

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The

Fiscal Year Ended June 30, 2006

PREPARED BY THE DEPARTMENT OF FINANCE

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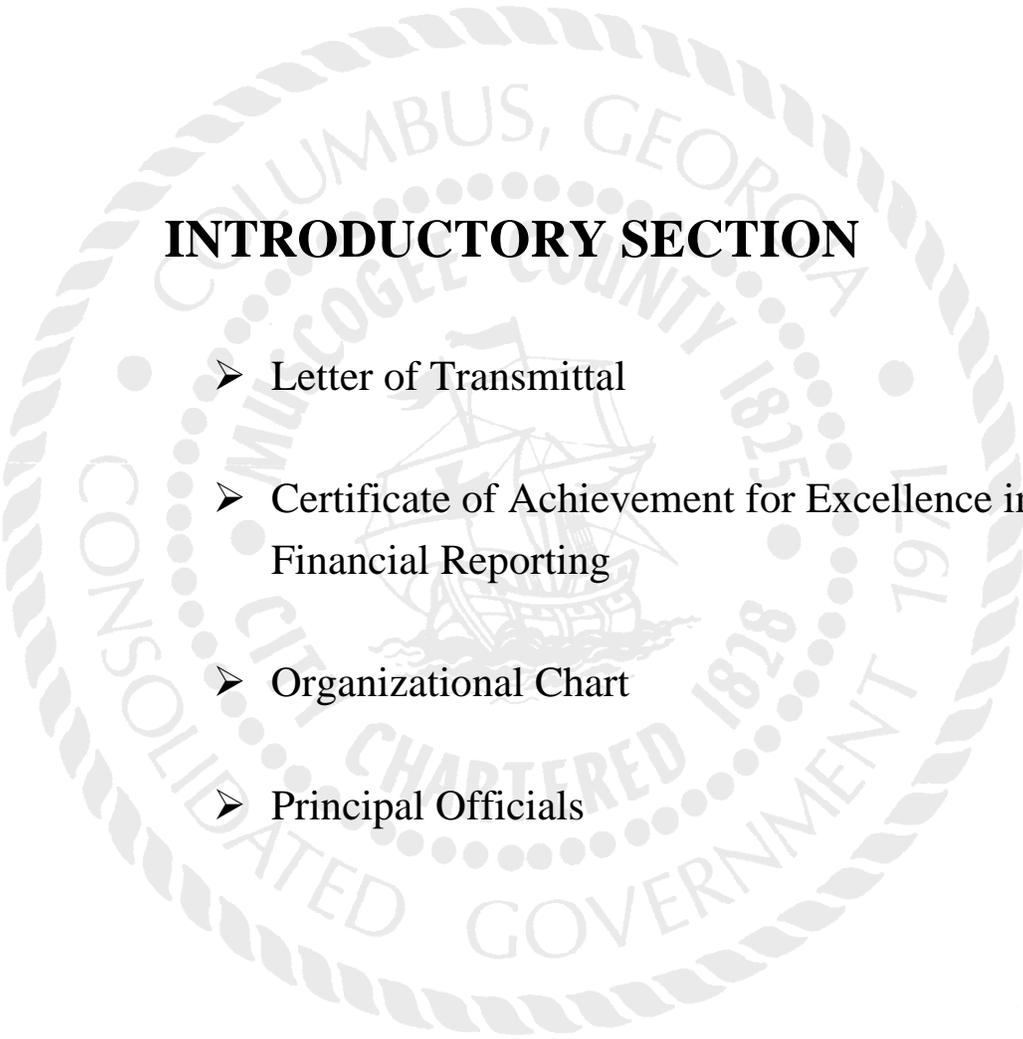
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SINGLE AUDIT INFORMATION

The seal of Columbus, Georgia, is a large, faint watermark in the background. It is circular with a rope-like border. The text around the border includes "COLUMBUS, GEORGIA" at the top, "MULCOGEE COUNTY" on the left, "CONSOLIDATED" at the bottom left, "CHARTERED 1825" at the bottom, "1828" at the bottom right, and "GOVERNMENT 1971" on the right. In the center of the seal is a ship on the water.

INTRODUCTORY SECTION

- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Organizational Chart
- Principal Officials



Columbus, Georgia

Georgia's First Consolidated Government

P.O. Box 1340, Columbus, Georgia 31902-1340

Honorable Robert S. Poydasheff, Mayor
Members of Council, and
Citizens of Columbus, Georgia

November 1, 2006

Ladies and Gentlemen:

I am pleased to present for your consideration this Comprehensive Annual Financial Report of the Consolidated Government of Columbus, Georgia for the fiscal year ended June 30, 2006. Responsibility for both the accuracy of the data and the thoroughness and fairness of presentation including all disclosures rests with the Consolidated Government.

I believe the data as presented is accurate in all material aspects, and that it is presented in a manner which presents fairly the financial position and results of operations of the Consolidated Government of Columbus, Georgia as measured by the financial activity of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the Consolidated Government's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in four section groupings: an Introductory Section, Management's Discussion and Analysis, a series of Financial Sections and a Statistical Section.

The Introductory Section includes this letter of transmittal, a general governmental organizational chart, and a list of the principal officials.

Management's Discussion and Analysis includes summarized financial information about the Consolidated Government, an analysis of the past year's operations of general government and major enterprise activities, and an overview of the Consolidated Government's current and future economic picture as well as its major initiatives and financial accomplishments for the year.

The Financial Sections include our external auditor's letter expressing an opinion as to the accuracy and fairness of the presentation, the audited financial statements and supporting schedules, and notes. The combined statements in this section present an overview of the Consolidated Government's entire financial operations. Combined and individual fund statements present financial data of each of the separate funds of the Consolidated Government. Schedules provide certain other information and additional details of data summarized in the financial statements. The notes are an integral part of the financial statements and provide additional information, which is essential to an accurate understanding of the government's financial condition.

The Statistical Section contains historical financial trends, revenue capacity, debt capacity, demographic, economic and operational information of Columbus, Georgia for the past five years. The Governmental Accounting Standards Board issued Statement No. 44 "Economic Condition Reporting: The Statistical Section" which became effective during the current fiscal year. The Consolidated Government is reporting data for five years dating back to the implementation date of Statement No. 34.

The Columbus, Georgia Consolidated Government receives federal financial assistance through various federal grant programs. An audit in accordance with the Single Audit Act of 1984, P.L. 98-502, and Office of Management and Budget (OMB) Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations", and "Government Auditing Standards" issued by the Comptroller General of the United States has been performed for the

fiscal year ended June 30, 2006. The required reports on supplementary information, compliance, and internal controls along with various supplementary schedules will be provided under a separate report cover.

Reporting Entity

Columbus is a political subdivision of the State of Georgia created by virtue of a Constitutional Amendment authorizing the consolidation of the County of Muscogee with the City of Columbus, as ratified in a general election held on November 5, 1968. The General Assembly of the State of Georgia pursuant to powers in the Constitutional Amendment created a Charter Commission, which prepared and submitted a Charter for the Consolidated Government of Columbus. This Charter was ratified in an election held on November 3, 1970. Commencing January 1, 1971, Columbus became a consolidated city-county government, its territorial limits covering all 220 square miles of what had been Muscogee County. Bibb City, a small textile community within the consolidated territory, requested that the State of Georgia repeal its charter effective January 1, 2001 and requested that the Consolidated Government assume responsibility of providing municipal services to Bibb City residents. The Georgia General Assembly passed House Bill 205, Act No. 36 on January 31, 2001 to repeal the charter of the Town of Bibb City and provided for the disposition of the assets, property, liabilities, and legal rights of the town.

Columbus is governed by a mayor and ten council members elected by the voters. The Mayor serves a four-year term, and is the official spokesman for the consolidated government. The Mayor also functions as Public Safety director. Members of the City Council serve four-year staggered terms. The eight district councilors represent specific districts within the territorial limits of Columbus. The two councilors-at-large are elected from the various districts. The City Manager is appointed by the Mayor and confirmed by Council, and is responsible for the day-to-day operation of the government.

The Columbus Consolidated Government provides a full range of services to 185,271 residents. This includes public safety (police, fire, and emergency medical services), transportation, sanitation, judicial, health and social services, recreation, community development and other general governmental services. In addition, Columbus operates a public transportation system as a business enterprise. The financial statements in this report include all of these functions and activities of the government.

In addition to these activities, the Consolidated Government has financial accountability for other organizations and financial units based on its ability to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, financial accountability exists where there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the Consolidated Government. Based upon the application of these criteria, financial statements of certain organizations have been included in this report as part of the reporting entity. The following functions and activities have been included.

Consolidated Government of Columbus, Georgia Public Employees Retirement System

Columbus Golf Authority - component unit

Columbus Iron Works Convention and Trade Center Authority - component unit

Columbus Convention and Visitors Bureau - component unit

Columbus Building Authority

Columbus Water Works - component unit

Hospital Authority of Columbus - component unit

Columbus Airport Commission - component unit

Columbus Department of Public Health - component unit

General Information

Planned for growth from the beginning, Columbus has become a city of regional importance. From its conception in 1828 by the Georgia state legislature as protection of the western frontier against Indian raids, Columbus has become the state's third largest city, serving 185,271 citizens. Located on the east bank of the Chattahoochee River, which is the Georgia-Alabama state boundary, Columbus draws commercial activity from east Alabama as well as west Georgia. The city is located approximately 110 miles southwest of Atlanta and 85 miles east of Montgomery.

In 1971, Columbus became the first city in the State of Georgia and the 17th in the nation to have a city-county consolidated government. As such, it has all of the governmental and corporate powers, duties, and functions formerly held by the City of Columbus and Muscogee County.

Columbus is unique in Georgia in the authorized method of taxation allowed by the Constitutional Amendment and the Charter. The Charter authorizes the creation of urban service districts and empowers Columbus to vary the rate and manner of taxation in each district to reasonably reflect the degree and level of services provided. As a result, citizens pay taxes only for those services that they receive.

Natural Features & Land Use

Columbus is located on the Fall Line, the natural division of the Piedmont Plateau of north Georgia and the Coastal Plain of south Georgia and Florida. Its physical features include steep slopes in the north, transitioning to level terrain in the south. Several streams and creeks provide good natural drainage to the Chattahoochee River.

Fort Benning Military Reservation, a primary Army training facility and the major employer of the region, borders Columbus on the south and southeast. Development patterns of the community have been significantly influenced by its presence.

The southern two-thirds of Columbus are essentially built-out, with single-family residential property making up 27% of all land use. Commercial and industrial land uses make up approximately 10% of the land uses in the area and are located principally in central Columbus, in two industrial parks bordering Fort Benning Military Reservation in east Columbus, and adjacent to several major arterial roadways in north Columbus. The north and northeast sections of the community consist primarily of low population densities. Many sections of this portion of the city are still undeveloped and it is in this area that most of the future growth--commercial as well as residential--is likely to occur.

Historic buildings are located mostly in the central portion of Columbus and include residential, commercial and public buildings. Private and public actions have identified the importance of historic resources. Both the private and the public sectors have renovated many buildings in the past several years, particularly in the Historic District immediately south of and along the western edge of the central business district.

Population

The 1990 population for the city stood at approximately 179,278, encompassing 220 square miles. The U.S. Census count for 2000 showed that the city grew to 186,291, which is a 3.9 percent increase from the 1990 census. The Census' current population estimate is reduced to 185,271 residents, as more of the population shifts to the suburbs in surrounding counties. However, the population is expected to increase significantly—by as many as 30,000—over the next four years as a result of expansion at Fort Benning due to the decision of the Base Realignment And Closure Commission (BRAC) to move over 10,000 troops and civilian personnel to Fort Benning.

There are many factors that attract newcomers to Columbus. Recreation is a top priority in our city, as evidenced by the 2,163 acres of public parks and the Columbus Civic Center. To insure continued recreational activities for the future, the City has completed and is implementing a ten year comprehensive recreation plan, which included the development of two additional regional parks and recreation “supercenters” with state of the art recreation facilities.

The preservation of history also plays an important role in our community. The Columbus Historic District is an area of century-old restored houses that range from Federal cottages to Greek revival mansions. The Weracoba/St. Elmo Park District is another nationally designated historic area with craftsman style bungalows, cottages and homes dating from the 1920's. The Port Columbus Naval Museum contains the remains of two Civil War gunboats, plus additional exhibits from this period.

The Columbus Museum is one of the largest in the southeast and contains a vast assortment of exhibits and artifacts of regional history. The Coca-Cola Challenger Space Center offers educational as well as entertainment activities for schools, businesses and families. Other nearby parks and attractions include Callaway Gardens, and Roosevelt's Little White House and Museum, both of which are located 30 miles north of Columbus; Providence State Park, near Lumpkin; and Lakes Oliver, Harding and Walter F. George, which serve as outstanding recreational areas for this section of the state.

Education is a prime resource in the Columbus area. The Muscogee County School District operates fifty-six schools in the area, including thirty-three elementary, eleven middle and eight high schools plus three special schools and an adult education center. In addition to the public schools, there are currently twenty-two private schools in the area. Higher education opportunities are also available. Columbus State University, which is part of the University of Georgia system, offers undergraduate and graduate degree programs. Columbus Technical College provides post-secondary technical and vocational education. Six additional colleges and/or universities are within commuting distance.

Economic Condition & Outlook

Columbus is the center of a four-county metropolitan statistical area comprised of Muscogee, Harris and Chattahoochee Counties in Georgia and Russell County in Alabama. Columbus provides the economic foundation of a much larger area, however. Columbus serves as the trade, distribution, manufacturing, medical and financial center for a twenty-six county area of Georgia and Alabama. Columbus includes approximately 20% of the MSA land area and approximately 68% of the MSA population.

Across the nation, cities recorded a record 6.8 percent growth in revenues in 2005 compared to 2004, yet expect the growth in 2006 to be only 2.6 percent. Meanwhile, there remains no growth in city spending. Cities that rely heavily on sales taxes are more likely to report improving conditions than cities that rely on property or income taxes. The recent and current decline in the housing market has city officials concerned about declining property tax revenues. Therefore, the most common means of increasing city revenues in 2006 was to increase fees and charges for services. The same is true for the Columbus Consolidated Government. Property tax revenue growth in Columbus has been limited by three factors: slowed growth in the property tax base due to the area becoming saturated and more growth in outlying counties, a locally-enacted property tax assessment freeze, and a 9-mil budget cap voted on by the public. But unlike other markets across the country, Columbus is actually expecting a boom in the housing market thanks to the growth at Fort Benning as a result of BRAC.

As evidence of this growth, the number of two-family and multi-family housing units permitted during the year increased from 4 and 189 respectively in Fiscal Year 2005 to 18 and 1052 respectively in Fiscal Year 2006, with the dollar value of those permits increasing from \$21,810,866 to \$59,230,719. Other areas of strong growth in construction were seen in new store construction more than tripling, from \$14 million in 2005 to \$41 million, and by the building of seven new motels with a value of \$13 million. Total new construction valuations increased 41% from \$189,842,022 to \$267,932,598. The total of all construction valuations (including repairs and additions) increased 44% from \$233,413,139 to \$337,039,812.

This housing/construction boom, along with continual increase in the amount of Local Option Sales Taxes and Special Purpose Local Option Sales Taxes collected by the City, will help future budgets, but will not be a large enough boost to keep the City from having to deal with the challenge to find new sources of revenue. That challenge is increased by the continual reduction in state and federal funding to local governments.

Unemployment in the city and the MSA continues to be among the highest in the state, which is once again due mainly to the continued decline of the textile industry. In fact, Columbus has had to face two of the largest layoffs in the entire state in recent months, with the loss of 950 jobs resulting from Char Broil moving its production overseas and the recently announced reduction of 800 jobs at Swift Galey due to new ownership and plant consolidation. Several hundred other jobs were lost from other textile companies continuing to decrease their production levels and purchasing yarn instead of making it themselves. Even though the unemployment rate remained higher than the state level, with a June rate of 5.8 percent compared to the state rate of 5.1 percent, it is slightly better than the unemployment rate one year ago of 6.0 percent compared to 5.3 percent for the state, and initial unemployment claims for June 2006 were down 17 percent from a year ago. While the labor force for the city increased by 391 to 86,594 during the year, the employment increased by 1,757 to 81,481, which resulted in the significant reduction in the unemployment rate.

Business expansions announced or completed in 2006 include the new response center for Road America, with an initial employment of 150 and a potential employment of 450 when fully operational. Significant among this announcement is the fact that the center will be located in south Columbus, resisting the current trend for growth on the north side of the city and providing an immense economic boost to the south. Also under way is a \$100 million, multi-year expansion project by Columbus-based insurer Aflac, which is currently the largest building project in the state. To be completed in five to seven years, the project will add 340,000 square feet of office space (bringing Aflac's total of local space to over a million square feet) and will accommodate 2000 new employees. Another announcement during the year involved a \$7.5 million capital investment by American Consumer Products, which will result in the creation of 250 jobs over the next three years. In addition, the recent announcement and ground breaking of the Kia Automotive plant in nearby West Point, Georgia (about 45 miles away) will have a wide impact on employment and economic growth in the region, bringing 2,893 jobs and a capital investment of \$1.2 billion along with luring many automotive parts businesses to the area.

Only two areas of the workforce received employment reductions during the year, with goods producing occupations decreasing one percent and trade, transportation and utilities occupations decreasing 1.1 percent. The highest growth rate occurred in state and Federal government jobs, at 5 percent and 4 percent, followed by professional and business services with a 3 percent growth. The retail sector received no growth in jobs, but this is expected to change during the next year due to significant retail construction under way. The greatest number increase in jobs was in the service-providing classification, with 1,500 jobs added. Columbus continues to grow as a service-oriented economy, with 67.2% of the workforce involved in service occupations (including 12.2% in healthcare services and 11.2% in retail).

The independent Base Realignment And Closure Commission (BRAC) was given the task by the Pentagon of streamlining and reorganizing military structure for cost savings as well as improved operation. Their chief task was the elimination of excess infrastructure and the maximization of retained infrastructure. While many military communities in Georgia and across the nation will be deeply hurt by the loss of bases, programs, and personnel, the Columbus MSA will be a key beneficiary because many of those programs and personnel--including the U.S. Army Armor Center currently based at Ft. Knox--will be relocated to Ft. Benning. Additional growth is anticipated at Ft. Benning by the closure and consolidation of overseas bases. When these changes are phased in over the next four years, the results will be phenomenal.

Ft. Benning is expected to receive an additional 5,810 military personnel and 4,500 government civilians, construction and maintenance contractors, defense contractors, and realty workers. These 10,310 workers will bring with them an estimated 19,570 family members, resulting in an increase in the population of the Columbus MSA of 29,880. In addition to this increase in the permanent population, an additional 29,000 soldiers will be passing through Ft. Benning every year in training and schooling. These increases are expected to result in the creation of 4,000 indirect jobs. In addition to the \$70 million expansion to the National Infantry Museum under construction, the relocation of the National Armor Museum along with the Armor School will result in additional construction spending, additional tourism, and additional employment.

The growth at Ft. Benning will result in regional economic growth, impacting housing, public education, the workforce, healthcare delivery, transportation programs, and construction trades among other areas and markets. This will create many opportunities as well as challenges for community leaders in the six Georgia and three Alabama counties that will be impacted by this growth.

Some of the greatest challenges and opportunities will be directed at the Columbus Consolidated Government. Outside of the huge amount of work that is already taking place on the Base (almost \$2 billion in BRAC-related construction), no other city or county will be impacted as heavily as the Columbus Consolidated Government. While property taxes, sales taxes, licenses and fees will eventually increase, there will soon be (and in some cases, already) a tremendous burden placed by the need for infrastructure growth and improvements as well as in service delivery. Infrastructure needs consist mainly of the needs for water, sewer, new roads, and road improvements. Service delivery will see particular needs in increased sanitation, public safety, traffic planning, and public works. Since almost every office of the Columbus Consolidated Government deals directly with the public to some degree or another, just about every department of the City could see an increase in its workload. As a recent presentation by the Fort Benning Futures Partnership stated, the impact of BRAC upon the increase in the permanent military and civilian population will be “like adding a city the size of LaGrange” to the Columbus MSA. And the increase in the additional student/trainee load will be “like adding the University of Georgia.” And it all will take place over the next four years.

Even without the increases expected from BRAC, Fort Benning—the home of the U.S. Infantry—continues to play a significant role in the economy of the Columbus MSA, with a calculated economic impact of \$297.4 million annually. Fort Benning serves 30,766 active military personnel, 9,047 civilian personnel, 13,294 retired military living in the area, and 58,354 family members of military personnel. Of these families, 6,729 families live off post in the Columbus area.

The city continues to place emphasis on development of economically disadvantaged areas through the designation of Enterprise Zones and other related activities. Businesses locating or expanding in the Enterprise Zones qualify for tax incentives through the Georgia Enterprise Zone Employment Act of 1997. A prime example of the success of the Enterprise Zones was the announcement this year of a \$5 million expansion of the Kellogg Company plant, which will create 32 new jobs in South Columbus.

Major Initiatives

During the 2006 fiscal year work on several significant events, programs and capital projects was continued and/or completed.

On November 2, 1999, the voters of Muscogee approved a special one percent retail sales and use tax to raise \$255,441,322 for various capital outlay projects, including but not limited to a new high-tech library/learning center, road improvements, storm water control/ flood abatement, public safety equipment and fire stations, swimming pools, animal shelter, clean air buses, trade center expansion, and industrial park development. Most of these projects are either completed or in the final stages of construction.

A focus on revitalization of economically depressed areas in the City has proven successful through collaboration among City officials, residents, non-profit and for-profit organizations and businesses to clean up neighborhoods and provide education programs that allow neighborhoods to continue their revitalization efforts independently.

Looking to the Future

The financial condition of the Consolidated Government remained steady during the 2006 fiscal year. But without significant growth or new sources of revenue, the City will continue to have to resort to more belt tightening and revamping of city operations to sustain current levels of service along with implementation of findings of a pay study conducted by the University of Georgia. The impact of BRAC upon the local economy and government operations will impose additional opportunities and challenges over the next several years.

Looking to the future, the government is straining to continue the practice of restricting recurring current expenses to the level that can be supported by current revenues. In addition to this fiscal objective, Columbus has established as an administrative goal the maintenance of unreserved General Fund balances equal to three months' average expenditures.

Fund balances in excess of the target should be used only for nonrecurring expenditures such as capital projects. The actual unreserved General Fund balance at June 30, 2006 increased by \$5.8 million. The majority of the increase in fund balance is attributable to higher revenues than anticipated in property taxes, sales taxes and occupational taxes.

The assessed value of taxable property in Columbus has increased steadily; the 2006 gross taxable digest for local operations is 2.8% greater than that of the prior year. Aggregate Consolidated Government tax rates adopted for fiscal 2006 are the same as adopted for fiscal 2005. The property tax collection program has been successful with 97.5% of the current levy collected within the year.

Despite this growth of the ad valorem tax base and rate structure, property taxes are unlikely to keep pace with expenditure demands in the future. Columbus has become increasingly dependent upon sales taxes to fund services, which requires more consumers spending. Sales tax revenues have increased 35% in the last ten years. This a more elastic tax susceptible to the ups and downs of the economy and more volatile than property taxes.

The FY07 Annual Budget totals \$193,631,237, and anticipates using \$5,230,958 in fund balance. This is an increase of 4.73% over the amended FY06 budget of \$184,877,392. The major increases in the FY07 operating budget are in the area of personal services, with pension and healthcare costs continuing to rise and the partial implementation of the pay plan developed by the University of Georgia's Carl Vinson Institute of Government.

