-
Other accrued liabilites		4,828	
Due to other funds	-	-	-
	47,907	31,743	(824)
Net cash provided by (used in) operating activities	$ (39,188)	$ 26,875	$ (1,231)
Reconciliation of cash and cash equivalents to the balance sheets			
Cash and cash equivalents in current assets	$ 1,066,055	$ 223,275	$ 175,447
Restricted cash and cash equivalents included in noncurrent cash and investments	-	-	137,769
Net cash and cash equivalents	$ 1,066,055	$ 223,275	$ 313,216

Employee Health Benefits	Unemployment	Long-term Disability Insurance	GMA Leases	Total Internal Service Funds
$ (415,440)	$ 1,503	$ (1,324)	$ 12,951	$ (494,680)
-	-	-	-	21,168
-	-	-	250,538	276,517
1,612,515	-	-	-	1,612,515
-	-	-	170,637	225,226
-	-	-	-	(27,738)
			9,024	13,852
(1,612,515)	-	-	704,350	(908,165)
-	-	-	1,134,549	1,213,375
$ (415,440)	$ 1,503	$ (1,324)	$ 1,147,500	$ 718,695
$ -	$ -	$ 15,658	$ -	$ 1,480,435
-	-	-	13,518,909	13,656,678
$ -	$ -	$ 15,658	$ 13,518,909	$ 15,137,113

FIDUCIARY FUNDS

PENSION TRUST FUNDS

AUGUSTA, GEORGIA

Combining Statement of Fiduciary Net Assets
Pension Trust Funds
December 31, 2010

	1945 Plan	General Retirement	Total
Assets			
Cash and cash equivalents	$ 1,502,017	$ 4,273,890	$ 5,775,907
Investments			
U.S. Government securities	769,979	11,366,858	12,136,837
Corporate bonds	1,047,811	5,006,744	6,054,555
Equity securities	3,573,714	37,965,977	41,539,691
Receivables (net of allowance for doubtful accounts)			
Accounts	302,173	1,306,374	1,608,547
Interest	21,302	211,949	233,251
Total assets	7,216,996	60,131,792	67,348,788
Liabilities			
Accounts payable	136	136	272
Total liabilities	136	136	272
Net assets			
Reserved for employees' retirement benefits	$ 7,216,860	$ 60,131,656	$ 67,348,516

AUGUSTA, GEORGIA

Combining Statement of Changes in Fiduciary Net Assets
Pension Trust Funds
Year Ended December 31, 2010

	1945 Plan	General Retirement	Total
Additions			
Contributions			
Contributions - employer	$ 302,173	$ 2,767,136	$ 3,069,309
Contributions - plan member	9,913	328,396	338,309
Total contributions	312,086	3,095,532	3,407,618
Investment earnings			
Interest and dividend income	6,189	-	6,189
Net increase (decrease) in fair value of investments	(189,326)	3,976,869	3,787,543
Total investment earnings	(183,137)	3,976,869	3,793,732
Less investment expense	(33,116)	(400,351)	(433,467)
Net investment earnings	(216,253)	3,576,518	3,360,265
Total additions	95,833	6,672,050	6,767,883
Deductions			
Benefit payments	979,295	6,028,324	7,007,619
Net increase (decrease) in plan net assets	(883,462)	643,726	(239,736)
Total net assets - beginning	8,100,322	59,487,930	67,588,252
Total net assets - ending	$ 7,216,860	$ 60,131,656	$ 67,348,516

AGENCY FUNDS

AUGUSTA, GEORGIA

Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
December 31, 2010

	January 1, 2010	Additions	Deductions	December 31, 2010
Tax Commisioner				
Assets				
Cash and cash equivalents	$ 2,332,167	$ 88,141,306	$ 88,280,741	$ 2,192,732
Receivables (net of allowance for doubtful accounts)				
Taxes	21,639,055	162,192,669	162,556,885	21,274,839
Total assets	$ 23,971,222	$ 250,333,975	$ 250,837,626	$ 23,467,571
Liabilities				
Due to others	$ 2,332,167	$ 88,141,306	$ 88,280,741	$ 2,192,732
Uncollected taxes	21,639,055	162,192,669	162,556,885	21,274,839
Total liabilities	$ 23,971,222	$ 250,333,975	$ 250,837,626	$ 23,467,571
Probate				
Assets				
Cash and cash equivalents	$ 14,920	$ 196,185	$ 188,799	$ 22,306
Total assets	$ 14,920	$ 196,185	$ 188,799	$ 22,306
Liabilities				
Due to others	$ 14,920	$ 196,185	$ 188,799	$ 22,306
Total liabilities	$ 14,920	$ 196,185	$ 188,799	$ 22,306
Sheriff				
Assets				
Cash and cash equivalents	$ 1,690,116	$ 2,417,199	$ 2,325,354	$ 1,781,961
Total assets	$ 1,690,116	$ 2,417,199	$ 2,325,354	$ 1,781,961
Liabilities				
Due to others	$ 1,690,116	$ 2,417,199	$ 2,325,354	$ 1,781,961
Total liabilities	$ 1,690,116	$ 2,417,199	$ 2,325,354	$ 1,781,961
Civil Court				
Assets				
Cash and cash equivalents	$ 422,077	$ 2,936,854	$ 2,918,812	$ 440,119
Total assets	$ 422,077	$ 2,936,854	$ 2,918,812	$ 440,119
Liabilities				
Due to others	$ 422,077	$ 2,936,854	$ 2,918,812	$ 440,119
Total liabilities	$ 422,077	$ 2,936,854	$ 2,918,812	$ 440,119

AUGUSTA, GEORGIA

Combining Statement of Changes in Fiduciary Assets and Liabilities - Continued
Agency Funds
December 31, 2010

Clerk of Court	January 1, 2010	Additions	Deductions	December 31, 2010
Assets				
Cash and cash equivalents	$ 4,958,063	$ 6,238,733	$ 5,046,979	$ 6,149,817
Total assets	$ 4,958,063	$ 6,238,733	$ 5,046,979	$ 6,149,817
Liabilities				
Due to others	$ 4,958,063	$ 6,238,733	$ 5,046,979	$ 6,149,817
Total liabilities	$ 4,958,063	$ 6,238,733	$ 5,046,979	$ 6,149,817
TOTAL ALL AGENCY FUNDS:				
Assets				
Cash and cash equivalents	$ 9,417,343	$ 99,930,277	$ 98,760,685	$ 10,586,935
Receivables (net of allowance for doubtful accounts)				
Taxes	21,639,055	162,192,669	162,556,885	21,274,839
Total assets	$ 31,056,398	$ 262,122,946	$ 261,317,570	$ 31,861,774
Liabilities				
Due to others	$ 9,417,343	$ 99,930,277	$ 98,760,685	$ 10,586,935
Uncollected taxes	21,639,055	162,192,669	162,556,885	21,274,839
Total liabilities	$ 31,056,398	$ 262,122,946	$ 261,317,570	$ 31,861,774