Financial Information

Internal Controls

The Consolidated Government's system of internal accounting control is designed to provide reasonable, but not absolute, assurance regarding:

1. the safe-guarding of assets against loss from unauthorized use or disposition; and
2. the reliability of financial records for preparing financial statements and maintaining accountability for assets and obligations.

The concept of reasonable assurance recognizes that:

1. the cost of a control should not exceed the benefits likely to be derived; and
2. the evaluation of costs and benefits requires estimates and judgments by management.

We believe that the Government's internal accounting controls adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.

In accordance with Georgia law, budget control is maintained at the department level within the individual fund. Purchase orders are pre-audited as to budget availability. A computerized purchasing system establishes an encumbrance against the budget at the time the purchase order is issued. The purchase order is then released to the vendor. Open encumbrances are reported as reservations of fund balance at year-end. Unencumbered appropriations supported by general operating revenues lapse at year-end. Appropriations of grant-supported operations and capital projects are carried forward to the succeeding fiscal year.

Cash Management

The available assets of the various funds are pooled to the extent possible for investment purposes. Investments are made in accordance with applicable state laws and the Consolidated Government's Investment Policy. All securities purchased by the Consolidated Government are held by a designated safe keeping institution. Similarly, demand deposit bank accounts must be collateralized by a pledge of State of Georgia or United States Treasury or Agency obligations equal in

market value to 110% of the uninsured amount of deposit. The Investment Policy also prescribes selection criteria for investment instruments and maturities of investments.

Cash temporarily idle during the year was invested in the Georgia Fund I Investment Pool and obligations of the United States or its agencies. Interest income (excluding the Pension Trust Funds) totaled \$3,520,974 for all funds, a decrease of \$980,609 from the prior year.

Interest rates were rising at a rapid pace during FY06. The Consolidated Government's portfolio was positioned in FY05 with a heavy concentration in mortgage-backed securities with monthly cash flows. This allowed the Consolidated Government to average higher yields as opportunities arose. As FY06 came to a close on June 30, 2006, interest rates had reached four year highs. Many investments were then made in non-callable CD's and deeply discounted Government Agency securities to lock in high yields and call protection should rates fall again. Therefore, the approximate average yield on the Consolidated Government's idle cash portfolio for the year ended June 30, 2006 was 4.27%, up from 3.14% for FY05.

Risk Management

The management of risk through loss control continues to be an integral part of the administration of the Consolidated Government.

Risk Management activities include claims processing, investigation, adjustments and settlements; insurance placement; and implementing loss control measures through the use of training and safety inspections. The Consolidated Government is self-funded with regard to workers' compensation, employee health coverage, vehicle claims, general liability and public officials and directors' liability.

Independent Audit

Georgia Code requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the Consolidated Government by independent certified public accountants selected by the Council of Columbus, Georgia. The Consolidated Government has complied with this requirement; the firm of Albright, Fortenberry & Ninas LLP has completed an audit of the 2006 fiscal year and the Auditor's unqualified opinion has been included in this report.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Consolidated Government for its comprehensive annual financial report for the fiscal year ended June 30, 2005. This was the sixteenth consecutive year the Consolidated Government received this award.

The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Consolidated Government was awarded the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2005. This was the fourteenth consecutive year the Consolidated Government received this award. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting. In order to

The Consolidated Government was awarded the Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2005. This was the fourteenth consecutive year the Consolidated Government received this award. The Distinguished Budget Presentation Award is the highest form of recognition in governmental budgeting. In order to receive the award, a government must publish a budget document that meets program criteria as a policy document, financial plan, operations guide, and as a communications device.

Both the Certificate of Achievement and the Distinguished Budget Award are valid for a period of one year only. We believe our current comprehensive annual financial report and our 2006 fiscal year budget document continue to conform to the requirements for each award.

Acknowledgments

The presentation of the financial statements and receipt of an unqualified auditor's opinion is the result of commitment and dedication of many Consolidated Government employees. Special recognition goes to Jody Davis, Accounting Division Manager, for her expertise and tireless commitment in completing the financial statements. Through Jody's leadership and collaboration, the team that works on the audit exemplifies "Quality People Providing Quality Service".

I would also like to express appreciation to Albright, Fortenberry & Ninas LLP, our external auditors, for their contribution by way of technical guidance and for the firm's dedication to the highest professional standards of governmental accounting.

Finally, I want to recognize the leadership of the Mayor, Members of Council, and the City Manager. Their guidance of the Consolidated Government's fiscal affairs continues to serve this community well.

Respectfully submitted,

A handwritten signature in cursive script that reads "Pamela J. Hodge".

Pamela J. Hodge Interim
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Consolidated Government of Columbus, Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2005

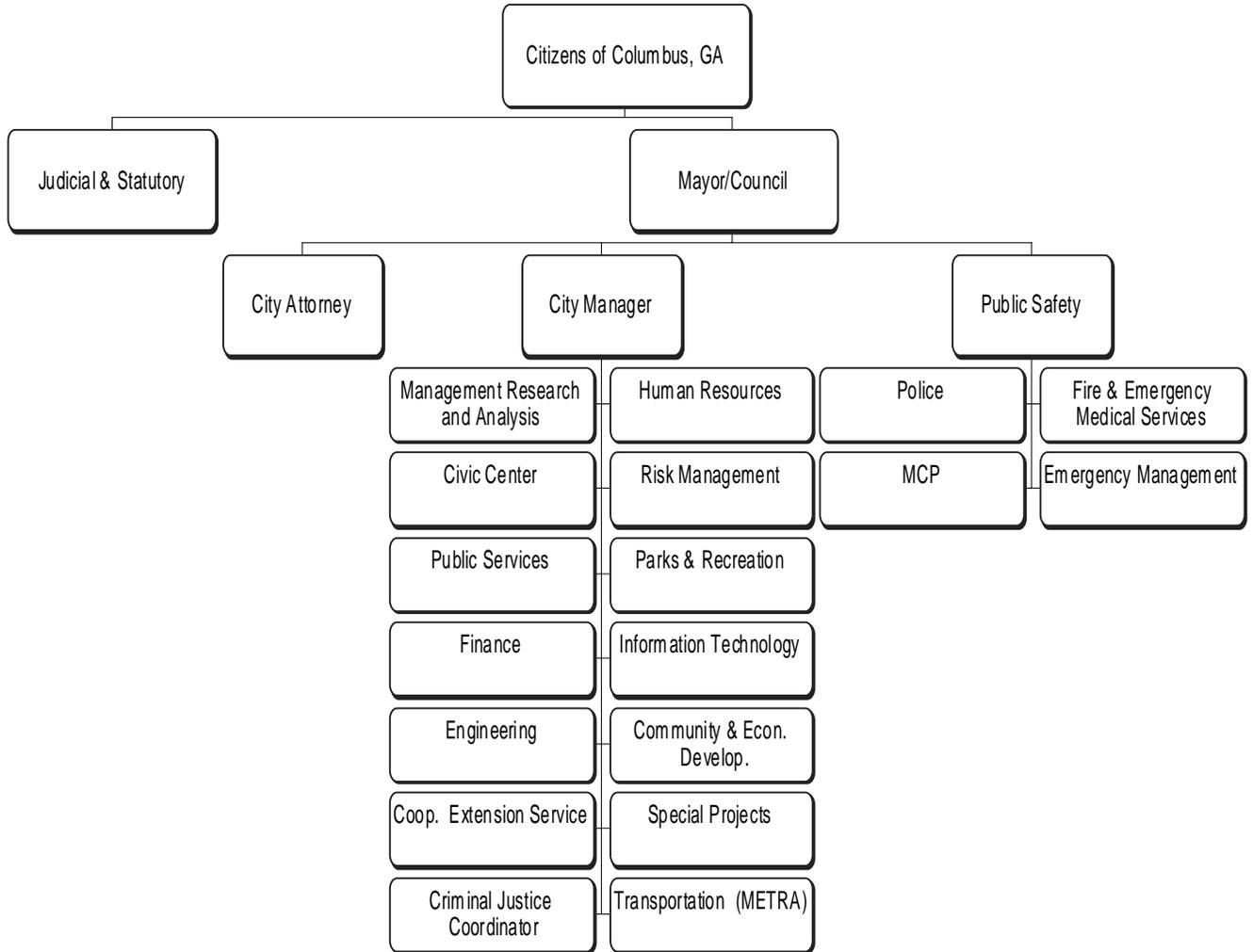
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

ORGANIZATION CHART



**CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
MAYOR AND COUNCIL MEMBERS**

Mayor	Robert S. Poydasheff
District One	Nathan Suber
District Two	Glenn Davis
District Three	Julius Hunter, Jr.
District Four	Evelyn Turner Pugh
District Five	John J. “Jack” Rogers (Mayor Pro Tem)
District Six	R. Gary Allen
District Seven	Evelyn “Mimi” Woodson
District Eight	C. E. “Red” McDaniel
District Nine “At-Large”	Wayne Anthony
District Ten “At-Large”	Berry “Skip” Henderson

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA



City Manager Isaiah Hugley

DEPARTMENT OF FINANCE

Interim Finance Director.....Pamela J. Hodge

Assistant Finance Director/Financial Planning Division ManagerPamela J. Hodge

Accounting Division Manager..... Jody L. Davis

Purchasing Division Manager..... Andrea J. McCorvey

Revenue Division ManagerAngela D. Cole

FINANCIAL SECTION

- Auditor's Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Notes to the Financial Statements
- Non-Major Governmental Funds
- Combining and Individual Fund Statements and Schedules

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council
Consolidated Government of Columbus, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Consolidated Government of Columbus, Georgia, as of and for the year ended June 30, 2006, which collectively comprise the Government's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Consolidated Government of Columbus' management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Airport Commission of Columbus, Columbus Water Works and the Hospital Authority of Columbus, which represent 92 percent and 79 percent, respectively, of the assets and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Airport Commission of Columbus, Columbus Water Works and the Hospital Authority of Columbus is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Consolidated Government of Columbus, Georgia, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and Medical Center 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 a report dated December 5, 2006 on our consideration of the Consolidated Government's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The Management Discussion and Analysis and Schedule of Funding Progress on pages 3 through 15 and pages 81 and 82 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Consolidated Government of Columbus' basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, schedules listed in the table of contents and the statistical section 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 and schedules listed in the table of contents has been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the report of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section as listed in the table of contents has not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and accordingly, we express no opinion on them.

Albright, Fortenberry & Ninas, LLP

December 5, 2006

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Columbus Consolidated Government's Comprehensive Annual Financial Report presents our discussion and analysis of the Consolidated Government's financial performance during the fiscal year ending June 30, 2006. Please read it in conjunction with the transmittal letter at the front of this report and the Consolidated Government's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets of the Consolidated Government exceeded its liabilities at the close of the most recent fiscal year by \$557 million. Of this amount, \$41.8 million may be used to meet the Consolidated Government's ongoing obligations to citizens and creditors.
- The Consolidated Government's total net assets increased by \$18.7 million, primarily due to the completion of projects and ongoing projects funded through sales tax.
- As of the close of the current fiscal year, the Consolidated Government's governmental funds reported combined ending fund balances of \$173.2 million, an increase of \$9.5 million in comparison to the prior year. This increase is primarily due to greater than anticipated property tax, sales tax and other business taxes and unexpended sales tax proceeds on sales tax projects. Approximately 23% of the combined fund balances, \$39.7 million is considered unreserved and is available for spending at the Consolidated Government's discretion.
- The Consolidated Government's outstanding debt decreased by \$15.2 million during the current fiscal year. This decrease is the result of payment of debt and no new debt issuances during the current year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—*management's discussion and analysis* (this section), the *basic financial statements, required supplementary information*, and an optional section that presents *combining statements* for nonmajor governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the Consolidated Government:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the Consolidated Government's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the Consolidated Government's operations in *more detail* than the government-wide statements.

The *Governmental Funds* statements tell how *general government* services such as public safety were financed in the *short term* as well as what remains for future spending. The Columbus Consolidated Government has five Governmental Fund types: the General, Special Revenue, Debt Service, Capital Projects and Permanent Funds.

Proprietary fund statements offer *short-* and *long-term* financial information about the activities the government operates *in a similar manner as businesses*, and include the Transportation, Parking Management, Civic Center, and Integrated Waste Management funds.

Fiduciary fund statements provide information about the financial relationships—like the retirement plan for the Consolidated Government's employees—in which the Consolidated Government acts solely as a *trustee*

or *agent* for the benefit of others, to whom the resources in question belong. The Consolidated Government Fiduciary funds consist of eight Agency Funds and one Pension Trust Fund.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Figure A-1 summarizes the major features of the Consolidated Government’s financial statements, including the portion of the Consolidated Government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

Figure A-1
Major Features of Columbus Consolidated Government’s Government-wide and Fund Financial Statements

	Fund Statements			
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks and recreation	Activities the City operates similar to private businesses: Integrated Waste, METRA, parking, and the Civic Center	Where the City is the trustee or agent for someone else’s resources, such as the retirement plan for City employees
Required financial Statements	Statement of Net Assets; Statement of Activities	Balance Sheet; Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets; Statement of Revenues, Expenses, and Changes in Net Assets; Statement of Cash Flows	Statement of Fiduciary Net Assets; Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the City’s funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Statements

The government-wide statements report information about the Consolidated Government as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Consolidated Government's net assets and how they have changed. Net assets—the difference between the Consolidated Government's assets and liabilities—is one way to measure the Consolidated Government's financial health, or *position*.

- Over time, increases or decreases in the Columbus Consolidated Government's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Columbus Consolidated Government, the reader should consider additional nonfinancial factors such as changes in the Columbus Consolidated Government's property tax base.
- *Governmental activities*—Most of the Columbus Consolidated Government's basic services are included here, such as the police, fire, public works, parks and recreation departments, and general administration. Property taxes, sales and use taxes, and state and federal grants finance most of these activities.
- *Business-type activities*—The Columbus Consolidated Government charges fees to customers to help it cover the costs of certain services it provides. The Columbus Consolidated Government's garbage pickup, transportation, Civic Center and parking facilities are included here.
- *Component units*—Component Units are legally separate entities that meet any one of the following criteria: (1) The primary government appoints the voting majority of the board of the potential component unit, and is able to impose its will on the component unit and/or is in a relationship of financial benefit or burden with the potential component unit, (2) The potential component unit is fiscally dependent upon the primary government, or (3) The financial statements would be misleading if data from the potential component unit were not included. The Columbus Consolidated Government includes these component units in its report—the Columbus Iron Works Convention and Trade Center Authority, Columbus Golf Authority, Columbus Convention and Visitors Bureau, Columbus Water Works, Columbus Airport Commission, the Hospital Authority of Columbus, and the Columbus Department of Public Health. Separate financial statements are issued for the Columbus Water Works, Columbus Airport Commission, Hospital Authority of Columbus, Columbus Department of Public Health and the Columbus Convention and Visitors Bureau.

Fund Financial Statements

The fund financial statements provide more detailed information about the Columbus Consolidated Government's most significant *funds*—not the City as a whole. The “fund” level is where the basic unit of financial organization and operation within the Consolidated Government exists. Funds are accounting tools that are used to keep track of specific sources of funding and spending for particular purposes. They are the basic budgetary and accounting entities.

- Some funds are required by State law and by bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The Columbus Consolidated Government has three kinds of funds:

- **Governmental funds**—most of the Consolidated Government’s basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance the Consolidated Government’s programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them. The measurement focus of governmental funds is upon determination of financial position and changes in financial position (sources, uses, and balance of financial resources) rather than upon net income determination. These funds are maintained on a modified accrual basis of accounting (explained further in the notes to the financial statements under “Summary of Significant Accounting Policies”). The basic financial statements for governmental funds are the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balance. The Columbus Consolidated Government utilizes five types of governmental funds: the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds and Permanent Funds.
- **Proprietary funds**—Services for which the Consolidated Government charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information. Two types of proprietary funds exist: enterprise funds and internal service funds. The Consolidated Government’s *enterprise funds* are the same as its business-type activities yet provide more detail and additional information, such as cash flows. *Internal service funds* are used to report activities that provide supplies and services for the Consolidated Government’s other programs and activities. The measurement focus of proprietary funds is upon determination of net income, financial position and change in financial position. These funds are maintained on the accrual basis of accounting. The Balance Sheet, Statement of Revenues, Expenses and Changes in Net Assets, and Statement of Cash Flows are all required statements.
- **Fiduciary funds**—The Columbus Consolidated Government is the trustee, or *fiduciary*, for its employees’ pension plans. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The Consolidated Government is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Columbus Consolidated Government’s fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the Columbus Consolidated Government’s government-wide financial statements because the Consolidated Government cannot use these assets to finance its operations. The Pension Trust Fund is maintained on the accrual basis of accounting, with measurement focus upon determination of financial position. The Pension Trust Fund financial statements include a Statement of Plan Net Assets and a Statement of Changes in Plan Net Assets as required by GASB Statement No. 25.

Since Agency Funds are custodial in nature, the only required financial statements are the Balance Sheet and Statement of Changes in Assets and Liabilities. The measurement focus of Agency Funds is upon determination of financial position. Agency Funds are maintained on the accrual basis of accounting.

**FINANCIAL ANALYSIS OF THE COLUMBUS CONSOLIDATED
GOVERNMENT AS A WHOLE**

Net assets. The Columbus Consolidated Government's *combined* net assets increased 3.5% from \$538.9 million at June 30, 2005 to \$557.5 million at June 30, 2006. (See table A-1.) Looking at the net assets and net expenses of governmental and business-type activities separately, however, two very different stories emerge.

Table A-1
Columbus Consolidated Government's Net Assets
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005-2006</u>
Current and other assets	\$180.7	\$190.4	\$15.0	\$14.4	\$195.7	\$204.8	4.6%
Capital Assets	465.6	464.5	43.6	43.5	509.2	508.0	-0.2%
Total Assets	646.3	654.9	58.6	57.9	704.9	712.8	1.1%
Long-term liabilities	132.4	113.4	0.0	0.0	132.4	113.4	-14.4%
Other liabilities	27.1	35.6	6.5	6.3	33.6	41.9	24.7%
Total Liabilities	159.5	149.0	6.5	6.3	166.0	155.3	-6.4%
Net assets							
Invested in capital assets, net of related debt	329.3	343.3	43.6	43.5	372.9	386.8	3.7%
Restricted	121.5	121.0	8.2	7.9	129.7	128.9	-0.6%
Unrestricted	36.0	41.6	0.3	0.2	36.3	41.8	15.2%
Total Net Assets	\$486.8	\$505.9	\$52.1	\$51.6	\$538.9	\$557.5	3.5%

Net assets of the Consolidated Government's governmental activities increased by 3.9 percent to \$505.9 million. However, much of those net assets either are restricted as to the purposes for which they can be used, or are invested in capital assets (buildings, roads, and such). Consequently, *unrestricted* net assets showed a \$42.0 million surplus at the end of this year. This surplus does not mean that the Consolidated Government has resources available beyond its long term commitments. Rather, it is the result of having currently available resources that are greater than *long-term* commitments.

In addition, the surplus in unrestricted governmental net assets was positively affected by several factors of the Consolidated Government's recent financial activity: revenues exceeded expenditures due to conservative revenue budgeting and salary savings resulting from position vacancies.

Although the net assets of our business-type activities decreased by .01 percent to \$51.6 million, these resources cannot be used to add to the net asset surplus in governmental activities. The Consolidated Government generally can only use these net assets to finance the continuing operations of the business-type activities.

Changes in net assets. The Columbus Consolidated Government's total revenues increased by 7.7 percent to \$235.4 million. (See Table A-2.) Approximately 33.1 percent of the Consolidated Government's revenue comes from property taxes, with 75.6 percent of all revenue coming from some type of tax. Another 17.7 percent comes from fees charged for services, and the balance is from operating and capital grants and contributions and investment earnings.

The total cost of all programs and services was increased by 13.1 percent. The City's expenses cover a range of services, with about 37.7 percent of the total related to public safety. (See Figure A-3.)

Table A-2 and the narrative that follows consider the operations of governmental and business-type activities separately.

Governmental Activities

Revenues for the Columbus Consolidated Government's governmental activities increased 0.8 percent to \$214.9 million, while expenses increased 13.1 percent to \$195.1 million. Revenues increased in the areas of property taxes, sales taxes, operating grants and capital grants.

Expenses increased from the prior year due to the capitalization of capital assets for major construction projects, donated infrastructure (roads), and offsetting depreciation expense. As this is the Columbus Consolidated Government's fourth year of reporting under the requirements of Governmental Accounting Standards Board Statement No. 34, the effect of the changes in reporting methods from one year to the next has been eliminated. The retroactive reporting requirement of major infrastructure assets under this same standard was implemented during the current year. Beginning balances for net assets and capital assets have been restated to reflect the implementation of this standard.

Property taxes have increased modestly in FY06 in addition to the growth of the digest. The government is continuing to pursue other sources of revenue to mitigate the effect of increasing costs of necessary expenditure items such as healthcare and retirement.

Table A-2
Changes in Columbus Consolidated Government's Net Assets
(In millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005-2006</u>
Revenues							
Program Revenues							
Charges for services	\$ 24.5	\$ 25.9	\$ 14.8	\$ 15.7	\$ 39.3	\$ 41.6	5.9%
Operating Grants & Contributions	8.0	9.5	0.2	1.5	8.2	11.0	34.1%
Capital Grants & Contributions	0.0	1.0	1.6	0.3	1.6	1.3	-18.8%
General Revenues							
Property Taxes	69.8	75.2	2.7	2.8	72.5	78.0	7.6%
Sales Taxes	63.1	69.1	0.0	0.0	63.1	69.1	9.5%
Other taxes	29.3	30.9	0.0	0.0	29.3	30.9	5.5%
Grants & Contributions Not							
Resticted to Specific Programs	0.1	0.1	0.0	0.0	0.1	0.1	0.1%
Investment Earnings	4.5	3.2	0.0	0.2	4.5	3.4	-24.4%
Total Revenues	199.3	214.9	19.3	20.5	218.6	235.4	7.7%
Expenses							
General Government	29.6	26.8	0.0	0.0	29.6	26.8	-9.5%
Public Safety	78.8	81.8	0.0	0.0	78.8	81.8	3.8%
Public Works	22.9	42.6	0.0	0.0	22.9	42.6	86.0%
Heath and Welfare	14.0	15.5	0.0	0.0	14.0	15.5	10.7%
Culture and Recreation	13.5	13.9	0.0	0.0	13.5	13.9	3.0%
Housing and Development	4.9	6.7	0.0	0.0	4.9	6.7	36.7%
Economic Opportunity	2.1	1.6	0.0	0.0	2.1	1.6	-23.8%
Interest on long-term debt	6.7	6.2	0.0	0.0	6.7	6.2	-7.5%
Integrated Waste	0.0	0.0	8.3	9.2	8.3	9.2	10.8%
Parking Management	0.0	0.0	0.5	0.5	0.5	0.5	0.0%
Transportation	0.0	0.0	4.8	5.1	4.8	5.1	6.3%
Civic Center	0.0	0.0	5.5	6.8	5.5	6.8	23.6%
Total Expenses	172.5	195.1	19.1	21.6	191.6	216.7	13.1%
Excess (deficiency) before transfers	26.8	19.8	0.2	(1.1)	27.0	18.7	-30.7%
Transfers	-4.5	-0.6	-4.5	0.6	-9.0	0.0	0.0%
Increase (Decrease) in Net Assets	\$22.3	\$19.2	(\$4.3)	(\$0.5)	\$18.0	\$18.7	3.9%
Net assets, ending	\$486.7	\$505.9	\$ 52.1	\$ 51.6	\$538.8	\$557.5	3.5%

Table A-3 presents the cost of each of the Columbus Consolidated Government's five largest programs, as well as each program's *net cost* (total cost less fees generated by activities and intergovernmental aid). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

- The cost of all *governmental* activities this year was \$195.1 million.
- However, the amount that taxpayers paid for these activities through city taxes (property taxes and sales taxes) was only \$144.3 million. Some of the cost was paid by:
 - Those who benefited directly from the programs (\$24.9 million)
 - Other governments and organizations that subsidized certain programs with grants and contributions (\$9.5 million).
- The City paid for the \$144.3 million "public benefit" portion with \$175.2 million in taxes along with other revenues such as investment earnings (\$3.2 million).

Table A-3

Net Cost of Columbus Consolidated Government's Governmental Activities
(In millions of dollars)

<u>Dept/Function</u>	<u>Total Cost of Services</u>		<u>Percentage Change</u>	<u>Net Cost of Services</u>		<u>Percentage Change</u>
	<u>2005</u>	<u>2006</u>	<u>2005-2006</u>	<u>2005</u>	<u>2006</u>	<u>2005-2006</u>
General Government	\$29.6	\$26.7	-9.8%	\$16.7	\$12.4	-25.7%
Public Safety	78.8	81.8	3.8%	68.3	71.1	4.1%
Public Works	22.9	42.7	86.5%	21.7	40.5	86.6%
Health and Welfare	14.0	15.5	10.7%	11.1	15.4	38.7%
Culture and Recreation	13.5	13.9	3.0%	13.9	11.1	-20.1%
Other	13.7	14.5	5.8%	8.3	8.4	1.2%
Total	\$172.5	\$195.1	13.1%	\$140.0	\$158.9	13.5%

Business-type Activities

The cost of all Proprietary (Business Type) activities this year was \$21.6 million. As shown in the Statement of Activities and Changes in Net Assets, the amounts paid by the users of the systems was \$15.7 million, operating grants and contributions were \$1.5 million and capital grants and contributions were \$0.3 million.

Total revenues available during the year to finance Proprietary Fund (Business Type) Activities were \$20.5 million consisting of program revenues of \$17.5 million and general revenues of \$2.8 million. Total Proprietary Fund (Business Type) expenses during the year were \$21.6 million; thus, Net Assets were decreased by \$.5 million to \$51.6 million.

FINANCIAL ANALYSIS OF THE CONSOLIDATED GOVERNMENT'S FUNDS

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

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

The Consolidated Government's governmental funds reported combined ending fund balances of \$173.2 million as of the end of the current fiscal year, which was \$9.5 million more than last year's balance. Approximately .30% of this total amount (\$53.4) constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* or *designated* to indicate that it is not available for new spending because it has already been committed 1) to liquidate current contract and purchase orders of the prior period (\$12.2), 2) to pay debt service (\$22.7), 3) for a variety of other restricted purposes (\$84.9).

The General Fund is the chief operating fund of the Consolidated Government. At the end of the current fiscal year, unreserved, undesignated fund balance of the general fund was \$39,774,098, while total fund balance reached \$44,789,951. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 33 percent of total general fund expenditures, while total fund balance represents 37 percent.

The fund balance of the Consolidated Government's general fund increased by \$6.4 million during the current fiscal year. Key factors in this growth are as follows:

- The property tax digest was budgeted with a projected growth of 3.25%. The actual growth for FY06 was 3.33% which resulted in an increase in property tax revenues.
- Sales and use tax and occupational tax revenues were greater than anticipated for FY06.

The Medical Center Fund has a total fund balance of \$(1.9) million which is a result of a contractual obligation to pay the Medical Center 3 mills of taxes on an annual basis for indigent care. This deficit has been growing over the course of the contract. Fund balance remained constant during the current year due to a transfer from the General Fund of \$0.5 million.

The 1999 Sales Tax Proceeds Account Fund has a total fund balance of \$19.2 million, all of which is reserved for payment of debt service. Fund balance remained constant due to legal requirements governing this fund that authorizes the transfer of monies in excess of yearly debt service requirements to a project account.

The 1999 Sales Tax Projects Fund has a total fund balance of \$46.6 million, an increase of \$13.8 million from the previous year. This increase is attributable to transfers from the 1999 sales tax proceeds account fund for collections of sales tax in excess of yearly debt service requirements which is designated for sales tax projects expenditures.

The 2003 G.O. Sales Tax Bond Fund has a total fund balance of \$0.6million, a decrease of \$0.4 million from the previous year. This decrease is attributable to ongoing capital projects expenditures.

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

Unrestricted net assets of the Integrated Waste Management Fund at the end of the year amounted to (\$1.6) million and those for the Civic Center Fund amounted to \$0.3 million. A growth in unrestricted net assets was not experienced in either fund during the current year, however it remained constant in the Integrated Waste Management Fund. The decrease in the unrestricted net assets in the Civic Center fund is attributable to an operating loss for the year. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Consolidated Government's business-type activities.

General Fund Budgetary Highlights

Comparing the FY2006 original budget (or adopted) General Fund amount of \$124.6 million to the final budget amount of \$126.1 million shows a net increase of \$1.5 million. This figure includes \$611,603 of purchase orders committed prior to June 30 and \$710,071 million of carryovers of ongoing projects and activities from the prior year.

Differences between the original budget and the final amended budget were mainly the result of ongoing projects or activities continued from the previous year in the form of carryover adjustments, purchase orders committed prior to June 30 and adjustments made at mid-year. Increases in appropriations are summarized as follows:

General Government -- This activity had increases as the result of purchase of new elections equipment, upgrade of emergency outdoor warning system, and carryovers for ongoing projects and purchase orders committed prior to June 30.

Public Safety -- This activity had increases as the result of improvements for Fire Station 6, and adjustments for inmate medical costs. Other adjustments within the function are consistent with carryovers for ongoing projects and purchase orders committed prior to June 30.

Public Works -- The adjustments within this functional area are consistent with carryovers for ongoing projects and purchase orders committed prior to June 30.

Culture and Recreation -- The adjustments within this functional area are consistent with carryovers for ongoing projects and purchase orders committed prior to June 30.

Housing and Urban Development -- The adjustments in this functional area are consistent with carryovers for ongoing projects and purchase orders committed prior to June 30.

Miscellaneous -- This activity had adjustments as a result of a mid-year budget adjustment. Other adjustments within this area are consistent with carryovers for ongoing projects and purchase orders committed prior to June 30.

The net increase in the General Fund budget was funded by a combination of fund balance and increased revenues. During the year, revenues were adjusted slightly upward due to better than projected insurance premium tax. The variances in the budget from Final Budget to Actual were the combination of position vacancy rates and incomplete projects. The Consolidated Government's position vacancy rate is 6%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2006, the Columbus Consolidated Government had invested \$508.0 million in a broad range of capital assets, including police and fire equipment, buildings, parks facilities, construction of a public

library, roads, and bridges. (See Table A-4.) This amount represents a net decrease (including additions and deletions) of \$1.2 million, or 0.2 percent, over last year.

Table A-4
Columbus Consolidated Government's Capital Assets
(In millions of dollars)

	<u>Governmental</u>		<u>Business-type</u>		<u>Total</u>		<u>Total</u>
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>2005</u>	<u>2006</u>	<u>Percentage</u>
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005-2006</u>
Land	\$ 137.2	\$ 139.8	\$ 1.5	\$ 1.5	\$ 138.7	\$ 141.3	1.9%
Buildings and Improvements	130.9	131.5	42.5	42.5	173.4	174.0	0.3%
Machinery and Equipment	47.0	50.1	20.4	22.5	67.4	72.6	7.7%
Infrastructure	312.5	316.7	-	-	312.5	316.7	1.8%
Construction in Progress	55.1	65.7	-	-	55.1	65.7	19.2%
Accumulated Depreciation	(217.1)	(239.3)	(20.8)	(23.0)	(237.9)	(262.3)	10.3%
Total	\$ 465.6	\$ 464.5	\$ 43.6	\$ 43.5	\$ 509.2	\$ 508.0	-0.2%

This year's major capital asset additions and deletions included:

- Increases in land are mainly the result of right of way purchases in the amount of \$2.6 million.
- Purchase of public safety vehicles and equipment in the amount of \$2.7 million and heavy duty equipment in the amount of \$2.4 million.
- Construction in Progress increased due ongoing construction of a public library and other sales tax projects in the amount of \$10.6 million.

More detailed information about the Columbus Consolidated Government's capital assets is presented in Note F to the financial statements.

Long-term Debt

At year-end, the City had \$121.9 million in bonds and notes outstanding—a decrease of \$15.2 million over last year—as shown in Table A-5. This decrease is due to payment of existing debt and no new debt issuances during the current year. More detailed information about the Columbus Consolidated Government's long-term liabilities is presented in Note L to the financial statements.

Table A-5
Columbus Consolidated Government's Outstanding Debt
(In millions of dollars)

	Governmental		Business-type		Total		Total
	Activities		Activities				Percentage
	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005-2006</u>
General Obligation Bonds	\$ 43.7	\$ 32.2	\$ -	\$ -	\$ 43.7	\$ 32.2	-26.3%
Revenue Bonds and Notes	82.7	80.5	-	-	82.7	80.5	-2.7%
Notes Payable	9.0	8.2	-	-	9.0	8.2	-8.9%
Capital Leases	1.7	1.0	-	-	1.7	1.0	-41.2%
Total	\$ 137.1	\$ 121.9	\$ -	\$ -	\$ 137.1	\$ 121.9	-11.1%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Key assumptions for revenue forecasts for fiscal year 2007 are summarized as follows:

1. Property tax revenues will increase by 2.75% based on the estimated growth of assessed valuation and general growth. Additionally, it is assumed there will be 95% collections for Ad Valorem Taxes.
2. Population growth of Columbus increased by 3.91% from 1990 to 186,291 (2000 Census). Georgia Department of Labor projects a decrease in the population for our area. However, with the announcement of BRAC to move and realign more activities and services to Ft. Benning, local projections have the population stabilized with probable increases around the year 2010.
3. Employment totals based on June 2006 reached a total of 122,763, with a civilian labor force of 130,277 in the Columbus MSA. Based on recent announcements, this will grow as new jobs are created. It is anticipated that growth in the next few years will outweigh downsizing. This is based on the Georgia Department of Labor's monthly report.
4. Unemployment rates based on June 2006 stood at 5.9% for the city compared to 5.8% for the Columbus MSA, 5.2% for Georgia and 4.6% for the national rate. This will remain high for the next fiscal year. This is based on the Georgia Department of Labor's monthly report and the Bureau of Labor Statistics data.

This contributed to the following projections for the Next Year's budget:

1. Charges for Services are expected to increase by 19.52% from the final FY2006 budget.
2. Sales and Use Taxes are projected to increase by 8.52% from the final FY2006 budget.
3. Business licenses, fees and permits are estimated to increase by 23.44% from the final FY2006 budget.
4. Fines, forfeitures, and court fees are estimated to decrease by 8.06% from the final FY2006 budget.
5. Other Taxes are estimated to increase by 1.21% from the final FY2006 budget.

6. Fund balance usage of \$3,236,564 is programmed to mitigate rising operational and benefit costs as well as the pay plan implementation.
7. Millage rates remain steady for the next fiscal year including no changes for paving and road improvements activities, sewer, and debt service.

**CONTACTING THE COLUMBUS CONSOLIDATED GOVERNMENT'S
FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Columbus Consolidated Government's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Columbus Consolidated Government Finance Department, P.O. Box 1340, Columbus, Georgia 31902-1340 or visit our website at www.columbusga.org.



BASIC FINANCIAL STATEMENTS

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Statement of Net Assets

June 30, 2006

	Primary Government			Component Units			
	Governmental Activities	Business-Type Activities	Total	Columbus Water Works	Columbus Dept. Public Health	Hospital Authority of Columbus	Non-Major Component Units
Assets:							
Current Assets:							
Cash	\$ 10,740,290	\$ 584,408	\$ 11,324,698	\$ 28,020,866	\$ 3,528,486	\$ 2,363,757	\$ 780,430
Restricted Cash	219,288	-	219,288	45,017,345	-	-	741,503
Investments	140,764,263	10,564,763	151,329,026	-	-	4,439,860	3,797,922
Restricted Investment	62,245	-	62,245	1,998,986	-	1,315,927	1,125,647
Receivables:							
Taxes	17,334,766	214,841	17,549,607	-	-	-	70,672
Accounts	3,701,199	1,685,596	5,386,795	8,808,349	616,300	1,072,995	584,092
Street Assessments	1,500	-	1,500	-	-	-	-
Interest	932,840	75,499	1,008,339	-	-	-	-
Notes	6,736,060	-	6,736,060	-	-	-	-
Other	377,110	2,447	379,557	-	-	14,838	-
Restricted Interest	-	-	-	26,861	-	-	-
Internal Balances	218,940	(218,940)	-	-	-	-	-
Due from Other Governments	2,724,908	715,527	3,440,435	-	763,868	-	-
Due from Other Governments, Restricted	-	-	-	2,050,000	-	-	-
Due from Component Units	2,314,984	-	2,314,984	-	-	-	-
Other assets	-	-	-	-	-	31,815	8,930
Prepaid Items	14,640	-	14,640	-	-	221,992	78,645
Inventory of Supplies	347,495	167,205	514,700	729,351	57,479	-	8,979
TOTAL CURRENT ASSETS	186,490,528	13,791,346	200,281,874	86,651,758	4,966,133	9,461,184	7,196,820
Noncurrent Assets:							
Capital Assets:							
Land	139,820,860	1,526,029	141,346,889	1,524,837	-	17,800	5,792,017
Leasehold Improvements	-	-	-	-	-	-	24,909,586
Plant, Building, and Improvements	131,448,464	42,491,604	173,940,068	109,284,050	-	6,667,221	61,955,108
Machinery and Equipment	50,111,739	22,488,772	72,600,511	12,942,334	1,136,072	4,320,541	3,806,950
Infrastructure	316,656,013	-	316,656,013	404,773,466	-	-	-
Development Plans	-	-	-	-	-	-	399,792
Construction in Progress	65,743,022	-	65,743,022	25,605,685	-	-	3,566,816
Accumulated Depreciation	(239,317,615)	(23,007,523)	(262,325,138)	(139,318,847)	(926,724)	(9,216,799)	(35,084,887)
Bond Issue Costs	902,397	-	902,397	2,623,326	-	9,281	190,065
Net Pension Obligation	3,035,326	639,294	3,674,620	-	-	-	-
TOTAL NONCURRENT ASSETS	468,400,206	44,138,176	512,538,382	417,434,851	209,348	1,798,044	65,535,447
TOTAL ASSETS	654,890,734	57,929,522	712,820,256	504,086,609	5,175,481	11,259,228	72,732,267

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

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Statement of Net Assets

June 30, 2006

	Primary Government			Component Units			
	Governmental Activities	Business-Type Activities	Total	Columbus Water Works	Columbus Dept. Public Health	Hospital Authority of Columbus	Non-Major Component Units
Liabilities:							
Current Liabilities:							
Accounts Payable	\$ 8,654,670	\$ 295,119	\$ 8,949,789	\$ 2,702,035	\$ 453,744	\$ 564,953	\$ 421,297
Retainage Payable	857,836	-	857,836	-	-	-	-
Accrued Liabilities	6,447,222	2,647	6,449,869	329,330	76,259	599,369	84,151
Interest Payable	-	-	-	1,550,514	476,126	-	63,118
Customer Deposits	-	-	-	79,775	-	-	-
Unearned Revenue	370,489	63,174	433,663	999,405	-	-	32,126
Compensated Absences	2,744,818	239,022	2,983,840	441,815	-	-	47,609
Due to Fiduciary Funds	961,943	71,113	1,033,056	-	-	-	-
Due to Primary Government	-	-	-	-	-	-	2,322,484
Notes, Bonds and Leases Payable, current portion	15,522,899	-	15,522,899	8,535,899	-	375,000	788,691
TOTAL CURRENT LIABILITIES	35,559,877	671,075	36,230,952	14,638,773	1,006,129	1,539,322	3,759,476
Noncurrent Liabilities:							
Closure and Postclosure Costs	-	5,508,778	5,508,778	-	-	-	-
Liability for Retirement Benefits	-	10,836	10,836	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	957,850
Unamortized Premiums	132,401	-	132,401	-	-	-	-
Compensated Absences, less current portion	3,256,039	157,415	3,413,454	245,923	842,454	-	77,779
Claims Payable	3,575,000	-	3,575,000	-	-	-	-
Notes, Bonds and Leases Payable, less current portion	106,418,737	-	106,418,737	157,102,847	-	1,255,000	9,524,227
TOTAL NONCURRENT LIABILITIES	113,382,177	5,677,029	119,059,206	157,348,770	842,454	1,255,000	10,559,856
TOTAL LIABILITIES	148,942,054	6,348,104	155,290,158	171,987,543	1,848,583	2,794,322	14,319,332
Net Assets:							
Invested in Capital Assets, Net of Related Debt	343,290,843	43,498,882	386,789,725	251,064,141	209,348	140,963	55,180,512
Restricted for:							
Capital Projects	83,777,240	-	83,777,240	42,717,510	-	-	-
Debt Service	22,754,348	-	22,754,348	3,305,246	-	-	-
Other Purposes	2,451,855	7,878,788	10,330,643	-	-	-	1,851,643
Expendable	1,187,494	-	1,187,494	-	-	-	-
Non-Expendable	325,314	-	325,314	-	-	-	-
Urban Development and Housing	6,701,726	-	6,701,726	-	-	-	-
General Government	3,871,940	-	3,871,940	-	-	-	-
Unrestricted	41,587,920	203,748	41,791,668	35,012,169	3,117,550	8,323,943	1,380,780
TOTAL NET ASSETS	\$ 505,948,680	\$ 51,581,418	\$ 557,530,098	\$ 332,099,066	\$ 3,326,898	\$ 8,464,906	\$ 58,412,935

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

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Activities and Changes in Net Assets
For Fiscal Year Ended June 30, 2006

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
General Government	\$ 26,743,426	\$ 12,740,910	\$ 1,641,145	\$ -	\$ 14,382,055
Public Safety	81,843,455	9,992,990	734,491	-	10,727,481
Public Works	42,657,872	1,060,024	212,839	873,669	2,146,532
Culture and Recreation	13,906,926	2,103,374	687,070	-	2,790,444
Health and Welfare	15,485,307	-	117,725	-	117,725
Housing and Development	6,685,803	4,203	4,428,385	-	4,432,588
Economic Opportunity	1,604,525	-	1,677,498	-	1,677,498
Interest on Long-Term Debt	6,209,549	-	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	195,136,863	25,901,501	9,499,153	873,669	36,274,323
Business-Type Activities:					
Integrated Waste	9,190,102	9,564,123	-	-	9,564,123
Parking Management	503,937	338,934	-	-	338,934
Transportation	5,102,348	942,329	1,471,774	292,566	2,706,669
Civic Center	6,784,140	4,809,689	-	-	4,809,689
TOTAL BUSINESS-TYPE ACTIVITIES	21,580,527	15,655,075	1,471,774	292,566	17,419,415
TOTAL PRIMARY GOVERNMENT	\$ 216,717,390	\$ 41,556,576	\$ 10,970,927	\$ 1,166,235	\$ 53,693,738
Component Units:					
Columbus Water Works	\$ 44,324,705	\$ 47,873,624	\$ -	\$ 153,693,605	\$ -
Columbus Dept. of Public Health	14,240,774	3,165,639	10,424,718	-	-
Hospital Authority of Columbus	13,704,917	14,786,352	-	-	-
Non-major Component Units	9,912,037	7,159,685	-	53,229	-
TOTAL COMPONENT UNITS	\$ 82,182,433	\$ 72,985,300	\$ 10,424,718	\$ 153,746,834	\$ -

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

General Revenues:
Property Taxes
Sales Taxes
Hotel/Motel Taxes
Alcoholic Beverage Taxes
Business Taxes
Grants and Contributions not Restricted to Specific Programs
Investment Earnings
Transfers - Internal Activities
TOTAL GENERAL REVENUES AND TRANSFERS
CHANGE IN NET ASSETS
NET ASSETS - BEGINNING (AS RESTATED)
NET ASSETS - ENDING

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Activities and Changes in Net Assets
For Fiscal Year Ended June 30, 2006

Net (Expense) Revenue and Changes in Net Assets			Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units			
Governmental Activities	Business-Type Activities	Total	Columbus Water Works	Columbus Dept. Public Health	Hospital Authority of Columbus	Non-Major Component Units
\$ (12,361,371)	\$ -	\$ (12,361,371)	\$ -	\$ -	\$ -	\$ -
(71,115,974)	-	(71,115,974)	-	-	-	-
(40,511,340)	-	(40,511,340)	-	-	-	-
(11,116,482)	-	(11,116,482)	-	-	-	-
(15,367,582)	-	(15,367,582)	-	-	-	-
(2,253,215)	-	(2,253,215)	-	-	-	-
72,973	-	72,973	-	-	-	-
(6,209,549)	-	(6,209,549)	-	-	-	-
<u>(158,862,540)</u>	<u>-</u>	<u>(158,862,540)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	374,021	374,021	-	-	-	-
-	(165,003)	(165,003)	-	-	-	-
-	(2,395,679)	(2,395,679)	-	-	-	-
-	(1,974,451)	(1,974,451)	-	-	-	-
-	(4,161,112)	(4,161,112)	-	-	-	-
<u>\$(158,862,540)</u>	<u>\$ (4,161,112)</u>	<u>\$(163,023,652)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 157,242,524	\$ -	\$ -	\$ -
-	-	-	-	(650,417)	-	-
-	-	-	-	-	1,081,435	-
-	-	-	-	-	-	(2,699,123)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 157,242,524</u>	<u>\$ (650,417)</u>	<u>\$ 1,081,435</u>	<u>\$ (2,699,123)</u>
\$ 75,213,014	\$ 2,811,762	\$ 78,024,776	\$ -	\$ -	\$ -	\$ -
69,092,401	-	69,092,401	-	-	-	-
3,447,796	-	3,447,796	-	-	-	-
2,895,086	-	2,895,086	-	-	-	750,897
24,692,311	-	24,692,311	-	-	-	-
95,435	-	95,435	-	-	-	3,508,641
3,174,349	238,684	3,413,033	4,010,701	163,579	191,037	192,450
(565,523)	565,523	-	-	-	-	-
<u>178,044,869</u>	<u>3,615,969</u>	<u>181,660,838</u>	<u>4,010,701</u>	<u>163,579</u>	<u>191,037</u>	<u>4,451,988</u>
19,182,329	(545,143)	18,637,186	161,253,225	(486,838)	1,272,472	1,752,865
<u>486,766,351</u>	<u>52,126,561</u>	<u>538,892,912</u>	<u>170,845,841</u>	<u>3,813,736</u>	<u>7,192,434</u>	<u>56,660,070</u>
<u>\$ 505,948,680</u>	<u>\$ 51,581,418</u>	<u>\$ 557,530,098</u>	<u>\$ 332,099,066</u>	<u>\$ 3,326,898</u>	<u>\$ 8,464,906</u>	<u>\$ 58,412,935</u>

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

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Balance Sheet
Governmental Funds
June 30, 2006

	<u>General Fund</u>	<u>Medical Center Fund</u>	<u>1999 Sales Tax Proceeds Account Fund</u>
Assets:			
Cash	\$ 5,370,445	\$ -	\$ 55,203
Restricted Cash	-	-	-
Investments	24,109,239	-	13,320,941
Restricted Investments	-	-	-
Receivables:			
Taxes	9,052,351	777,524	5,870,540
Accounts	3,003,883	-	-
Street Assessments	-	-	-
Interest	246,497	-	-
Notes	94,559	-	-
Other	-	-	-
Due from Other Funds	3,588,477	448,738	-
Due from Other Governments	722,518	-	-
Due from Component Units	2,314,984	-	-
Inventory of Supplies	347,495	-	-
Prepaid Items	13,260	-	-
TOTAL ASSETS	<u>\$ 48,863,708</u>	<u>\$ 1,226,262</u>	<u>\$ 19,246,684</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	\$ 1,882,053	\$ 448,738	\$ -
Retainage Payable	-	-	-
Accrued Liabilities	194,179	-	-
Deferred Revenues	659,634	195,319	-
Due to Other Funds	465,293	2,576,356	-
Due to Fiduciary Funds	872,598	-	-
TOTAL LIABILITIES	<u>4,073,757</u>	<u>3,220,413</u>	<u>-</u>
Fund Balances:			
Reserved:			
Non-current Notes	39,303	-	-
Encumbrances	555,044	-	-
Grant/Project Contingency	549,566	-	-
Debt Service	-	-	19,246,684
Perpetual Care	-	-	-
Other	3,871,940	-	-
Unreserved:			
Designated for Projects	-	-	-
Special Revenue Funds	-	-	-
Capital Projects Funds	-	-	-
Undesignated	39,774,098	-	-
Special Revenue Funds	-	(1,994,151)	-
Permanent Funds	-	-	-
TOTAL FUND BALANCES	<u>44,789,951</u>	<u>(1,994,151)</u>	<u>19,246,684</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 48,863,708</u>	<u>\$ 1,226,262</u>	<u>\$ 19,246,684</u>

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

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Balance Sheet
Governmental Funds
June 30, 2006

1999 Sales Tax Projects Fund	2003 G.O. Sales Tax Bonds Fund	Other Governmental Funds	Total Governmental Funds
\$ 42,371	\$ 233,273	\$ 4,466,847	\$ 10,168,139
-	-	219,289	219,289
44,638,745	3,625,195	52,873,271	138,567,391
-	-	62,245	62,245
-	-	1,634,351	17,334,766
-	-	697,316	3,701,199
-	-	1,500	1,500
237,568	-	448,775	932,840
-	-	6,641,501	6,736,060
-	-	188,559	188,559
3,215,912	-	46,973	7,300,100
-	-	2,002,390	2,724,908
-	-	-	2,314,984
-	-	-	347,495
-	-	1,380	14,640
<u>\$ 48,134,596</u>	<u>\$ 3,858,468</u>	<u>\$ 69,284,397</u>	<u>\$ 190,614,115</u>
\$ 687,307	\$ -	\$ 3,714,558	\$ 6,732,656
851,636	5,000	1,200	857,836
-	-	10,546	204,725
1,354	-	673,089	1,529,396
-	3,206,022	833,489	7,081,160
-	-	89,345	961,943
<u>1,540,297</u>	<u>3,211,022</u>	<u>5,322,227</u>	<u>17,367,716</u>
-	-	6,662,423	6,701,726
4,612,986	9,594	6,997,759	12,175,383
-	-	352,267	901,833
-	-	3,507,664	22,754,348
-	-	325,314	325,314
-	-	-	3,871,940
41,981,313	637,852	-	42,619,165
-	-	491,904	491,904
-	-	30,040,810	30,040,810
-	-	-	39,774,098
-	-	14,396,535	12,402,384
-	-	1,187,494	1,187,494
<u>46,594,299</u>	<u>647,446</u>	<u>63,962,170</u>	<u>173,246,399</u>
<u>\$ 48,134,596</u>	<u>\$ 3,858,468</u>	<u>\$ 69,284,397</u>	<u>\$ 190,614,115</u>

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets
For Fiscal Year Ended June 30, 2006

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 173,246,399

Amounts reported for Governmental Activities in the Statement of Net Assets are different because:

The net pension obligation resulting from contributions in excess of the annual required contribution are not financial resources and therefore are not reported in the Governmental Funds Balance Sheet. 3,035,326

Unamortized bond costs are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. 902,397

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet. 464,462,483

Deferred revenues for delinquent property taxes deferred in the governmental funds because they will not be received within sixty days of the Consolidated Government's year end. 1,158,907

Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and risk management, to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the Government-Wide Statement of Net Assets. (458,993)

Long-term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet.

This amount represents bonds and notes payable, capital leases and unamortized premiums (122,074,037)

This amount represents compensated absences (6,000,857)

This amount represents claims payable (3,575,000)

This amount represents workers compensation claims payable (305,640)

This amount represents landfill remediation (4,442,305)

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 505,948,680

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For Fiscal Year Ended June 30, 2006

	<u>General Fund</u>	<u>Medical Center Fund</u>	<u>1999 Sales Tax Proceeds Account Fund</u>
Revenues:			
General Property Taxes	\$ 44,641,750	\$ 10,494,245	\$ -
Sales and Use Taxes	37,463,448	-	34,524,039
Other Taxes	24,103,216	-	-
Licenses and Permits	2,542,800	-	-
Intergovernmental Revenues	419,212	-	-
Charges for Services	15,968,449	-	-
Interest Revenues	972,457	-	153,074
Fines and Forfeitures	3,719,218	-	-
Sales and Rentals	633,273	-	-
Miscellaneous Revenues	723,325	-	-
TOTAL REVENUES	<u>131,187,148</u>	<u>10,494,245</u>	<u>34,677,113</u>
Expenditures:			
Current:			
General Government	24,909,938	-	-
Public Safety	73,355,468	-	-
Public Works	9,170,116	-	-
Culture and Recreation	8,955,030	-	-
Health and Welfare	2,223,837	11,110,500	-
Urban Development and Housing	1,327,328	-	-
Economic Opportunity	-	-	-
Capital Projects	-	-	-
Debt Service:			
Principal Retirement	-	-	11,535,000
Interest and Fiscal Charges	-	-	1,371,350
TOTAL EXPENDITURES	<u>119,941,717</u>	<u>11,110,500</u>	<u>12,906,350</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,245,431	(616,255)	21,770,763
Other Financing Sources (Uses):			
Transfers In	324,564	591,955	-
Transfers Out	(5,201,642)	-	(21,821,723)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(4,877,078)</u>	<u>591,955</u>	<u>(21,821,723)</u>
NET CHANGE IN FUND BALANCES	6,368,353	(24,300)	(50,960)
FUND BALANCES - BEGINNING	<u>38,421,598</u>	<u>(1,969,851)</u>	<u>19,297,644</u>
FUND BALANCES - ENDING	<u>\$ 44,789,951</u>	<u>\$ (1,994,151)</u>	<u>\$ 19,246,684</u>

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

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For Fiscal Year Ended June 30, 2006

1999 Sales Tax Projects Fund	2003 G.O. Sales Tax Bonds Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 21,250,035	\$ 76,386,030
-	-	3,447,796	75,435,283
-	-	589,096	24,692,312
-	-	-	2,542,800
873,678	-	10,043,392	11,336,282
-	-	3,271,360	19,239,809
647,528	168,260	1,312,902	3,254,221
-	-	742,485	4,461,703
-	-	142,470	775,743
3,179	-	473,620	1,200,124
<u>1,524,385</u>	<u>168,260</u>	<u>41,273,156</u>	<u>219,324,307</u>
-	-	1,155,040	26,064,978
-	-	3,523,561	76,879,029
-	-	12,096,042	21,266,158
-	-	2,773,091	11,728,121
-	-	2,150,970	15,485,307
-	-	5,341,221	6,668,549
-	-	1,712,312	1,712,312
9,570,546	538,222	14,465,148	24,573,916
-	-	4,090,204	15,625,204
-	-	4,902,134	6,273,484
<u>9,570,546</u>	<u>538,222</u>	<u>52,209,723</u>	<u>206,277,058</u>
(8,046,161)	(369,962)	(10,936,567)	13,047,249
21,821,723	-	4,360,364	27,098,606
-	-	(3,605,764)	(30,629,129)
<u>21,821,723</u>	<u>-</u>	<u>754,600</u>	<u>(3,530,523)</u>
13,775,562	(369,962)	(10,181,967)	9,516,726
<u>32,818,737</u>	<u>1,017,408</u>	<u>74,144,137</u>	<u>163,729,673</u>
<u>\$ 46,594,299</u>	<u>\$ 647,446</u>	<u>\$ 63,962,170</u>	<u>\$ 173,246,399</u>

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the
Government-Wide Statement of Activities and Changes in Net Assets
For Fiscal Year Ended June 30, 2006

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 9,516,726

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

Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. 19,137,307

Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in Governmental Funds. (22,636,549)

Because some property taxes will not be collected for several months after the Consolidated Government's fiscal year ends, they are not considered "available" revenues in the governmental funds. (1,173,016)

Long-term compensated absences, claims payable and workers compensation payables are reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they do not require the use of current financial resources. Therefore, long-term compensated absences (\$63,319), claims payable \$715,000 are not reported as expenditures in Governmental Funds. 651,681

The amortization of pension assets is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but it does not require the use of current financial resources. (283,302)

Bond proceeds provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Government-Wide Statement of Net Assets. Repayment of bond principal is an expenditure in Governmental Funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Assets.
This amount represents long-term debt repayments and issuance costs. 14,946,367

Allocations of expenses from one function to another or within the same function are recorded in the Governmental Funds but are eliminated in the Government-Wide Statement of Net Activities to remove the "doubling up" effect of internal activity. (937,573)

Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and risk management activities, to individual funds. The net revenue of the Internal Service Funds is reported with Governmental Activities. (39,312)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 19,182,329

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Budgetary Basis
For Fiscal Year Ended June 30, 2006

	<u>Budget</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
General Property Taxes	\$ 38,835,410	\$ 38,835,410	\$ 44,641,750	\$ 5,806,340
Sales and Use Taxes	32,541,683	32,541,683	37,463,448	4,921,765
Other Taxes	22,265,066	22,923,012	24,103,216	1,180,204
Licenses and Permits	2,205,252	2,205,252	2,542,800	337,548
Intergovernmental Revenues	212,118	276,913	419,212	142,299
Charges for Services	14,877,074	14,892,842	15,968,449	1,075,607
Interest Revenues	1,000,000	1,000,000	972,457	(27,543)
Fines and Forfeitures	4,153,873	4,153,873	3,719,218	(434,655)
Sales and Rentals	2,953	2,953	633,273	630,320
Private Contributions	-	111,525	-	(111,525)
Miscellaneous	1,167,846	1,167,846	723,325	(444,521)
TOTAL REVENUES	117,261,275	118,111,309	131,187,148	13,075,839
Expenditures:				
General Government	25,360,135	25,186,618	24,852,166	(334,452)
Public Safety	72,531,899	73,579,281	73,248,843	(330,438)
Public Works	9,156,479	9,279,648	9,047,406	(232,242)
Culture and Recreation	9,411,027	9,240,706	9,209,615	(31,091)
Health and Welfare	2,365,919	2,240,319	2,223,837	(16,482)
Urban Development and Housing	1,331,156	1,357,891	1,303,291	(54,600)
TOTAL EXPENDITURES	120,156,615	120,884,463	119,885,158	(999,305)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,895,340)	(2,773,154)	11,301,990	14,075,144
Other Financing Sources (Uses):				
Transfers In	2,274,564	2,274,564	324,564	(1,950,000)
Transfers Out	(4,510,000)	(5,243,791)	(5,201,642)	(42,149)
TOTAL OTHER FINANCING SOURCES (USES)	(2,235,436)	(2,969,227)	(4,877,078)	(1,992,149)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(5,130,776)	(5,742,381)	6,424,912	12,082,995
FUND BALANCES - BEGINNING BUDGETARY BASIS	38,421,598	38,421,598	38,421,598	-
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 33,290,822</u>	<u>\$ 32,679,217</u>	44,846,510	<u>\$ 12,082,995</u>
Reconciliation to GAAP:				
Elimination of Effect of Encumbrances			(56,559)	
FUND BALANCES - ENDING GAAP BASIS			<u>\$ 44,789,951</u>	

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Medical Center Fund
For Fiscal Year Ended June 30, 2006

	Budget		Actual	Variance with Final Budget Over (Under)
	Original	Final		
Revenues:				
General Property Taxes	\$ 10,311,002	\$ 10,518,545	\$ 10,494,245	\$ (24,300)
TOTAL REVENUES	<u>10,311,002</u>	<u>10,518,545</u>	<u>10,494,245</u>	<u>(24,300)</u>
Expenditures:				
Public Welfare	10,311,002	11,110,500	11,110,500	-
TOTAL EXPENDITURES	<u>10,311,002</u>	<u>11,110,500</u>	<u>11,110,500</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(591,955)	(616,255)	(24,300)
Other Financing Sources (Uses):				
Transfers In	-	591,955	591,955	-
TOTAL OTHER FINANCING SOURCES (USES)	-	591,955	591,955	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	-	(24,300)	(24,300)
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>(1,969,851)</u>	<u>(1,969,851)</u>	<u>(1,969,851)</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>(1,831,273)</u>	<u>\$ (1,969,851)</u>	<u>(1,994,151)</u>	<u>\$ (24,300)</u>
Reconciliation to GAAP:				
Elimination of Effect of Encumbrances			-	
FUND BALANCES - ENDING GAAP BASIS			<u>\$ (1,994,151)</u>	

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Statement of Net Assets

Proprietary Funds

June 30, 2006

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Integrated Waste Management	Civic Center	Non-Major Enterprise Funds	Total	
Assets:					
Current Assets:					
Cash	\$ 600	\$ 200,395	\$ 383,413	\$ 584,408	\$ 572,151
Investments	9,960,812	182,869	421,082	10,564,763	2,196,871
Receivables:					
Taxes	-	-	214,841	214,841	-
Accounts	1,663,214	-	22,382	1,685,596	-
Interest	74,310	650	539	75,499	-
Other	-	2,447	-	2,447	188,551
Due from Other Governments	-	-	715,527	715,527	-
Inventory of Supplies	-	-	167,205	167,205	-
TOTAL CURRENT ASSETS	11,698,936	386,361	1,924,989	14,010,286	2,957,573
Noncurrent Assets:					
Capital Assets:					
Land	1,286,160	-	239,869	1,526,029	-
Plant, Building, and Improvements	-	33,013,935	9,477,669	42,491,604	-
Machinery and Equipment	11,143,641	845,071	10,500,060	22,488,772	-
Accumulated Depreciation	(5,450,435)	(8,781,588)	(8,775,500)	(23,007,523)	-
Net Pension Obligation	318,254	55,183	265,857	639,294	-
TOTAL NONCURRENT ASSETS	7,297,620	25,132,601	11,707,955	44,138,176	-
TOTAL ASSETS	18,996,556	25,518,962	13,632,944	58,148,462	2,957,573
Liabilities:					
Current Liabilities:					
Accounts Payable	181,161	60,307	53,651	295,119	1,922,014
Accrued Liabilities	677	-	1,970	2,647	1,494,552
Compensated Absences	118,198	22,326	98,498	239,022	-
Deferred Revenue	63,174	-	-	63,174	-
Due to Other Funds	207,832	1,218	9,890	218,940	-
Due to Fiduciary Funds	34,461	8,031	28,621	71,113	-
TOTAL CURRENT LIABILITIES	605,503	91,882	192,630	890,015	3,416,566
Noncurrent Liabilities:					
Closure and Postclosure Costs	5,508,778	-	-	5,508,778	-
Liability for Retirement Benefits	-	-	10,836	10,836	-
Compensated Absences less current portion	51,479	26,317	79,619	157,415	-
TOTAL NONCURRENT LIABILITIES	5,560,257	26,317	90,455	5,677,029	-
TOTAL LIABILITIES	6,165,760	118,199	283,085	6,567,044	3,416,566
Net Assets:					
Invested in Capital Assets, Net of Related Debt	6,979,366	25,077,418	11,442,098	43,498,882	-
Restricted for Other Purposes	7,446,096	-	432,692	7,878,788	-
Unrestricted	(1,594,666)	323,345	1,475,069	203,748	(458,993)
TOTAL NET ASSETS	\$ 12,830,796	\$ 25,400,763	\$ 13,349,859	\$ 51,581,418	\$ (458,993)

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For Fiscal Year Ended June 30, 2006

	Business-Type Activities Enterprise Funds			Total	Governmental Activities Internal Service Funds
	Integrated Waste Management	Civic Center	Non-Major Enterprise Funds		
Operating Revenues:					
Operations	\$ 9,564,123	\$ 4,435,454	\$ 1,071,202	\$ 15,070,779	\$ -
Charges for Services	-	-	-	-	16,822,052
Fines and Forfeitures	-	-	210,061	210,061	-
Concessions	-	374,235	-	374,235	-
TOTAL OPERATING REVENUES	9,564,123	4,809,689	1,281,263	15,655,075	16,822,052
Operating Expenses:					
Cost of Sales and Services	8,008,603	5,886,022	4,657,929	18,552,554	-
Claims	-	-	-	-	18,293,472
Administrative Fees	-	-	-	-	1,255,321
Bad Debt Expense	302,821	-	-	302,821	-
Depreciation	873,140	898,118	948,356	2,719,614	-
TOTAL OPERATING EXPENSES	9,184,564	6,784,140	5,606,285	21,574,989	19,548,793
OPERATING INCOME (LOSS)	379,559	(1,974,451)	(4,325,022)	(5,919,914)	(2,726,741)
Non-Operating Revenues (Expenses):					
Taxes	-	-	2,811,762	2,811,762	-
Operating Subsidy From Other Governmental Units	-	-	1,471,774	1,471,774	-
Earnings on Investments	195,430	24,110	19,144	238,684	28,069
Gain (Loss) on Disposal of Fixed Assets	(5,538)	-	-	(5,538)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	189,892	24,110	4,302,680	4,516,682	28,069
INCOME (LOSS) BEFORE OPERATING TRANSFERS	569,451	(1,950,341)	(22,342)	(1,403,232)	(2,698,672)
Transfers In	-	985,087	100,000	1,085,087	2,965,000
Transfers Out	(80,000)	(324,564)	(115,000)	(519,564)	-
Capital Contributions	-	-	292,566	292,566	-
CHANGE IN NET ASSETS	489,451	(1,289,818)	255,224	(545,143)	266,328
NET ASSETS - BEGINNING	12,341,345	26,690,581	13,094,635	52,126,561	(725,321)
NET ASSETS - ENDING	\$ 12,830,796	\$ 25,400,763	\$ 13,349,859	\$ 51,581,418	\$ (458,993)

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Cash Flows
Proprietary Funds
For Fiscal Year Ended June 30, 2006

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Integrated Waste Management	Civic Center	Non-Major Enterprise Funds	Total	
Cash Flow from Operating Activities:					
Cash Received from Customers and Users	\$ 9,753,190	\$ 4,855,979	\$ 897,413	\$ 15,506,582	\$ 16,785,158
Cash Payments to Suppliers	(5,283,989)	(4,860,147)	(2,249,376)	(12,393,512)	(19,507,699)
Cash Payments to Employees	(2,595,508)	(1,065,525)	(2,502,883)	(6,163,916)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>1,873,693</u>	<u>(1,069,693)</u>	<u>(3,854,846)</u>	<u>(3,050,846)</u>	<u>(2,722,541)</u>
Cash Flows from Noncapital Financing Activities:					
Taxes	-	-	2,811,762	2,811,762	-
Transfers Out	(80,000)	(324,564)	(115,000)	(519,564)	-
Transfers In	-	985,087	100,000	1,085,087	3,225,000
Subsidy from Other Governmental Units	-	-	1,471,774	1,471,774	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>(80,000)</u>	<u>660,523</u>	<u>4,268,536</u>	<u>4,849,059</u>	<u>3,225,000</u>
Cash Flows from Capital and Related Financing Activities:					
Purchases of Capital Assets	(1,850,400)	(149,563)	(351,290)	(2,351,253)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(1,850,400)</u>	<u>(149,563)</u>	<u>(351,290)</u>	<u>(2,351,253)</u>	<u>-</u>
Cash Flows from Investing Activities:					
Purchase of Investments	(69,441)	-	(120,767)	(190,208)	(730,895)
Sale of Investments	-	685,651	197,676	883,327	-
Interest and Dividends Received	126,148	23,460	18,605	168,213	28,069
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>56,707</u>	<u>709,111</u>	<u>95,514</u>	<u>861,332</u>	<u>(702,826)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	150,378	157,914	308,292	(200,367)
CASH AND CASH EQUIVALENTS - BEGINNING	600	50,017	225,499	276,116	772,518
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 600</u>	<u>\$ 200,395</u>	<u>\$ 383,413</u>	<u>\$ 584,408</u>	<u>\$ 572,151</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ 379,559	\$ (1,974,451)	\$ (4,325,022)	\$ (5,919,914)	\$ (2,726,741)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:					
Depreciation Expense	873,140	898,118	948,356	2,719,614	-
(Increase) Decrease in Accounts Receivable	189,067	46,290	(383,850)	(148,493)	(36,894)
(Increase) Decrease in Prepaid Items	-	923	-	923	-
(Increase) Decrease in Assets	17,354	4,958	11,433	33,745	-
Increase (Decrease) in Allowance Account	302,821	-	-	302,821	-
Increase (Decrease) in Accounts Payable	13,906	(54,666)	(96,130)	(136,890)	67,210
Increase (Decrease) in Accrued Liabilities	6,727	(114)	11,856	18,469	(26,116)
Increase (Decrease) in Deferred Revenue	19,719	-	-	19,719	-
Increase (Decrease) in Other Current Liabilities	71,400	9,249	(21,489)	59,160	-
TOTAL ADJUSTMENTS	<u>1,494,134</u>	<u>904,758</u>	<u>470,176</u>	<u>2,869,068</u>	<u>4,200</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,873,693</u>	<u>\$ (1,069,693)</u>	<u>\$ (3,854,846)</u>	<u>\$ (3,050,846)</u>	<u>\$ (2,722,541)</u>
Noncash Activities:					
Capital Assets Contributed	\$ -	\$ -	\$ 292,566	\$ 292,566	\$ -

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2006

	Pension Trust Funds	Agency Funds
Assets:		
Cash	\$ 2,349,772	\$ 8,174,394
Investments, at Fair Value:		
US Government Obligations	34,819,882	-
Mortgages	15,326,808	-
Corporate Bonds	21,001,842	-
Common Stocks	103,698,658	-
Short Term Investments	8,895,753	-
Total Investments	183,742,943	-
Receivables:		
Taxes	-	10,217,404
Interest	894,627	-
Other	532,480	79,283
Due from Governmental Funds	1,033,056	-
Due from Component Units	7,500	-
Total Receivables	2,467,663	10,296,687
TOTAL ASSETS	188,560,378	18,471,081
Liabilities:		
Due to Other Governments and Agencies	-	18,471,081
TOTAL LIABILITIES	-	\$ 18,471,081
Net Assets:		
Held in Trust for Pension Benefits and Other Purposes	\$ 188,560,378	

see Schedule Of Funding Progress - pages 81 and 82

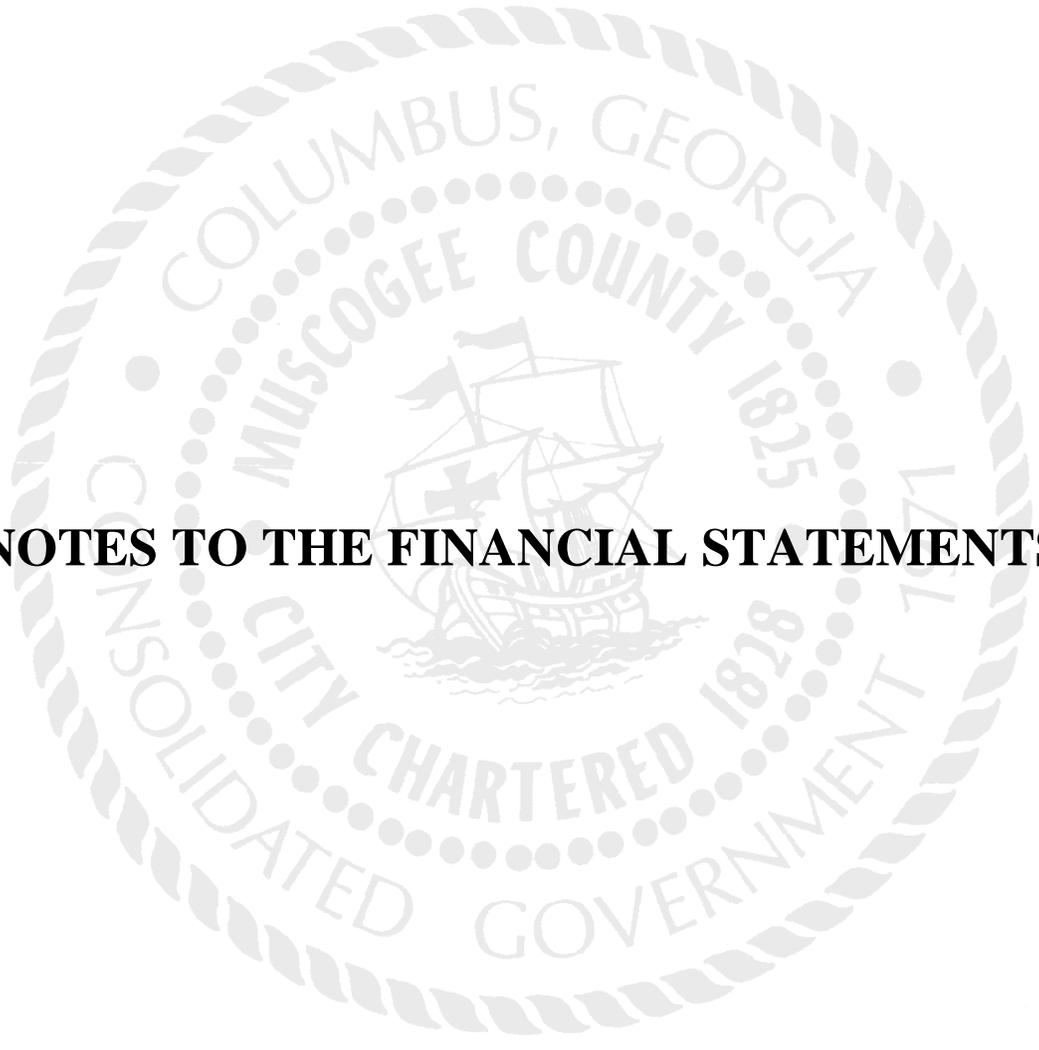
The notes to the financial statements are an integral part of this statement.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For Fiscal Year Ended June 30, 2006

	Pension Trust Fund
Additions:	
Employer Contributions	\$ 15,486,016
Investment Income:	
Interest and Dividends	5,680,262
Administrative Fees	(853,195)
Net Appreciation (Depreciation) in Fair Value of Investments	4,235,688
Total Investment Income	9,062,755
Miscellaneous	2,220
TOTAL ADDITIONS	24,550,991
Deductions:	
Benefits	12,378,679
Contractual Services	97,867
TOTAL DEDUCTIONS	12,476,546
CHANGE IN NET ASSETS	12,074,445
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - BEGINNING	176,485,933
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - ENDING	\$ 188,560,378

see Schedule Of Funding Progress - pages 81 and 82

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



NOTES TO THE FINANCIAL STATEMENTS

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Consolidated Government of Columbus, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

I. Reporting Entity

Columbus is a political subdivision of the State of Georgia created by virtue of a Constitutional Amendment authorizing the consolidation of the County of Muscogee with the City of Columbus. Commencing January 1, 1971, Columbus became a consolidated city-county government. The financial reporting entity has been determined by management in accordance with generally accepted accounting principles to be the primary government, organizations for which the primary government is financially accountable and organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units. The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body, and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government, financial accountability would exist. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included with the reporting entity as Blended Component Units:

Consolidated Government of Columbus, Georgia Public Employees Retirement System The Consolidated Government's employees participate in one of two Public Employee Retirement Systems (PERS). PERS functions for the benefit of these employees and is governed by a Board of Directors appointed by the Council of the Consolidated Government. The Consolidated Government of Columbus Georgia Public Employees Retirement System is presented as a pension trust fund.

Columbus Building Authority - The Authority was created by Article VII, Sec. VI, Pa. 1 of the Constitution of Ga. of 1945, as amended and ratified at the general election of November 5, 1968 (Ga. L. 1966, Pg. 946). The Authority provides a means to issue revenue certificates to acquire, construct, equip, maintain, and operate self-liquidating projects embracing buildings and facilities for use by the Consolidated Government of Columbus, Georgia. The Columbus Building Authority is presented as a governmental fund type.

The Consolidated Government has directly or indirectly guaranteed the Authority's debts.

The Authority is not exclusively responsible for its fiscal affairs.

The Authority's board is appointed by the Mayor and Council of the Consolidated Government.

The Consolidated Government has an equity interest in the Authority upon dissolution.

Included with the reporting entity as Discretely Presented Component Units:

Columbus Golf Authority - The Authority was created by Ordinance No. 82-29, adopted May 4, 1982 pursuant to Secs. 3-104(3) and 4-102(1) of the Columbus Charter. The name of the Authority was changed from Bull Creek Golf Authority to Columbus Golf Authority by Ordinance No. 97-35. The Authority provides recreation opportunities to the general public and is responsible for the operation of Bull Creek Golf Course and Oxbow Meadows Golf Course. The Columbus Golf Authority is presented as proprietary component units: Bull Creek Golf Course and Oxbow Meadows Golf Course due to the independent operation of each golf course. The following factors suggest that the Authority should be included in the reporting entity:

The Consolidated Government has directly or indirectly guaranteed the Authority's debts.

The Authority is not exclusively responsible for its fiscal affairs.

The Authority's board is appointed by the Council of the Consolidated Government and may be removed at any time.

The Authority is a subordinate branch of the Consolidated Government.

Columbus Iron Works Convention and Trade Center Authority - The Authority was created by Ordinance No. 83-79, adopted September 27, 1983 (Col. Code Sec. 2-121). The Authority supervises and operates the Columbus Iron Works Convention and Trade Center as a subordinate branch of the Consolidated Government. The Columbus Iron Works Convention and Trade Center is presented as a proprietary component unit. The following factors suggest that the Authority should be included in the reporting entity:

The Consolidated Government has directly or indirectly guaranteed the Authority's debts.

The Consolidated Government is responsible for financing deficits and also is entitled to any excess of revenues over expenses generated by the Authority.

The Authority's board is appointed and serves at the pleasure of Council of the Consolidated Government.

The Authority is a subordinate branch of the Consolidated Government.

Columbus Convention and Visitors Bureau - The Bureau was established as a commission by Ordinance 80-51 adopted April 29, 1980 pursuant to the provisions of Act No. 1204, H.B. No. 1854. The Bureau was created to promote tourism, trade and conventions for the benefit of the community. The Columbus Convention and Visitors Bureau is presented as a proprietary component unit. The following factors suggest that the Bureau should be included in the reporting entity:

The Bureau's Commission members are appointed by the Mayor and Council of the Consolidated Government.

The Consolidated Government is responsible for any deficit and is entitled to the surplus revenue received or generated by the Bureau.

The annual budget must be presented to Council of the Consolidated Government for approval.

Hospital Authority of Columbus - The Authority was created by County Commission Resolution of November 14, 1967 pursuant to the Georgia Hospital Authorities Law, O.C.G.A., Section 31-7-72. The Authority was created to provide long-term health care for residents of Muscogee and surrounding counties. It operates the Muscogee Manor Nursing Home and Cobis Personal Care Home. The Hospital Authority of Columbus is presented as a proprietary component unit. The following factors suggest that the Authority should be included in the reporting entity:

The Council of the Consolidated Government may remove members for cause by six votes of the Council. Members are appointed by the Authority from nominations made by the Council of the Consolidated Government.

The Consolidated Government has contractually guaranteed the debt of the Authority, in exchange for which the Authority has agreed to provide care to indigent and elderly residents of the Consolidated Government.

Columbus Airport Commission - The Commission was created by Constitutional Amendment, Article 5, Section 4, Ga. Laws 1968, Pg. 1655 for the purpose of administering the operations of the Columbus Metropolitan Airport. The Columbus Airport Commission is presented as a proprietary component unit. The following factors suggest that the Commission should be included in the reporting entity:

The Council of the Consolidated Government appoints members upon nomination by the Airport Commission and may remove members for cause by six votes of the Council.

The Consolidated Government has contractually guaranteed to meet interest and principal payments on the 1988 Airport Improvement Revenue Bonds should the net revenues of the Commission be insufficient to service the debt.

Columbus Water Works - The Board of Water Commissioners was created by Act No. 54 of the General Assembly of Georgia, approved December 3, 1902 (Ga. L. 1902, Page 370-377). The Board was created to administer the operations of the Columbus water and waste water treatment systems. The Columbus Water Works is presented as a proprietary component unit. The following factors suggest that the Board should be included in the reporting entity:

The Council of the Consolidated Government appoints members of the Water Commission and may remove members for cause by six votes of the Council.

The Consolidated Government has contractually agreed to be responsible for certain long term debt of the Columbus Water Works.

Columbus Department of Public Health - The Board of Health was created on October 5, 1971 by virtue of an Act of the General Assembly of Georgia, approved March 27, 1941 (Ga.L. 1941, p.937) as amended. The Board was created to administer the operations of the Columbus Department of Public Health. This entity is presented as a governmental fund type component unit. The Georgia Department of Audits, Local Government Audit Section, has ruled that county boards of health should be considered component units of the county government for financial reporting purposes. The following factors support the ruling that the Columbus Department of Public Health be included in the reporting entity:

The Council of the Consolidated Government appoints members of the Board of Health; the Mayor and City Manager are also Board members by virtue of office.

The Consolidated Government provides funding annually in an amount sufficient to equal the required local match funds as designated by the Georgia Department of Human Resources.

Complete financial statements for each of the individual component units may be obtained at the entity's administrative offices.

Consolidated Government of Columbus, Georgia
Public Employees Retirement System
Office of the Finance Director
100 Tenth Street
Columbus, Georgia 31902

Columbus Golf Authority
Columbus Consolidated Government
Office of the Finance Director
100 Tenth Street
Columbus, Georgia 31902

Columbus Convention & Visitors Bureau
1000 Bay Avenue
Columbus, Georgia 31901

Columbus Iron Works Convention & Trade Center
Columbus Consolidated Government
Office of the Finance Director
100 Tenth Street
Columbus, Georgia 31902

Columbus Building Authority
Columbus Consolidated Government
Office of the Finance Director
100 Tenth Street
Columbus, Georgia 31902

Hospital Authority of Columbus
3800 Schatulga Road
Columbus, Georgia 31907

Columbus Department of Public Health
2100 Comer Avenue
Columbus, Georgia 31902-2299

Columbus Airport Commission
3250 West Britt David Road
Columbus, Georgia 31909-5399

Columbus Water Works
1421 Veterans Parkway
Columbus, Georgia 31901

Related Organization

The Georgia Department of Audits and Accounts has determined that Housing Authorities should be reported as related organizations. The Mayor of the Columbus Consolidated Government appoints the members of the Board of the Housing Authority of Columbus. The Consolidated Government's accountability for this organization does not extend beyond making appointments.

Joint Venture

Under Georgia law, the Columbus Consolidated Government is a member of the Lower Chattahoochee Regional Development Center (LCRDC) and is required to pay dues thereto. The LCRDC is located in Columbus and currently serves a total of nineteen municipalities and eight counties. During the year ended June 30, 2006 the Columbus Consolidated paid \$90,000 in dues to the LCRDC. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organization structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that member governments are liable for any debts or obligations of an RDC. Separate financial statements may be obtained from:

Lower Chattahoochee Regional Development Center
1428 Second Avenue
Columbus, GA 31902

II. Government-wide and Fund Financial Statements

The Governmental Accounting Standards Board (GASB) has issued Statement No. 34. This Statement established new financial reporting requirements for state and local governments throughout the United States. Its implementation created new information and restructured much of the information that governments have presented in the past. The GASB's intent is to make annual reports more comprehensive and easier to understand.

GASB 34 took effect for entities the size of the Consolidated Government during the fiscal year ending June 30, 2002. One of the changes required by GASB 34 is the presentation of current and accumulated depreciation by activity. Another important change is the requirement to present original adopted budget as well as the final amended budget in the budgetary comparison statements.

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is accountable.

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

Separate financial statements are provided for governmental funds, 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.

III. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Consolidated Government's government wide financial statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of Governmental and Business-Type activities for the Consolidated Government. Fiduciary activities of the Consolidated Government are not included in these statements.

These statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. The fiduciary fund financial statements are reported using the *economic resources measurement focus* and are presented on the accrual basis of accounting. Accordingly, all the Consolidated Government's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the Consolidated Government are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities, which are normally supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Under the terms of grant agreements, the Consolidated 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 Consolidated Government's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

In accordance with Statement of Accounting Standards No. 20, Accounting and Financial Reporting For Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting," the Consolidated Government has elected to apply Governmental Accounting Standards Board (GASB) pronouncements as well as the following pronouncements issued on or before November 30, 1989 unless those pronouncements are inconsistent with GASB pronouncements: FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB).

Governmental Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements and Permanent funds are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year end on behalf of the government also are recognized as revenue. Fines are not susceptible to accrual because generally they are not measurable until received in cash. The Consolidated Government considers taxes as available in the period for which they were levied if they are collected within 60 days after year end. A ninety (90) day availability period is used for revenue recognition for all other governmental fund revenues.

The Consolidated Government reports the following major governmental funds:

General Fund – is the principal fund of the Consolidated Government and is used to account for all activities of the Consolidated Government not otherwise accounted for by a specified fund.

Medical Center Fund – to account for funding provided for indigent hospital care for the residents of Columbus.

1999 Sales Tax Proceeds Fund – to account for the collection and disbursement of the renewal of the 1% Special Local Option Sales Tax (SPLOST) needed to comply with the interest and principal requirements of the general obligation sales tax bonds.

1999 Sales Tax Project Fund – to account for projects supported by the 1999 Sales Tax Proceeds Account Fund including road projects and acquisition, construction and equipping of various capital projects.

General Obligation Sales Tax Bonds, Series 2003 – To account for proceeds of the 2003 general obligation sales tax bonds for partial funding for expansion of the Columbus Convention and Trade Center and partial funding for construction of a high-tech resource center and library.

The Consolidated Government reports the following major proprietary funds:

Integrated Waste Management Fund – to account for the costs of providing refuse collection and disposal services to the community.

Civic Center Fund – to account for the operation of the South Commons Civic Center.

Additionally the Consolidated Government reports the following fund types:

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Consolidated Government has the following non-major Special Revenue Funds based on the revenue source and program purpose:

Sewer Fund - To provide for the operation, maintenance and improvements to the Consolidated Government's storm sewer system.

Paving Fund - To provide for the maintenance and improvements to the Consolidated Government's roads and bridges.

Community Development Block Grant Fund - To account for grant monies received from the Department of Housing and Urban Development under the Community Development Block Grant Program.

Economic Development Program - To account for monies loaned under the Consolidated Government's revolving loan program.

Economic Development – Development Authority – To provide funding for economic development activities to include working with local and regional entities in attracting quality companies, working to broaden the Muscogee County tax base, job creation and retention.

Multi-Governmental Project Fund - To account for grant monies received from various federal and state agencies.

Hotel-Motel Tax Fund - To account for hotel-motel tax revenue designated for the funding of the Columbus Convention and Visitors Bureau and of the programs and facilities identified in the Consolidated Government's Master Tourism Plan.

County Drug Abuse Treatment Fund - To account for additional penalties imposed by Georgia State Law 15-21-100, Article Six designated for drug abuse treatment and education programs relating to controlled substances

and marijuana.

Job Training Partnership Program Fund - To account for grant monies received from the Department of Labor under the Job Training Partnership Act and Workforce Investment Act of 1998.

Urban Development Action Grant Fund - To account for loans and program income received from the Department of Housing and Urban Development under the Urban Development Action Grant Program.

Metro Drug Task Force Fund - To account for monies forfeited under the Controlled Substances Act designated for the joint law enforcement activities of the Columbus Police Department and the Muscogee County Sheriff's Department.

County Jail Fund/Penalty Assessment Act Fund - To account for monies collected under the Jail Construction and Staffing Act (Ga. L 1989 p. 1753) to provide for constructing, operating, and staffing jails, correctional institutions and detention facilities of the Consolidated Government.

Police Forfeiture Fund - To account for monies received from federal and state forfeitures designated for police department expenditures.

Sheriff's Forfeiture Fund - To account for monies received from federal and state forfeitures designated for sheriff department expenditures.

Emergency Telephone Fund - To account for telephone subscriber surcharge collections and the operations of the Emergency 911 system.

Home Program Fund - To account for grant monies received from the Department of Housing and Urban Development under the Home Investment Partnership Program.

Columbus Greenspace Trust Fund - To account for monies received from the Department of Natural Resources under the Georgia Greenspace Act.

The Family Connection Partnership Fund is used to account for revenues from the State of Georgia Department of Human Resources to provide funding to the Muscogee County Family Connection.

Debt Service Funds are utilized to account for the accumulation and disbursement of money need to comply with the interest and principal redemption requirements of the general obligation bond issues. Provisions are made in the Consolidated Government's general property tax levy, special purpose local option sales tax levy, and in agreements with other governmental agencies for money sufficient to meet the general obligation debt. The Consolidated Government has the following non-major Debt Service Fund:

Debt Service Fund - To account for the accumulation and disbursement of funds for the interest and principal redemption requirements of the general obligation bond issues, Columbus Building Authority lease contracts, Water Commissioners revolving loan contract, and the Lease-Purchase Program of the Georgia Municipal Association.

Capital Projects Funds are used to account for financial resources for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds. These projects are financed through budget appropriations, revenue bonds, sales tax proceeds and general obligation sales tax, and capital leases. The Consolidated Government has the following non-major Capital Projects Funds:

Bond & Lease Purchase Pools Fund - To account for proceeds of the GMA Bond Pool Lease Purchase Program for the acquisition of equipment.

HUD - Section 108 - To account for proceeds of a loan program guaranteed under Section 108 of the Housing and Urban Development Act of 1974 to provide development within the Second Avenue Redevelopment area.

Columbus Building Authority Taxable Lease Revenue Bonds, Series 1999C - To account for proceeds of the 1999C taxable lease revenue bonds for Need for Land acquisition and infrastructure and Enterprise Zone land acquisition.

Columbus Building Authority Lease Revenue Bonds, Series 2001 - To account for proceeds of the 2001 lease revenue bonds for jail expansion, computer technology, security/safety enhancements and analog microwave system upgrade.

Columbus Building Authority Taxable Lease Revenue Bonds, Series 2003B – To account for proceeds of the 2003B taxable lease revenue bonds for construction and equipping of two parking garages.

Special Projects Fund - To account for projects supported by the General, Sewer and Paving Funds.

Columbus Building Authority Lease Revenue Bonds, Series 2003A – To account for proceeds of the 2003A lease revenue bonds for construction and equipping of two new fire stations, storm water enhancements, road and street resurfacing/reconstruction, 800 MhZ Tower, Parking Lot/Deck, Skate Park Super Center, and expansion of the Columbus Georgia Convention and Trade Center.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds). 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 Consolidated Government's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The non-major proprietary funds utilized by the Consolidated Government are as follows:

Enterprise Funds account for activities that are usually self-sustaining, principally through user charges for services rendered. The Consolidated Government has two non-major Enterprise Funds.

Transportation System Fund - The Transportation System Fund was established for the control of the operating revenue and expense of the local public transit system. The transportation system is operated as a separate enterprise and the accounting records are maintained on the same basis as a commercial business.

Parking Management Fund - The Parking Management Fund was established for the purpose of operating the Parking Garage and managing public property.

Internal Service Funds account for the financing of goods and services provided by one department or agency to other departments or agencies of the government on a cost reimbursement basis. The Consolidated Government has two internal service funds.

The Employee Health Care and Life Insurance Fund is used to account for the self-funded employee health care program and payment of life insurance premiums.

The Risk Management Fund is used to account for vehicle accident and workers' compensation claim management and related costs.

Permanent Funds are used to report resources that are legally restricted to the extent only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. The Consolidated Government utilizes one Permanent Fund:

The Cemetery Perpetual Care Fund is used to account for dedicated revenues and associated maintenance of the Linwood, Riverdale, and Porterdale cemeteries.

Fiduciary Funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement either a pension trust fund, private purpose trust fund or permanent fund is used. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent. The Consolidated Government utilizes the following fiduciary funds:

The Pension Trust Fund is used to account for activities related to the public employee retirement systems. The Consolidated Government maintains a Pension and Benefit Trust Fund which accounts for the assets and activities of the Consolidated Government's pension, major disability and death benefit plans.

Agency Funds are used to account for assets held by the Consolidated Government as an agent for individuals, private organizations, other governments, and the Consolidated Government departments.

The Consolidated Government maintains the following Agency Funds:

Clerk of Superior Court
Clerk of Municipal Court
Probate Court
Adult Probation
Sheriff
Tax Commissioner
Law Library
Magistrate Court

Component Units: All component units are accounted for on a flow of economic resources measurement focus basis and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Budgets

Annual appropriated budgets are adopted for all funds receiving ad valorem taxes, namely, General Fund, Transportation Fund, Sewer Fund, Paving Fund, Medical Center Fund, and the Debt Service Fund as required by the Charter of the Consolidated Government. Annual appropriated budgets are also adopted for the Emergency Telephone Fund, Hotel/Motel Tax Fund, County Drug Abuse Treatment Fund, Urban Development Action Grant, Economic Development – Development Authority Fund, Metro Drug Task Force Fund, Penalty Assessment Fund, Police Forfeiture Fund, Sheriff's Forfeiture Fund, Columbus Greenspace Fund, Family Connection Fund and the 1999 Sales Tax Proceeds Account Fund as required by State Law. Annual budgets are adopted for the Community Development Block Grant Fund, Job Training Partnership Program, Multi-Governmental Project Fund, Economic Development Program and Home Program Fund. Annual budgets are also adopted for the Consolidated Government's Capital Projects Funds – Bond & Lease Purchase Pools Fund, Columbus Building Authority's Taxable Lease Revenue Bonds - Series 1999C and 2003B, Columbus Building Authority's Lease Revenue Bonds - Series 2001 and Series 2003A, G.O. Sales Tax Bonds, Series 2003 and 1999 Sales Tax Projects Fund. An annual budget is also adopted for the Special Projects Fund that contains projects funded by the Consolidated Government's General, Sewer and Paving Funds contingent upon the Consolidated Government's ability to appropriate funds to the projects for the current fiscal year. The HUD Section 108 Fund and the Sales Tax Projects Fund was completed during a prior fiscal year with no plans for spending during the current year. All annual appropriations lapse at fiscal year end.

Budgets are adopted on a basis consistent with generally accepted accounting principles except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase. Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting--under which purchase orders, contracts and other commitments for the

expenditure of resources are recorded to reserve that portion of the applicable appropriation--is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored through subsequent years' budget appropriations.

Cash and Investments

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Statutes authorize the Consolidated Government to invest in U. S. Government obligations, U.S. Government agency obligations, State of Georgia obligations, obligations of other counties, municipal corporations and political subdivisions of the State of Georgia which are rated "AA" or better by Moody's Investors Service, Inc., negotiable certificates of deposit issued by any bank or trust company organized under the laws of any state of the United States of America or any national banking association, repurchase agreements when collateralized by U. S. Government or agency obligations, and pooled investment programs sponsored by the State of Georgia for the investment of local government funds. The Pension Trust Funds are also authorized to invest in corporate bonds, domestic common stocks, equity real estate, and international common stocks directly or through pooled investment accounts.

Investments are stated at fair value based on published quoted market prices. The fair values of investments in external investment pools are the same as the value of the pool shares.

Inventories

The General and Transportation System Funds utilize a perpetual inventory system where materials and supplies are charged to inventory when acquired and charged to various departments when consumed, the consumption method.

Proprietary fund inventories are valued at the lower of cost (weighted average and specific identification methods) or market. Governmental fund inventories are valued at cost using the first-in, first-out (FIFO) method.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2006, are recorded as prepaid items based on the consumption method.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Consolidated Government's policy has set the capitalization threshold for reporting capital assets at \$5,000 and \$250,000 for infrastructure assets. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. Donations of roads by developers that exceeded the capitalization threshold for infrastructure assets during the current year are recorded as infrastructure. The Consolidated Government patched and resurfaced several roads during the current year that are considered general maintenance.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Compensated Absences

It is the policy of the Consolidated Government to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Consolidated Government does not have a policy to pay any amounts when employees separate from service. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the issue is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Fund Equity

Reserved fund balances represent those portions of fund equity legally segregated for a specific future use or otherwise not appropriable for expenditure. Designated fund balances represent tentative management plans for future use of financial resources that are subject to change.

Indirect Cost Allocations

The Consolidated Government utilizes a Cost Allocation Plan prepared in conformance with OMB Circular-A87, which governs the payment of overhead (or "indirect") costs from federal grants.

NOTE B - LEGAL COMPLIANCE-BUDGETS

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

- (1) Prior to May 1, the Mayor submits to Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public notice of budget and tax proposals is provided in conformance with Georgia law.
- (3) Public hearings are conducted to obtain taxpayer comments.
- (4) Prior to July 1, the budget is formally adopted by Council.
- (5) All budget transfers must be approved by the City Manager or Council depending on the type of expenditure:

<u>Budget Transfer</u>	<u>Approval Required</u>
a. Among any accounts other than salaries within a department.	City Manager
b. From salaries accounts to any other account within a department.	Council
c. Changing the total appropriation of any department.	Council

Expenditures for operations and maintenance are classified as materials and supplies and contractual services within the financial statements.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual budget is the department. The City council has adopted a budget administration policy establishing the more restrictive budget transfer requirements specified above. However, salary line items within a department may be over-spent without Council approval.

Adopted budgets are combined into the Consolidated Government's accounting system as a management control device. Formal budgets are adopted for the General Fund, Debt Service Fund, Sewer Fund, Paving Fund, Medical Center Fund, Transportation Fund, Emergency Telephone Fund, Hotel/Motel Tax Fund, County Drug Abuse Treatment Fund, Urban Development Action Grant, Economic Development – Development Authority Fund, Metro Drug Task Force Fund, Penalty Assessment Fund, Police Forfeiture Fund, Sheriff's Forfeiture Fund, Columbus Greenspace Fund, Family Connection Fund, 1999 Sales Tax Proceeds Account Fund, Special Projects Fund, Bond & Lease Purchase Pools Fund, Columbus Building Authority Taxable Lease Revenue Bonds - Series 1999C and Series 2003B, Columbus Building Authority Lease Revenue Bonds – Series 2001 and Series 2003A, G.O. Sales Tax Bonds, Series 2003 and the 1999 Sales Tax Projects Fund. Annual budgets are adopted for the Community Development Block Grant, Job Training Partnership Program, Multi-Governmental Project Fund, Economic Development Program and the Home Program Fund. Budgets for the General, Debt Service, Special Revenue and Capital Projects Funds are adopted on the modified accrual basis except that encumbrances are treated as budgeted expenditures in the year of the incurrence of the commitment to purchase.

Actual GAAP expenditures have been adjusted to the non-GAAP budgetary basis for budgetary comparison within this report. Because there were no encumbrances outstanding at the end of the year in the Debt Service Fund, the budget for this fund is presented on a GAAP basis.

Budgeted amounts are as originally adopted, or as amended, by Council. Individual amendments were not material in relation to the original appropriations which were amended. Unencumbered appropriations lapse at year end.

The major difference between the budget basis and GAAP is that encumbrances are recognized as expenditures for budgetary purposes.

Individual fund budgetary comparison schedules are presented for the General, Special Revenue and Debt Service Funds at the legal level of control. Due to the length of the presentation, General Fund budgetary comparisons at the legal level of control are presented in a supplemental budget report on pages 87 - 89.

NOTE C - DEPOSITS AND INVESTMENTS

Deposits:

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits in excess of the Federal Deposit Insurance Corporation (FDIC) to be 110 percent secured by collateral valued at market or par, whichever is lower. Collateral agreements must be approved prior to deposit of funds as provided by law. The city council approves and designates the authorized depository institution based on evaluation of solicited responses and certifications provided by financial institutions and recommendations of an evaluation committee and/or the City Finance Director.

As of June 30, 2006 the City's bank balance was \$25,588,297. Of that balance, \$23,789,905 was exposed to custodial credit risk and is categorized as follows:

Collateralized by securities held by the Pledging financial institution	<u>\$21,614,413</u>
Collateralized by securities held by the pledging financial Institution's trust department or agent but not in the City's name	<u>\$ 2,175,492</u>

Investments:

As of June 30, 2006, the City had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Average Credit Quality</u>	<u>Weighted Average Maturity (Years) (2)</u>
Primary Government				
Georgia Fund One	\$ 46,225,369	\$ 46,225,369	AAAm	0.08
Mortgage Backed Securities (1)	80,398,424	83,061,210	AAA	2.36
U.S. Government Agencies	16,423,956	16,845,865	AAA	0.88
Certificates of Deposit	<u>8,343,522</u>	<u>8,343,522</u>	AAA	2.32
	<u>\$ 151,391,271</u>	<u>\$ 154,475,966</u>		
Fiduciary Funds				
Common Stocks	\$ 104,232,873	\$ 98,416,849	N/A	N/A
Corporate Bonds	21,002,116	21,924,556	BBB	1.08
U.S. Government Obligations	22,178,911	22,812,662	N/A	1.78
U.S. Government Agencies	22,910,217	23,560,082	AAA	0.96
Mortgage Backed Obligations (1)	5,057,572	5,212,117	AAA	0.44
Cash Funds	<u>8,361,254</u>	<u>8,361,254</u>	AAA	N/A
	<u>\$ 183,742,943</u>	<u>\$ 180,287,520</u>		

(1) These include investments highly sensitive to interest rate changes.

(2) **Interest Rate Risk** is estimated using weighted average years.

Investment Policies:

Primary Government

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. It is the City's policy to lessen this risk by limiting investments to the safest types of securities, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which they will do business, and by diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Interest Rate Risk is the risk that the market value of securities in the City's portfolio will fall due to changes in general interest rates. The City mitigates its risk to interest rate declines by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities. In accordance with its investment policy, the City limits the weighted average maturity of each investment type in its investment portfolio to less than five years.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy states that with the exception of statewide investment pools, no more than 20% of the investment portfolio may be invested in any single type of investment.

Custodial Credit Risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that financial institutions and broker/dealers who provide investment services be pre-qualified based on several criteria prior to the commencement of

services. All investments and collateral are held by a third party custodian with whom the City has a written custodian agreement. Securities held by the third party custodian are evidenced by safekeeping receipts.

External Investment Pool

Georgia Fund I, created by OCGA 36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAAM rated money market funds. However, Georgia Fund I, managed by the Georgia Office of Treasury and Fiscal Services, 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 pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value which equates to fair 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.

Fiduciary Funds

The City maintains a Pension and Benefit Trust Fund which accounts for the assets and activities of the City's pension, major disability and death benefit plans. Investment policies provide for investment manager(s) who have full discretion of all assets allocated to them subject to the overall investment guidelines set out in the policies. Fund performance is evaluated quarterly by the Investment Manager who reports to the governing board. **Custodial Credit Risk** is addressed by contracting with a third party custodian who accepts possession of securities for safekeeping; collects and disburses income; collects principal of sold, matured, or called items; and provides periodic accounting to the Pension Board.

Asset allocation guidelines for the Pension and Benefit Trust Fund are as follows:

Asset Class	Minimum	Maximum	Preferred
Equities	0%	55%	55%
Fixed Income	45%	100%	45%
Cash & Equivalents	0%	100%	5-10%

Interest Rate Risk is addressed by the investment policy requiring that weighted average portfolio maturity may not exceed 20 years.

Credit Risk and Concentration of Credit Risk are addressed by the investment policy allowing for certain risk parameters for various portfolio compositions. The Pension and Benefit Trust Fund contractually delegates portfolio management managers based on these prescribed portfolio structures.

For fixed income investments, plan assets may be invested up to 15% in bonds rated BBB or better and commercial paper must be rated A1/P1 or better. No more than 50% of the portfolio may be invested in securities with maturities greater than 15 years. Securities of any one company should not exceed 10% of the total manager's portfolio and no more than 25% of each manager's portfolio should be in any one industry.

For equity investments, each portfolio manager's portfolio must contain a minimum of 15 issues with no single issue accounting for more than 5% of the total portfolio. The largest percentage of each portfolio should be in the larger capitalization companies (market capitalization greater than \$5 billion) with limited exposure to small capitalization companies (market capitalization between \$500 million and \$1 billion). The sector weighting for each manager's portfolio shall be the manager's benchmark's weighting or 25% of the portfolio whichever is greater.

Component Units:

Columbus Water Works:

Cash and investments include bank balances and investments that at June 25, 2006 were entirely insured or collateralized by securities held by the Water Works agent in the Water Works name.

The Water Works cash and investments are summarized below.

	<u>2006</u>		
	<u>Bank</u> <u>Balance</u>	<u>Carrying</u> <u>Amount</u>	<u>Fair</u> <u>Value</u>
Cash	\$ 65,563,506	\$ 63,141,091	\$ 63,141,091
Certificates of Deposit	<u>9,897,120</u>	<u>9,897,120</u>	<u>9,897,120</u>
Total Deposits	<u>\$ 75,460,626</u>	<u>\$ 73,038,211</u>	<u>\$ 73,038,211</u>

A reconciliation of cash and investments as shown on the balance sheet is summarized as follows:

	<u>2006</u>
Cash and cash equivalents	\$ 49,522,557
Cash and cash equivalents - restricted assets	<u>23,515,654</u>
Total Cash	73,038,211
Investments - restricted assets	<u>1,998,986</u>
Total Cash and Investments	<u>\$ 75,037,197</u>

NOTE D - RECEIVABLES

Receivables as of June 30, 2006 for the Consolidated Government's individual major funds and nonmajor, internal service, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Medical Center Fund	1999 Sales Tax Proceeds Account Fund	1999 Sales Tax Projects Fund	2003 GO Sales Tax Bond Fund	Integrated Waste Fund	Civic Center Fund	Non Major Governmental & Other Funds	Non Major Business Type Funds	Total
Taxes	\$ 9,052,351	\$ 777,524	\$ 5,870,540	\$ -	\$ -	\$ -	\$ -	\$ 1,634,351	\$ 214,841	\$ 17,549,607
Accrued Interest	246,497	-	-	237,568	-	74,310	650	448,775	-	1,007,800
Accounts	3,715,722	-	-	-	-	1,515,542	-	1,184,889	22,382	6,438,535
Landfill	-	-	-	-	-	2,008,433	-	-	-	2,008,433
Notes	94,559	-	-	-	-	-	-	6,641,501	-	6,736,060
Other	-	-	-	-	-	-	2,447	188,559	-	191,006
Street Assessments	-	-	-	-	-	-	-	6,864	-	6,864
Gross Receivables	13,109,129	777,524	5,870,540	237,568	-	3,598,285	3,097	10,104,939	237,223	33,938,305
Less:										
Allowance for Uncollectibles	711,839	-	-	-	-	1,860,761	-	492,937	-	3,065,537
Net Total Receivables	\$ 12,397,290	\$ 777,524	\$ 5,870,540	\$ 237,568	\$ -	\$ 1,737,524	\$ 3,097	\$ 9,612,002	\$ 237,223	\$ 30,872,768

The Consolidated Government bills and collects its own property taxes and also bills and collects taxes for the Muscogee County School System. Collections of the county taxes and remittance of them to the General Fund, Sewer Fund, Paving Fund, Medical Center Fund, Debt Service Fund, Transportation Fund and the school system, are accounted for in the Tax Commissioner Agency Fund. County property tax revenues are recognized when due to the extent that they result in current receivables.

Property taxes are normally levied and due on August 15 and November 15 each year. Collections of property taxes are made throughout the year. Liens may attach to property for unpaid taxes on December 20 after the due date.

NOTE E - NOTE RECEIVABLE - GENERAL FUND

During fiscal year 1987 the General Fund loaned to the Bull Creek Golf Course Authority, a component unit, included in this reporting entity, \$600,000 for a nine hole addition. The loan is being amortized over twenty years at 6.07 percent interest. Annual payments of interest and principal equal \$53,736. The principal balance as of June 30, 2006 is \$89,004. This amount is reflected as a long term debt in the Bull Creek Golf Course Authority. An amount has been reserved in the General Fund for the non-current portion of the note receivable.

NOTE F - PROPERTY, PLANT AND EQUIPMENT

The following is a summary of capital asset activity as of June 30, 2006:

Primary Government:

Governmental Activities:	Balance, As Restated June 30, 2005	Increases	Decreases	Balance June 30, 2006
Capital assets, not being depreciated:				
Land	\$ 137,230,158	\$ 2,685,856	\$ 95,154	\$ 139,820,860
Construction in progress	<u>55,105,956</u>	<u>10,944,805</u>	<u>307,739</u>	<u>65,743,022</u>
Total capital assets, not being Depreciated	<u>192,336,114</u>	<u>13,630,661</u>	<u>402,893</u>	<u>205,563,882</u>
Capital assets, being depreciated:				
Plant, buildings & improvements	130,911,420	537,044	-	131,448,464
Machinery and equipment	47,019,021	3,606,266	513,548	50,111,739
Roads	285,324,332	4,172,010	-	289,496,342
Bridges	<u>27,159,671</u>	<u>-</u>	<u>-</u>	<u>27,159,671</u>
Total capital assets being depreciated	<u>490,414,444</u>	<u>8,315,320</u>	<u>513,548</u>	<u>498,216,216</u>
Less accumulated depreciation for:				
Plant, buildings & improvements	(39,002,264)	(3,914,627)	-	(42,916,891)
Machinery and equipment	(26,242,411)	(3,826,714)	441,641	(29,627,484)
Roads	(146,328,223)	(13,537,224)	-	(159,865,447)
Bridges	<u>(5,549,809)</u>	<u>(1,357,984)</u>	<u>-</u>	<u>(6,907,793)</u>
Total accumulated depreciation	<u>(217,122,707)</u>	<u>(22,636,549)</u>	<u>441,641</u>	<u>(239,317,615)</u>
Total capital assets, depreciated, net Governmental activities capital Assets, net	<u>273,291,737</u> <u>\$ 465,627,851</u>	<u>(14,321,229)</u> <u>\$ (690,568)</u>	<u>71,907</u> <u>\$ 474,800</u>	<u>258,898,601</u> <u>\$ 464,462,483</u>

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

Governmental activities:	
General Government	\$ 1,019,395
Public Safety	3,905,540
Public Works	15,647,516
Culture & Recreation	2,027,251
Urban Development and Housing	34,026
Economic Opportunity	<u>2,821</u>
Total Depreciation Expense – Governmental Activities	<u>\$22,636,549</u>

The Consolidated Government adopted a capitalization threshold of \$5,000 for capital assets and a threshold of \$250,000 for infrastructure assets. In the current year the Consolidated Government has retroactively reported roads and bridges as required by Governmental

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Accounting Standards Board Statement No. 34. There were road donations by developers to the Consolidated Government during the current year recorded as infrastructure assets. Road projects consisted of resurfacing, general repairs and maintenance. Construction in progress increased during the current year due to construction of various sales tax projects to include the construction of the library.

A summary of business-type capital asset activity at June 30, 2006 follows:

	Balance June 30, 2005	Increases	Decreases	Balance June 30, 2006
Capital assets, not being depreciated:				
Land	\$ 1,526,029	\$ -	\$ -	\$ 1,526,029
Capital assets, being depreciated:				
Plant, buildings & improvements	42,491,604	-	-	42,491,604
Machinery and equipment	<u>20,375,740</u>	<u>2,643,821</u>	<u>530,789</u>	<u>22,488,772</u>
Total capital assets being depreciated	62,867,344	2,643,821	530,789	64,980,376
Less accumulated depreciation for:				
Plant, buildings & improvements	(9,545,222)	(1,066,645)		(10,611,867)
Machinery and equipment	<u>(11,267,938)</u>	<u>(1,652,969)</u>	<u>525,251</u>	<u>(12,395,656)</u>
Total accumulated depreciation	<u>(20,813,160)</u>	<u>(2,719,614)</u>	<u>525,251</u>	<u>(23,007,523)</u>
Total capital assets, depreciated, net	<u>42,054,184</u>	<u>(75,793)</u>	<u>5,538</u>	<u>41,972,853</u>
Governmental activities capital				
Assets, net	<u>\$ 43,580,213</u>	<u>\$ (75,793)</u>	<u>\$ 5,538</u>	<u>\$ 43,498,882</u>
Business-type activities:				
Integrated Waste		\$ 873,140		
Parking Management		189,588		
Transportation		758,768		
Civic Center		<u>898,118</u>		
Total Depreciation Expense – Business-type Activities		<u>\$ 2,719,614</u>		

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. Depreciation has been calculated on the fixed assets using the following useful lives:

Plant, Buildings, and Improvements	5 - 40 Years
Machinery and Equipment	5 - 15 Years
Furniture and Fixtures	5 - 20 Years
Vehicles	7 - 10 Years
Infrastructure (Roads)	20 Years

Component Units:

Columbus Water Works:

Capital assets are stated at cost and are depreciated using the straight-line method over the estimated useful lives of the various assets as follows:

Buildings and plant	40 - 50 Years
Water and Sewer System	50 Years
Water and Sewer System contributed by Ft. Benning	25 Years
Furniture, fixtures, and equipment	5 - 10 Years
Autos, trucks and equipment	5 - 10 Years

Major renewals and extensions are capitalized while maintenance and repairs are charged to operations as incurred. Interest incurred during the construction phase of capital asset construction is capitalized, net of interest earned in the invested proceeds over the same period. Net interest costs for capital asset construction are capitalized. Columbus Water Works capitalized \$5,834,955 of net interest costs for the current year. The capitalization threshold for capital assets is \$1,000.

NOTE G - COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant Fund makes requests for funding to the Department of Housing and Urban Development (HUD) based upon the projected use of funds for a specified period. Upon acceptance, an entitlement or credit for funds is granted which can be drawn upon as expenditures are incurred.

A cooperation agreement between the Columbus Housing Authority and the Consolidated Government that allowed the Housing Authority to act as an agent for the Consolidated Government for acquisition and disposition of property acquired through Community Development Block Grant funds was not renewed during a prior year. The Consolidated Government now holds title to this property and is now administering all loan programs previously administered by the Housing Authority. These programs include the HOME Program and the Community Housing Development Program. The HOME Program is accounted for in the Home Program Grant Fund and the Community Housing Development Program is accounted for in the Community Development Block Grant Fund. The Consolidated Government has inventory of land for resale aggregating \$5,153,080 at lower of cost or market.

The Community Development Block Grant Fund administers grants of federal and local funds with the aim of community vitalization. As of June 30, 2006, there were five loan programs in progress. During a prior year the Consolidated Government initiated the use of a revolving loan fund to manage the loans, the Economic Development Fund. Loans outstanding as of June 30, 2006 are summarized in the following paragraphs:

Facade Loan Program

The Community Development Block Grant Fund has initiated a facade loan program intended to preserve the architectural integrity of the downtown properties encompassed by the Uptown Facade Board's jurisdiction. The indebtedness will be forgiven at the rate of 1/10 of the original principal amount together with all accrued interest, annually upon favorable inspection by the Consolidated Government verifying the facade has been maintained in accordance with set standards. It is the intent of the Consolidated Government that the entire amount of principal plus all accrued interest thereon will be forgiven by the date of final maturity of said notes. The current balance is \$3,000.

Small Business Revolving Loan Program

The Economic Development Program Fund is responsible for administering the Small Business Revolving Loan Program. These loans are issued to minority businesses at a reduced rate of interest. During a prior year, the Consolidated Government paid off the outstanding

balances at each of the participating financial institutions and took responsibility of the entire remaining balance on each loan. All program income generated from the outstanding balances of the loans reverts to the Consolidated Government. The current balance is \$106,152.

Vista Center

A loan for the Vista Center Partners was made to develop and build a shopping complex in an economically deprived area. It is repayable in quarterly installments of \$2,324 at 4.65% per annum, and the remaining unpaid principal and interest are due in January 1999. The loan was made in 1990 for \$150,000 and the current balance is \$82,209.

Community Housing Improvement Program (CHIP)

At the Federal level, CHIP has been replaced by the HOME Program and no new federal funds are available for the program; however, new loans continue to be made at the local level with CHIP program income. Four types of loans are available through CHIP: Deferred Loans, First-time Home Buyers Loans, Historic Preservation Loans and Rehabilitation Loans. The Deferred loans are payable in full upon the sale of the property or death of the owner, whichever comes first. First-time Home Buyer loans and Historic Preservation loans are low interest bearing loans payable in monthly installments over a five or ten year period. The Rehabilitation loans are forgivable over a five or ten year period based on the original loan amount. If the property is sold before the forgiveness period is complete, the loan balance is due in full. As of June 30, 2006 there were 5 First-time Home Buyer loans in the amount of \$30,778 and 5 Historic Preservation loans in the amount of \$64,685.

As each of the above loans is repaid, the funds will be available to be used by the Consolidated Government of Columbus within the guidelines of the Community Development Block Grant Program.

NOTE H - URBAN DEVELOPMENT ACTION GRANT FUND

During the fiscal year 1988, the Consolidated Government established the Urban Development Action Grant Fund to administer Urban Development Grants and Loan Programs.

As of June 30, 2006, there were five loan programs in progress, as noted below:

Urban Development Action Grant (UDAG) Phase I

Mortgage loans were made to qualifying lower income applicants for first-time purchases of houses. The loan to each borrower consisted of principal of \$10,000, with rates of interest varying among borrowers, based upon a 30-year amortization schedule with the first payment due five years after the date of the loan. There are no new loans presently being made. Loans in the amount of \$1,000,000 were originally recorded. At June 30, 2006, 7 loans were being serviced in the amount of \$20,469.

Urban Development Action Grant (UDAG) Phase II

Mortgage loans were made to qualifying lower income applicants for first-time purchases of houses. The loan to each borrower consists of principal of \$10,000, with rates of interest varying among borrowers, based upon a 30-year amortization schedule with the first payment due five years after the date of the loan. There are no new loans presently being made. Loans in the amount of \$2,000,000 were originally recorded. At June 30, 2006, 22 loans were being serviced in the amount of \$69,620.

Urban Development Action Grant Mini-UDAG Phase III

This program relies on repayment of funds from the Phase I and Phase II Urban Development Action Grant. Terms are similar to Phase I and Phase II. Loans totaling \$1,990,000 have been made. At June 30, 2006, 62 loans are being serviced in the amount of \$314,391.

Urban Development Action Grant (UDAG) Phase IV

This program relies on repayment of funds from the Phase I, Phase II and Phase III Urban Development Action Grants. The second mortgage loan amount is \$5,000 with no interest and is payable over a 30-year term with payments of \$13.89 per month. At June 30, 2006, 114 loans are being serviced in the amount of \$426,280.

Urban Development Action Grant (UDAG) Phase V

This program relies on repayment of funds from Phase I, Phase II, Phase III and Phase IV Urban Development Action Grants. The second loan amount is \$5,000 with no interest and is payable over a 15-year term with payments of \$27.78 per month. At June 30, 2006, 34 loans are being serviced in the amount of \$111,937.

As each of the above loans is repaid, the funds will be available to be used by the Consolidated Government of Columbus within the guidelines of the Urban Development Action Grant Program.

NOTE I - HOME PROGRAM GRANT FUND

During the current year, the Consolidated Government established the Home Program Grant Fund to administer HOME Program Grants and Loan Programs.

As of June 30, 2006, there were four loan programs in progress, as noted below:

First-time Home Buyers Program

Deferred mortgage loans were made to qualifying very low to low income applicants for first-time purchases of houses. The loan to each borrower consisted of principal of \$5,000 or \$10,000. The loans are forgivable at 20% and 10% per year based on the original amount. If the property is sold prior to the loans forgiveness period being complete, that portion of the loan outstanding is due in full. As of June 30, 2006, there were 469 First-time Home Buyers loans in the amount of \$1,359,000.

Rehabilitation Program

Deferred rehabilitation loans were made to qualified property owners who rent the majority of property to very low to low income tenants. The loan to each borrower varied depending on the amount of rehabilitation necessary to the building up to a maximum per unit of \$20,000 with the property owner required to provide 15% of total project costs. Very low-income property owners who also live on the property in conjunction with renters are not required to provide any project costs. The loans are forgivable at 10% per year. If the property is sold prior to the loan forgiveness period being complete, that portion of the loan outstanding is due in full. As of June 30, 2006, there were 94 Rehabilitation loans in the amount of \$2,955,902.

New Construction Program

Deferred loans were made to qualified property owners for new construction who rent the majority of the units to very low to low income tenants. The loans are deferred for a maximum of twenty years and then forgiven at a rate of 10% per year after the deferral period. If the property is sold prior to the forgiveness period being complete, that portion of the loan outstanding is due in full. As of June 30, 2006, there was a New Construction loan in the amount of \$1,000,000.

American Dream Down payment Initiative Program (ADDI)

Deferred mortgage loans were made to qualifying very low to low income applicants for purchases of houses in one of the City's designated Redevelopment Areas. The loan to each borrower consisted of principal of \$10,000. The loans are forgivable at 20% per year based on the original amount. If the property is sold prior to the loan's forgiveness period being complete, that portion of the loan outstanding is due in full. At June 30, 2006, 12 loans being serviced in the amount of \$118,000.

NOTE J - OPERATING LEASES

The government is committed under various leases for machinery and equipment. These leases are considered for accounting purposes to be operating leases. Lease expenditures and outstanding obligations for the year were not significant.

NOTE K - CAPITAL LEASES

During the 1991 fiscal year, the Consolidated Government entered into an agreement to participate in a pooled lease program sponsored by the Georgia Municipal Association. Certificates of Participation in the amount of \$127,635,000 were issued through the lease program, the Consolidated Government's pro-rated share of the principal being \$10,855,000. However, the pool is structured as a 30-year financing vehicle with a three year initial use requirement. The Consolidated Government can continue using the pool only to the extent to which it used the pool in the first three years, ending December, 1993. During the current year, the Consolidated Government did not obtain lease financing thru this program. As of June 30, 2006, Columbus utilized a portion of its Lease Authorization in the amount of \$1,041,471, less principal amount paid back of \$919,984 under the agreement. Gross amounts of assets recorded under capital leases is \$5,687,244.

The following is a schedule of future minimum lease payments together with the present value of net minimum lease payments as of June 30, 2005:

Year Ending June 30,	
2007	\$ 445,998
2008	268,552
2009	185,833
2010	<u>185,833</u>
Total Minimum Lease Payments	1,086,216
Less Amount Representing Interest	<u>44,745</u>
Present Value of Minimum Lease Payments	<u>\$ 1,041,741</u>

The assets acquired through capital leases are as follows:

	Total Governmental Activities
Asset:	
Machinery and Equipment	\$ 5,687,244
Less: Accumulated Depreciation	<u>(2,176,170)</u>
Total	<u>\$ 3,511,074</u>

NOTE L - LONG TERM DEBT

Primary Government

Bonds payable at June 30, 2006 are comprised of the following individual issues:

General Obligation Bonds:

\$38,330,000 2001 Sales Tax bonds due in annual installments of \$5,295,000 to \$4,975,000 through July 1, 2008; interest at 4.5 to 5.0 percent (\$14,205,000 outstanding).

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\$32,150,000 2003 Sales Tax bonds due in annual installments of \$6,915,000 to \$2,370,000 through July 1, 2008; interest at 2.0 to 3.0 percent (\$17,985,000 outstanding).

Columbus Building Authority Bonds:

\$7,850,000 1997A Various Purpose serial Bonds due in annual installments of \$244,500 to \$622,000 through April 1, 2017; interest at 5.1 to 5.65 percent (\$5,353,440 outstanding).

\$11,090,000 1999A Refunding Issue serial bonds due in annual installments of \$100,000 to \$1,115,000 through June 1, 2012; interest at 4.0 to 4.2 percent (\$2,145,348 outstanding).

\$9,585,000 1999C Taxable Various Purpose serial bonds in annual installments of \$305,000 to \$870,000 through August 1, 2019; interest at 6.1 to 6.85 percent (\$8,260,000 outstanding).

\$31,599,203 2003A Various Purpose serial bonds in annual installments of \$602,826 to \$2,035,072 through January 1, 2033; interest at 2.5 to 4.75 percent (\$30,996,377 outstanding).

\$10,575,000 2003B Various Purpose serial bonds in annual installments of \$160,000 to \$790,000 through January 1, 2033; interest at 5.5 to 5.8 percent (\$10,415,000 outstanding).

\$21,240,000 2004 serial bonds in annual installments of \$435,000 to \$2,550,000 through January 1, 2034; interest at 3.1 to 5.0 percent (\$21,240,000 outstanding).

The Consolidated Government has an agreement with the Columbus Building Authority whereby all assets purchased through the Columbus Building Authority are leased to the Consolidated Government. The Consolidated Government services the Building Authority's debt in lieu of making rental payments.

Riverwalk/Combined Sewer Project:

\$4,650,000 1991 Participation in Water and Sewer Revenue Bonds, due in annual installments of \$125,000 to \$400,000 through May 1, 2012; interest at 6.0 to 6.75 percent (\$2,050,000 outstanding). Ordinance 91-81 provides that the Consolidated Government will make payments of amounts equal to 125% of amortization installments required.

Notes Payable:

\$14,465,000 notes payable pursuant to a loan guarantee by HUD under Section 108 of the Housing and Urban Development Act of 1974 due in annual installments of \$400,000 to \$750,000 through August 1, 2016; interest at 5.87 to 7.08 percent (\$8,250,000 outstanding).

The annual debt service requirements to maturity of the Primary Government's General Obligation Bonds, Revenue Bonds and Notes Payable outstanding as of June 30, 2006 are as follows:

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Year Ending June 30	Interest Rate	General Obligation Bonds Payable		
		Principal	Interest	Total
2007	2.50 - 5.00%	12,115,000	984,038	13,099,038
2008	2.75 - 5.00%	12,730,000	548,100	13,278,100
2009	3.00 - 5.00%	7,345,000	159,925	7,504,925
		<u>\$ 32,190,000</u>	<u>\$ 1,692,063</u>	<u>\$ 33,882,063</u>

Year Ending June 30	Interest Rate	Bonds Payable		
		Principal	Interest	Total
2007	2.50 - 6.65%	2,372,899	3,965,322	6,338,221
2008	2.00 - 6.65%	2,453,394	3,610,924	6,064,318
2009	2.20 - 6.65%	2,538,874	3,514,972	6,053,846
2010	2.50 - 6.50%	2,639,802	3,434,494	6,074,296
2011	2.75 - 6.60%	2,741,454	3,335,128	6,076,582
2012-2016	2.75 - 6.75%	13,553,488	14,910,979	28,464,467
2017-2021	3.625 - 6.65%	13,656,269	11,280,002	24,936,271
2022-2026	4.10 - 5.80%	12,705,144	8,248,265	20,953,409
2027-2031	4.40 - 5.80%	16,516,305	5,007,440	21,523,745
2032-2036	4.50 - 5.80%	9,232,536	793,259	10,025,795
		<u>\$ 78,410,165</u>	<u>\$ 58,100,785</u>	<u>\$ 136,510,950</u>

Year Ending June 30	Interest Rate	Water and Sewer Revenue Bonds Payable		
		Principal	Interest	Total
2007	6.65%	285,000	243,062	528,062
2008	6.65%	310,000	225,622	535,622
2009	6.65%	330,000	204,853	534,853
2010	6.75%	350,000	182,422	532,422
2011	6.75%	375,000	159,141	534,141
2012-2016	6.75%	400,000	133,750	533,750
		<u>\$ 2,050,000</u>	<u>\$ 1,148,850</u>	<u>\$ 3,198,850</u>

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Year Ending June 30		Notes Payable		
		Principal	Interest	Total
2007	6.46%	750,000	536,550	1,286,550
2008	6.49%	750,000	487,988	1,237,988
2009	6.61%	750,000	438,863	1,188,863
2010	6.70%	750,000	388,950	1,138,950
2011	6.78%	750,000	338,400	1,088,400
2012-2016	6.83-7.03%	3,750,000	892,388	4,642,388
2017-2021	7.08%	750,000	53,100	803,100
		<u>\$ 8,250,000</u>	<u>\$ 3,136,239</u>	<u>\$ 11,386,239</u>

Year Ending June 30		Total Long-Term Debt		
		Principal	Interest	Total
2007	2.50 - 6.65%	15,522,899	5,728,972	21,251,871
2008	2.75 - 6.65%	16,243,394	4,872,634	21,116,028
2009	2.20 - 6.65%	10,963,874	4,318,613	15,282,487
2010	2.50 - 6.70%	3,739,802	4,005,866	7,745,668
2011	2.75 - 6.60%	3,866,454	3,832,669	7,699,123
2012-2016	3.00 - 6.75%	17,703,488	15,937,117	33,640,605
2017-2021	3.75 - 6.85.%	14,406,269	11,333,102	25,739,371
2022-2026	4.20 - 5.80%	12,705,144	8,248,265	20,953,409
2027-2031	4.50 - 5.80%	16,516,305	5,007,440	21,523,745
2032-2036	4.50 - 5.80%	9,232,536	793,259	10,025,795
		<u>\$ 120,900,165</u>	<u>\$ 64,077,937</u>	<u>\$ 184,978,102</u>

Compliance:

There are a number of limitations and restrictions in the various bond indentures. The Consolidated Government is in compliance with all significant limitations and restrictions.

Changes in Long Term Obligations:

The following is a summary of changes in long-term obligations of the Consolidated Government's Governmental Funds for fiscal year ended June 30, 2006:

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Governmental activities:

	July 1, 2005	Additions	Payments/ Retirements	June 30, 2006	Due Within One Year
General Obligation Bonds	\$ 43,725,000	\$ -	\$ (11,535,000)	\$ 32,190,000	\$ 12,115,000
Building Authority Bonds	80,289,900	-	(1,879,735)	78,410,165	2,372,899
Water and Sewer Bonds	2,320,000	-	(270,000)	2,050,000	285,000
Compensated Absences	5,937,538	6,000,857	(5,937,538)	6,000,857	2,744,818
Claims and Judgments	4,290,000	3,575,000	(4,290,000)	3,575,000	-
Capital Leases	1,732,811	-	(691,340)	1,041,471	427,653
Notes Payable	9,000,000	-	(750,000)	8,250,000	750,000
Workers Compensation	873,828	305,640	(873,828)	305,640	-
Remediation - Wilson Camp Landfill	-	4,442,305	-	4,442,305	-
Total	\$ 148,169,077	\$ 14,323,802	\$ (26,227,441)	\$ 136,265,438	\$ 18,695,370

Business-type activities:

Compensated Absences	373,970	396,437	(373,970)	396,437	286,302
Landfill Closure/Postclosure	5,353,370	800,830	(645,422)	5,508,778	108,499
	\$ 5,727,340	\$ 1,197,267	\$ (1,019,392)	\$ 5,905,215	\$ 394,801

Compensated absences are liquidated by those funds that have salary and wages expenditures. Claims and judgments typically are liquidated in the General Fund. Employee health and disability payments and Workers Compensation payments are liquidated in the Risk Management Fund.

Workers Compensation:

Governmental Accounting Standards Board Statement No. 10 requires a liability of claims be reported if it is probable that a loss has been incurred and the amount can be reasonably estimated. As of June 30, 2006, the present value of workers compensation claims payable is \$305,640.

Landfill Closure and Postclosure Care Costs

State and federal laws require the Columbus Consolidated Government to close its landfill once its capacity is reached, and to monitor and maintain the site for thirty subsequent years. The Columbus Consolidated Government accounts for its landfill activity in a proprietary fund as required by state law.

On June 1, 1998, the Columbus Consolidated Government opened the Pine Grove Landfill. The old landfill (Schatulga Road Landfill) reached full capacity during a prior year.

As of June 30, 2006, the estimated liability for landfill closure and postclosure care costs is \$5,508,778, based on the following: 100.00% of landfill capacity used to date at the Schatulga Road Landfill and a 16% of landfill capacity used to date at the Pine Grove Landfill. The remaining estimated liability is \$13,724,834 at the Pine Grove Landfill which will be recognized as the remaining 444 months (37 Years) capacity is used. The estimated costs of closure and postclosure care are subject to changes due to the effects of inflation, revision of laws, and other variables.

Prior Year Advance Refundings

In prior years, the Columbus Consolidated Government advance refunded certain Columbus Building Authority revenue bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Columbus Consolidated Government's financial statements. On June 30, 2006, \$23,190,000 of bonds outstanding are considered defeased.

Long-Term Debt - Component Units:

Trade and Convention Center:

Revenue Bonds:

\$5,355,797 2003A Trade Center serial bonds due in annual installments of \$102,174 to \$344,928 through January 1, 2033; interest at 2.5 to 4.75 percent (\$5,253,623 outstanding).

Columbus Golf Authority:

Notes payable at June 30, 2006 are comprised of the following:

\$600,000 1987 Note to fund nine hole addition, due in monthly installments of \$4,478 through March 10, 2008; interest at 6.07 percent (\$89,004 outstanding) payable to the General Fund. (Bull Creek)

\$995,100 1991 Various Purpose serial bonds due in annual installments of \$28,835 to \$88,767 through June 1, 2011; interest at 5.0 to 6.6 percent (\$388,994 outstanding). (Bull Creek)

\$1,300,000 1997A Various Purpose serial bonds due annual installments of \$40,500 to \$103,000 through April 1, 2017; interest at 5.1 to 5.65 percent (\$886,560 outstanding). (Oxbow Creek)

As of June 30, 2006 annual debt requirements to maturity for bonds and notes payable for the Columbus Golf Authority and Columbus Trade and Convention Center are as follows:

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Year Ending June 30	Columbus Golf Authority				Columbus Trade & Convention Center			
	Bonds Payable				Bonds Payable			
	Interest Rate	Principal	Interest	Total	Interest Rate	Principal	Interest	Total
2007	5.10 - 6.50%	129,086	73,933	203,019	2.50%	104,348	238,492	342,840
2008	5.10 - 6.50%	137,726	66,409	204,135	3.00%	107,246	235,884	343,130
2009	5.20 - 6.50%	145,656	58,307	203,963	3.00%	110,870	232,666	343,536
2010	5.30 - 6.60%	154,862	49,656	204,518	3.375%	115,217	229,340	344,557
2011	5.40 - 6.60%	164,068	40,296	204,364	3.50%	118,841	225,451	344,292
2012-2016	5.40 - 5.65%	441,150	105,688	546,838	3.50 - 5.25%	675,363	1,053,417	1,728,780
2017-2021	5.65%	103,006	5,820	108,826	4.50 - 5.25%	850,725	881,709	1,732,434
2022-2026	-	-	-	-	4.625 - 4.75%	1,089,856	662,940	1,752,796
2027-2031	-	-	-	-	4.75 - 5.00%	1,408,695	374,185	1,782,880
2032-2036	-	-	-	-	4.75 - 5.00%	672,462	48,326	720,788
		<u>\$1,275,554</u>	<u>\$ 400,109</u>	<u>\$ 1,675,663</u>		<u>\$ 5,253,623</u>	<u>\$ 4,182,410</u>	<u>\$ 9,436,033</u>
Year Ending June 30	Notes Payable							
		Principal	Interest	Total				
2007	6.07%	49,701	4,035	53,736				
2008	6.07%	39,303	999	40,302				
		<u>\$ 89,004</u>	<u>\$ 5,034</u>	<u>\$ 94,038</u>				
Year Ending June 30	Total Long-Term Debt							
		Principal	Interest	Total				
2007	5.10 - 6.50%	178,787	77,968	256,755				
2008	5.10 - 6.50%	177,029	67,408	244,437				
2009	5.20 - 6.50%	145,656	58,307	203,963				
2010	5.30 - 6.60%	154,862	49,656	204,518				
2011	5.40 - 6.60%	164,068	40,296	204,364				
2012-2016	5.40 - 5.65%	441,150	105,688	546,838				
2017-2021	5.65%	103,006	5,820	108,826				
		<u>\$1,364,558</u>	<u>\$ 405,143</u>	<u>\$ 1,769,701</u>				

Columbus Water Works:

At June 25, 2006 long-term debt consisted of the following:

Revenue Bonds

Columbus Water Works issues bonds where the payment of the bonds is made solely from the revenue of Columbus Water Works.

Revenue Bonds - Advance Refund

The following revenue bonds were issued to pay existing bonds in advance. The net proceeds were deposited with an escrow agent to refund various issues as noted.

\$2,365,000 Columbus, Georgia Water and Sewerage Revenue Bonds Series 1998 (refunding part of Series 1991) due in annual installments of \$35,000 to \$335,000 through May 1, 2009; interest at 4.4 percent (\$955,000 outstanding).

Columbus, Georgia Water and Sewerage Revenue Bonds Series 2002 (refunding part of Series 1992) due in annual installments of \$815,000 to \$5,540,000 through May 1, 2011; interest at 5.0 percent (\$23,095,000 outstanding).

Columbus, Georgia Water and Sewerage Revenue Bonds Series 2003 (refunding part of Series 1993) due in annual installments of \$1,085,000 to \$5,445,000 through May 1, 2020; interest at 5.25 percent. (\$47,550,000 outstanding).

Columbus, Georgia Water and Sewerage Revenue Bonds Series 2005 (refunding of Series 1997) due in annual installments of \$553,663 to \$7,440,250 through May 1, 2025; interest at 3.00 to 5.00 percent. (\$45,705,000 outstanding).

Notes Payable - Construction

The proceeds of the following notes were used to improve the Water and Sewerage Systems in Columbus, Georgia.

\$4,491,217 Columbus Building Authority 1991 Series due in annual installments of \$135,247 to \$400,637 through June 1, 2011; interest at 5.375 to 6.20 percent. (\$1,755,658 outstanding)

\$2,580,000 Columbus Building Authority 1992 Series due in annual installments of \$80,000 to \$225,000 through May 1, 2012; interest of 5.40 to 6.20 percent. (\$1,150,000 outstanding)

\$4,003,332 State Revolving Loan Fund due in quarterly installments of \$60,839 through February 1, 2012; interest accrues at 2 percent. (\$1,318,722 outstanding).

\$12,240,000 State Revolving Loan Fund due in quarterly installments, of \$221,720 through August 1, 2017; interest accrues at 4 percent. (\$8,002,892 outstanding).

\$17,107,000 State Revolving Loan Fund due in quarterly installments, commencing 3 months after completion of construction; interest accrues at 3.67 percent from date of each draw. (\$12,261,676 outstanding)

\$3,500,000 Drinking Water State Revolving Loan Fund due in eighty (80) quarterly installments, commencing November 1, 2002; interest accrues at 3.5 percent from date of each draw (\$3,293,187 outstanding).

\$502,265 Drinking Water State Revolving Loan Fund due in eighty (80) quarterly installments, commencing February 1, 2002; zero percent interest. (\$371,822 outstanding)

\$25,000,000 Clean Water State Revolving Loan Fund due in seventy-seven (77) quarterly installments, commencing 6 months after completion of construction; interest accrues at 3 percent from date of each draw. (\$12,849,784 outstanding)

\$7,000,000 Drinking Water State Revolving Loan Fund due in seventy-seven (77) quarterly installments, commencing 6 months after completion of construction; interest accrues at 3 percent from date of each draw. (\$6,462,059 outstanding).

Advance Refunding

During the year ended June 25, 2005, the Water Works advance refunded a portion of the 1997 bonds. The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$288,296. This difference is reported as a deduction from bonds payable, is charged to interest expense through the year 2025 using the straight-line method. The Water Works completed the advance refunding to reduce its total debt service payments by \$978,508 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of \$841,436.

The proceeds of the current and prior refundings were placed in a irrevocable trust to provide for all future debt service payments on old bonds. Accordingly, the trust accounts and defeased bonds are not included in these financial statements.

Bond Covenants

The various bond indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverages. Columbus Water Works is substantially in compliance with all such significant limitations and restrictions.

The annual requirements to maturity of the Columbus Water Works Revenue Bonds and Notes Payable outstanding as of June 25, 2006 are:

Year Ending June 25	Bonds Payable		
	Principal	Interest	Total
2007	6,530,000	4,198,758	10,728,758
2008	6,825,000	5,529,995	12,354,995
2009	7,180,000	5,186,965	12,366,965
2010	7,680,000	4,826,075	12,506,075
2011	4,550,000	4,439,538	8,989,538
2012-2016	26,265,000	18,711,828	44,976,828
2017-2021	31,900,000	11,505,875	43,405,875
2022-2026	26,375,000	3,377,250	29,752,250
2027-2031	-	-	-
	<u>\$ 117,305,000</u>	<u>\$ 57,776,284</u>	<u>\$ 175,081,284</u>

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Year Ending June 25	Notes Payable		
	Principal	Interest	Total
2007	2,005,899	1,077,990	3,083,889
2008	3,101,452	1,009,487	4,110,939
2009	3,190,807	921,022	4,111,829
2010	3,284,807	828,342	4,113,149
2011	3,385,980	730,839	4,116,819
2012-2016	14,016,874	2,451,668	16,468,542
2017-2021	11,789,388	917,351	12,706,739
2022-2026	6,439,777	115,027	6,554,804
2027-2031	250,816	3,877	254,693
	<u>\$ 47,465,800</u>	<u>\$ 8,055,603</u>	<u>\$ 55,521,403</u>

Year Ending June 25	Total Long-Term Debt		
	Principal	Interest	Total
2007	8,535,899	5,276,748	13,812,647
2008	9,926,452	6,539,482	16,465,934
2009	10,370,807	6,107,987	16,478,794
2010	10,964,807	5,654,417	16,619,224
2011	7,935,980	5,170,377	13,106,357
2012-2016	40,281,874	21,163,496	61,445,370
2017-2021	43,689,388	12,423,226	56,112,614
2022-2026	32,814,777	3,492,277	36,307,054
2027-2031	250,816	3,877	254,693
	<u>\$ 164,770,800</u>	<u>\$ 65,831,887</u>	<u>\$ 230,602,687</u>

NOTE M - FUND BALANCES RESERVES AND DESIGNATIONS

Reserves are used to indicate that a portion of the fund balance is not appropriable for expenditure or is legally segregated for a specific future use. The Consolidated Government uses the following reserves.

General Fund:

Reserve for non-current notes - restricted for non-current loans receivable.	\$ 39,303
Reserve for encumbrances - restricted for payment of open commitments.	\$ 555,044
Reserve for grant or project contingencies.	\$ 549,566
Reserve for catastrophe losses	\$ 3,871,940

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June 30, 2006

Special Revenue Funds:

Reserve for non-current notes - restricted for non-current loans receivable.	\$ 6,662,423
Reserve for encumbrances - restricted for payment of open commitments.	\$ 985,384
Reserve for grant or project contingencies.	\$ 352,267

Debt Service Funds:

Reserve for other - restricted for payment of bond principal and interest.	\$ 22,754,348
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Capital Projects Funds:

Reserve for encumbrances - restricted for payment of open commitments.	\$ 10,634,955
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Enterprise Funds:

Reserve for operations - restricted for subsequent year operating expenses.	\$ 7,878,788
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Trust and Agency Funds:

Reserve for employee pension benefits - restricted for payment of employee pension benefits.	\$ 188,560,378
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Permanent Funds:

Reserve for Perpetual Care	\$ 325,314
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Designations of fund balance are not legally required segregations but are segregated for a specific purpose. The following designations of fund balance are used by the Consolidated Government.

Special Revenue Funds:

Designated for projects - designated for subsequent years' expenditures.	\$ 491,904
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Capital Projects:

Designated for projects - designated for subsequent years' expenditures.	\$ 30,040,810
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NOTE N - INTERFUND BALANCES AND TRANSFERS

The composition of interfund balances as of June 30, 2006, is as follows:

Consolidated Government of Columbus, Georgia
Notes to Financial Statements
June 30, 2006

Due to/from other funds:

Due to General Fund from:	
Medical Center Fund	\$ 2,576,356
Integrated Waste Management Fund	207,832
Civic Center Fund	1,218
Nonmajor governmental funds	<u>803,071</u>
Total due to General Fund from other funds	<u>\$ 3,588,477</u>

Due to Medical Center Fund from:

General Fund	<u>\$ 448,738</u>
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Due to 1999 Sales Tax Projects Fund from:

G.O. Sales Tax Bonds, 2003	\$ 3,206,022
Nonmajor Enterprise Funds	<u>9,890</u>
Total due to 1999 Sales Tax Projects Fund from other funds	<u>\$ 3,215,912</u>

This balance resulted from a reimbursement of project expenditures paid prior to bond financing

Due to Nonmajor governmental funds from:

General Fund	\$ 16,556
Special Projects Fund	21,015
Nonmajor governmental funds	<u>9,402</u>
	<u>\$ 46,973</u>

Due to Fiduciary Funds:

General Fund	\$ 872,598
Integrated Waste Management Fund	34,461
Civic Center Fund	8,031
Nonmajor governmental funds	89,345
Nonmajor enterprise funds	<u>28,621</u>
Total due to Fiduciary Funds from other funds	<u>\$ 1,033,056</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

Transfers to General Fund from:

Civic Center Fund	<u>\$ 324,564</u>
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Transfers to Medical Center Fund from:

General Fund	<u>\$ 591,955</u>
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Consolidated Government of Columbus, Georgia
Notes to Financial Statements
June 30, 2006

Transfers to Special Projects Fund	
General Fund	\$ 1,564,000
Nonmajor governmental funds	<u>1,165,864</u>
	<u>\$ 2,729,864</u>
Transfers to 1999 Sales Tax Projects Fund from:	
1999 Sales Tax Proceeds Fund	<u>\$ 21,821,723</u>
Transfers to Civic Center Fund from:	
Nonmajor governmental funds	<u>\$ 985,087</u>
Transfers to Internal Service Funds from:	
General Fund	2,650,000
Integrated Waste Management Fund	80,000
Nonmajor governmental funds	120,000
Nonmajor enterprise funds	<u>115,000</u>
	<u>\$ 2,965,000</u>
Transfers to Nonmajor governmental funds from:	
General Fund	295,687
Nonmajor governmental funds	<u>1,334,813</u>
	<u>\$ 1,630,500</u>
Transfers to Nonmajor enterprise funds from:	
General Fund	<u>\$ 100,000</u>

Interfund transfers consist of transactions to record funding for risk management activities, inmate health care, capital projects and Civic Center operations. There are also transfers of sales tax proceeds to fund various sales tax supported capital projects.

NOTE O - ACCOUNTING CHANGES/RESTATEMENT OF NET ASSETS

Government Wide Net Assets

The Government Wide Net Assets - Beginning is being restated due to the retroactive reporting of major general infrastructure assets as required by Governmental Accounting Standards Board Statement No. 34. The effect of this change is as follows:

	<u>Government Wide</u>
Net Assets as originally reported 6/30/05	238,450,248
Effect of restatement	<u>248,316,103</u>
Net Assets as restated 6/30/06	<u>\$ 486,766,351</u>

NOTE P - DUE FROM OTHER GOVERNMENTS AND AGENCIES

General Fund

State of Georgia -		
Department of Corrections	\$	630,990
Judicial Council of Georgia		73,682
Department of Natural Resources		520
Taylor County		2,425
Chattahoochee County		746
Marion County		1,966
Talbot County		1,788
Harris County		<u>10,401</u>
		722,518

Special Revenue Funds

Paving Fund		
State of Georgia - Department of Transportation		114,298

Community Development Block Grant Fund		
U.S. Department of Housing and Urban Development		111,464

Home Program Fund		
U.S. Department of Housing and Urban Development		236,191

Multi-Governmental Project Fund		
U.S. Department of Justice, Office of Justice Programs		40,369
U.S. Environmental Protection Agency		10,180
U.S. Department of Housing and Urban Development		250,140
U.S. Department of the Interior, National Park Service		149,000
U.S. Department of Homeland Security, Office of Domestic Preparedness		110,400
State of Georgia -		
Bright from the Start Summer Food Program		307,682
Corporation for National Service		2,643
Department of Transportation		48,563
Department of Human Resources		37,833
Council of Juvenile Court Judges of Georgia		2,125
Georgia Bureau of Investigation - Criminal Justice Coordinating Council		70,056
Georgia Emergency Management Agency - Office of Planning and Budget		43,054
Governor's Office of Highway Safety		16,176
Enrichment Services Program, Inc.		107,857
City of Phenix City, Alabama		38,143
John S. and James L. Knight Foundation		<u>4,786</u>
		1,239,007

Job Training Partnership Program Fund		
State of Georgia - Department of Labor		283,917

Family Connection Partnership Fund		
State of Georgia - Department of Human Resources		17,513
Enterprise Fund		
Transportation Fund		
Federal Transit Authority	387,681	
State of Georgia - Department of Transportation	<u>327,846</u>	
		<u>715,527</u>
		<u>\$ 3,440,435</u>

NOTE Q - DEFICIT BALANCES

The JTPA fund has a deficit fund balance as of June 30, 2006 of \$3,742. The deficit is attributable to a disallowed cost from a prior year. Upon closure of the fund, the General Fund will provide funding to eliminate the deficit.

The Family Connection Partnership Fund has a deficit fund balance as of June 30, 2006 of \$2,538. The deficit is attributable to an over-expenditure of the grant from the State of Georgia, Department of Human Resources. The deficit will be recovered from donations.

The Medical Center Fund has a deficit fund balance as of June 30, 2006 of \$1,994,151. The deficit is attributable to payment for medical care of city prisoners and payment of 3 mills of tax regardless of collection per contract with the Medical Center. The General Fund will provide funding to eliminate the deficit in future years.

The Economic Development – Development Authority Fund has a deficit fund balance as of June 30, 2006 of \$2,080. The deficit is attributable to payment of 0.25 mills of tax regardless of collection in prior years. In the current year, payments were made based collection of taxes. The deficit will be recovered in future years.

The Bond and Lease Purchase Pool Fund has a deficit fund balance as of June 30, 2006 of \$798,939. The deficit is attributable to payment of equipment costs prior to receipt of lease financing, which was received in July 2006.

The Employee Health Care and Life Insurance Fund has deficit net assets as of June 30, 2006 of \$1,435,214. The deficit is attributable to claims incurred but not paid as of June 30, 2006. The deficit will be recovered in the following fiscal year.

NOTE R - COMMITMENT - HEALTH AND HUMAN SERVICES FACILITIES

Effective January 1993, a Resolution was adopted by Council authorizing the city to participate in the development of a health and human services campus and facility for the medical treatment of indigent and needy citizens of Columbus. Construction of the project and rendering of medical services will be provided by the Medical Center Hospital Authority. The Consolidated Government's participation included the providing of funds and land. The funds provided totaled \$3,106,000, most of which came from the sale of land.

The Columbus Consolidated Government is obligated under Georgia State Law (31-3-9) to "provide the county board of health with quarters and equipment sufficient for its operation." Effective July 1, 1997, the Columbus Consolidated Government is obligated to provide funds for rent in the amount of \$271,837 annually to the Medical Center Hospital Authority on behalf of the Columbus Health Department.

The Consolidated Government also has contracted with the Authority for the provision of medical care to indigent residents and prisoners

of city jails. The annual cost to the City is 3 mills times the value of taxable real and personal property comprising the tax digests of the City. In addition to this special levy, if the annual cost of prisoner medical care exceeds \$500,000, the Consolidated Government will pay one-half of the excess cost. During the year ended June 30, 2006, funds remitted to the Medical Center Hospital Authority totaled \$11,110,500. This financial arrangement is effective for thirty years commencing July 1, 1992.

NOTE S - COMMITMENTS - CONSTRUCTION CONTRACTS

The Consolidated Government is under obligation for all material construction contracts in the amount of \$71,206,795 as of June 30, 2006. At that date, \$40,127,701 had been spent, leaving an uncompleted contractual obligation of \$31,079,094. These contracts are connected with the Special Purpose Local Option Sales Tax (SPLOST) and various other projects.

NOTE T - CONTINGENCIES

During the 2004 fiscal year, the Columbus Airport Commission, a component unit, issued Series 2003 Airport Refunding Revenue Bonds for the primary purpose of refunding its Series 1994 Airport Improvement Revenue Bonds maturing after January 1, 2004. The Bonds are not deemed to be a debt of the Government. However, the Government has contractually agreed that, should net revenues of the airport be insufficient to pay the principal and interest of the 2003 bonds as the same become due and payable, the Government will provide funds for any such deficiency. The Government will also insure that the balance of the reserve account of the Sinking Fund is maintained at the reserve requirement. The Airport Commission notified the Government that as of June 30, 2006, the Commission had sufficient funds to make the payment required as of July 1, 2006 and also maintain the Reserve Account of the Sinking Fund at the Reserve Requirement.

During the 1992 fiscal year, the Hospital Authority of Columbus, Georgia, a component unit issued Revenue Anticipation Certificates of \$5,000,000. The certificates are not deemed to constitute a debt of the Government. However, the Government has contractually agreed that, to the extent net revenues of the facilities of the Authority are insufficient to pay debt service on the certificates on a timely basis, it will pay the Authority an amount sufficient to service the debt on a timely basis. Pursuant to the contract, the Government is obligated, to the extent necessary to make payments there under, to levy an ad valorem tax on all taxable property located within the boundaries of the Government within the seven mill limitation authorized by Article 4, Chapter 7 of Title 31 of the Official Code of Georgia Annotated.

In December of 1985, the Medical Center issued Series 1985 Revenue Bonds to provide funds to insubstance defease the Series 1979 Revenue Anticipation Certificate on which the Consolidated Government was contingently liable.

The Consolidated Government has no liability with regard to the Series 1985 Revenue Bonds.

The contingent and overlapping bonded debt arrangements of the Government are summarized as follows:

General Obligation Debt	\$32,190,000
Contractual Debt	
Columbus Building Authority	78,410,165
Water and Sewer Authority	2,050,000
Contractual Contingent Debt	
Columbus Airport Commission	3,820,000
Hospital Authority of Columbus, Georgia	1,630,000
Columbus Water Works	<u>2,905,658</u>
	<u>\$ 121,005,823</u>

Revenue bonds have been issued in the amount of \$117,305,000, which are supported solely from revenues generated by the Columbus, Georgia, Water & Sewer System, a component unit.

Material revenue is derived from contractual agreements with government agencies and may be subject to retroactive adjustment.

NOTE U - CONTINGENT LIABILITIES - LITIGATION

The Consolidated Government has elected to be self-insured with regard to litigation. The Government does not maintain a funded reserve for potential liability. The Government's ability to levy and collect taxes provides the basis for funding contingent liabilities relating to litigation.

The Government is party to a substantial number of lawsuits incidental to operations and associations with authorities created by its Charter, some involving substantial amounts. At the balance sheet date, per Counsel, the maximum exposure of all lawsuits totaled \$3,575,000. A potential estimated liability in the amount of \$3,575,000 has been provided for in the financial statements as a long-term portion in the Government Wide Statement of Net Assets.

If the ultimate resolution of these cases results in additional expense to the Government, such expense will be charged to operations when determined. Estimating the results of any litigation contains elements of uncertainty. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the Government. Additional information is included in Note V - Risk Management.

NOTE V - RISK MANAGEMENT

I. Employee and Retiree Health and Life Insurance Fund

The Consolidated Government has established a Risk Management Fund (an internal service fund) in which losses associated with employee and retiree health claims are accounted for and financed. A commercial health insurance company administers the health claims. Under this program, the employee health care and life insurance fund provides coverage for up to a maximum of \$125,000 for each worker's or retiree's health claim. The Consolidated Government purchases coverage in excess of \$125,000 from the health insurance company by increase in administration charges. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the Consolidated Government participate in the program and make payments to this Fund based on estimates provided through analysis of historical cost information of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses. The claims liability of \$1,737,998 reported in the Fund at June 30, 2006 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Fund's claims liability amount in fiscal 2005 and 2006 were:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes <u>in Estimates</u>	Claim <u>Payments</u>	Balance At Fiscal <u>Year-End</u>
2004-2005	\$ 706,119	\$ 16,044,042	\$ (15,276,161)	\$ 1,474,000
2005-2006	\$1,474,000	\$ 16,172,532	\$ (15,908,534)	\$ 1,737,998

II. Workers Compensation and Uninsured Losses

It is the policy of the Consolidated Government not to purchase commercial insurance for certain risks of loss to which it is exposed. Instead, the Consolidated Government believes it more economical to manage its certain risks internally and set aside assets for claim settlement in the Risk Management Fund.

The Risk Management Fund services claims for risk of loss, including general liability, property and casualty, and workers' compensation.

Consolidated Government of Columbus, Georgia
Notes to Financial Statements
June 30, 2006

The Association of County Commissioners (ACCG) administers the workers' compensation claims. Under this program, all claims payments are made by ACCG with monthly billing to the Consolidated Government. Other services of ACCG include: claims administrative services, risk management information services, loss control and safety, Subsequent Injury Trust Fund, Workers' Compensation Board assessment and actuarial reporting.

All funds of the Consolidated Government participate in the Risk Management Fund. The Risk Management Fund allocates the cost of providing claims servicing and claims payment by charging a "premium" to each fund, based on a percentage of each organization's estimated current-year payroll. This charge considers recent trends in actual claims experience of the Consolidated Government as a whole and makes provision for catastrophe losses.

Liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims, and other economic and social factors. Changes in the balances of claims liabilities for the Risk Management Fund during fiscal 2005 and 2006 were as follows:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes <u>in Estimates</u>	Claim Payments	Balance At Fiscal Year-End
2004-2005	\$ 1,506,669	\$ 2,149,147	\$ (1,757,344)	\$ 1,901,472
2005-2006	\$ 1,901,472	\$ 1,379,590	\$ (1,602,494)	\$ 1,678,568

At June 30, 2006, the Fund held \$2,653,402 in cash designated for payment of these claims.

III. Other

The Consolidated Government covers all other risks of loss not provided for in its internal service funds through the General Fund. These risks include but are not limited to torts, damage and destruction of assets. Current claims expenditures and liabilities are recognized and paid in the General Fund. The long-term portion is recognized in General Long-Term Debt.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not settled. At June 30, 2006 the amount of these liabilities was \$3,575,000. This liability is the Consolidated Government's best estimate based on available information. Changes in liabilities during fiscal 2005 and 2006 were as follows:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes <u>in Estimates</u>	Claim Payments <u></u>	Balance At Fiscal Year-End <u></u>
2004-2005				
General Fund	\$ 2,550,000	\$ (2,036,750)	\$ (513,250)	\$ -
Long-Term Debt	<u>2,410,000</u>	<u>1,880,000</u>	<u>-</u>	<u>4,290,000</u>
	<u>\$ 4,960,000</u>	<u>\$ (156,750)</u>	<u>\$ (513,250)</u>	<u>\$ 4,290,000</u>
2005-2006				
General Fund	\$ -	\$ 120,000	\$ (120,000)	\$ -
Long-Term Debt	<u>4,290,000</u>	<u>(715,000)</u>	<u>-</u>	<u>3,575,000</u>
	<u>\$ 4,290,000</u>	<u>\$ (595,000)</u>	<u>\$ (120,000)</u>	<u>\$ 3,575,000</u>

Additional information is provided in Note U, contingent liabilities litigation.

NOTE W - RETIREMENT BENEFITS

Prior to 1967, the Transportation System was privately owned. Employees of the predecessor Company under age 55 on August 1, 1967, who became employees of the Government, are covered under the current employee pension plan. Those employees who were over age 55 were not permitted to become members of the current pension plan because of the maximum entry age provision. Therefore, the Government has assumed the liability of the employee pension plan in effect at the time the Government purchased the Transportation System. The actuarial valuation of the unfunded prior service liability of this plan was determined to be \$8,406 at June 30, 2006, and is currently reflected as a liability for employees' retirement in the Transportation Fund. Benefit payments are budgeted annually.

NOTE X - BENEFIT PLANS

The Government has established a Major Disability Income Plan and a Death Benefit Plan administered through the Pension Benefit Fund of the Government. In addition to the employees of the Consolidated Government, these plans are made available to the employees of the Columbus Water Works, the Airport Commission and the Hospital Authority.

The Major Disability Plan provides benefits to full-time employees who become disabled due to sickness or injury. The benefit is 60% of monthly compensation averaged over the past year reduced by other disability payments.

Employer contributions are determined on an annual basis by actuarial valuation. Employee contributions are not permitted. The Government's 2006 contribution was \$97,919 and was actuarially determined to be \$97,919.

The Death Benefit Plan provides life insurance for retirees who, on the day prior to retirement under the Columbus, Georgia Employees' Retirement Fund, are insured for group life insurance under the Columbus, Georgia Employees' Group Insurance Plan. A benefit for spouses, and for children and grandchildren under age 19 (age 23, if in school), is available with the payment of a monthly premium.

Employer contributions to the Plan are determined annually by actuarial valuation. The actuarial cost method used to determine the contribution amount and actuarial accrued liability was the aggregate actuarial cost method.

Under the aggregate actuarial cost method, the Normal Cost is computed as the level percentage of pay which, if paid from the valuation date until each participant's retirement or termination date, will, together with the assets of the plan accumulate with interest at the rate assumed in the valuation to a fund sufficient to pay all benefits under the plan. Significant actuarial assumptions are (1) 7.0% per annum return on investment and (2) 3.25% per annum earnings progression.

Experience gains or losses, i.e., decreases or increases in liabilities attributable to deviations in experience from the actuarial assumptions, are spread into the future, increasing or decreasing normal cost for future years.

The valuation included all active employees currently participating in one of the Government-sponsored retirement plans, as well as retired participants and their dependents who were covered by group life insurance under the Columbus, Georgia Employees' Group Insurance Plan immediately prior to their retirement. There were 2,658 active participants as of June 30, 2005. The Government's 2006 contribution to the Plan was \$131,321 and was actuarially determined to be \$131,321.

As of June 30, 2005, the actuarial accrued liability of the Death Benefit Plan was \$3,491,779. The value of the assets available in the Death Benefits Plan is \$2,106,775. The unfunded actuarial accrued liability for the Death Benefit Plan was \$1,385,004.

Health insurance is provided for all retired employees under the Consolidated Government's health insurance plan. The retired employee is required to contribute to the Plan coverage for health and death benefits. The Consolidated Government contributions are financed on a pay-as-you-go basis. During the current year, the Consolidated Government expended \$3,065,151 for retiree health insurance for 914 participants.

The benefit provisions and all other requirements are established by state statute and local ordinance.

NOTE Y - EMPLOYEES AND PUBLIC SAFETY RETIREMENT PLANS

The Consolidated Government maintains two non-contributory, defined benefit pension plans (PERS); one single employer plan covering the sworn officers of the Department of Public Safety, correctional officers and law enforcement officers of the Muscogee County Sheriff's Department and law enforcement officers of Parks Security (PERS A); and one multi-employer plan covering substantially all other full time employees of the Consolidated Government, the Columbus Water Works, the Airport Commission, the Hospital Authority, the Columbus Trade and Convention Center, and Bull Creek Golf Course Authority (PERS B).

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting. The Consolidated Government of Columbus, Georgia PERS financial statements are prepared on the accrual basis of accounting. Contributions from the Consolidated Government are recognized as revenue in the period in which employees provide services to the Consolidated Government. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Methods Used to Value Investments. Investments are reported at fair value. Short-term investments are reported at cost which approximates fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. There are no investments in, loans or leases with parties related to the pension plan.

Funding Policy:

During the 1991 fiscal year, the Consolidated Government effectively repealed all prior funding ordinances and provided for the funding of the plans in accordance with the minimum requirements established by Georgia Law, Title 47 of the Official Code of Georgia, Annotated. Contribution requirements are actuarially determined annually. Active participants are not required to make contributions to the plans. Administrative costs are financed through investment earnings.

**Combining Statement of Plan Net Assets of Pension Trust Funds
Fiduciary Funds
As of June 30, 2006**

	General Government PERS B	Public Safety PERS A
Assets:		
Operating Cash	\$ 1,001,283	\$ 1,303,936
Receivables:		
Interest	381,218	496,446
Other	221,303	311,177
Due from Governmental Funds	513,749	519,307
Due from Component Units	7,500	-
Total Receivables	1,123,770	1,326,930
Investments, at Fair Value		
US Government Obligations	14,837,415	19,322,253
Mortgages	6,531,045	8,505,154
Corporate Bonds	8,949,285	11,654,345
Common Stocks	44,187,974	57,544,473
Short Term Investments	3,790,650	4,936,432
Total Investments	78,296,369	101,962,657
TOTAL ASSETS	80,421,422	104,593,523
Liabilities:		
TOTAL LIABILITIES	-	-
Net Assets Held in Trust for Pension Benefits	\$ 80,421,422	\$ 104,593,523

**Combining Statement of Changes in Plan Net Assets of Pension Trust Funds
Fiduciary Funds
For Fiscal Year Ending June 30, 2006**

	General Government PERS B	Public Safety PERS A
	<u> </u>	<u> </u>
Additions:		
Employer Contributions	\$ 6,400,793	\$ 8,800,000
Investment Income:		
Interest and Dividends	2,420,468	3,152,092
Administrative Fees	(363,563)	(473,455)
Net Appreciation (Depreciation) in Fair Value of Investments	<u>1,512,217</u>	<u>2,485,594</u>
Total Investment Income	<u>3,569,122</u>	<u>5,164,231</u>
Miscellaneous	<u>946</u>	<u>1,232</u>
TOTAL ADDITIONS	<u>9,970,861</u>	<u>13,965,463</u>
Deductions:		
Benefits	4,861,361	7,012,830
Contractual Services	<u>48,934</u>	<u>48,933</u>
TOTAL DEDUCTIONS	<u>4,910,295</u>	<u>7,061,763</u>
CHANGE IN NET ASSETS	5,060,566	6,903,700
NET ASSETS HELD IN TRUST		
FOR PENSION BENEFITS - BEGINNING	<u>75,360,856</u>	<u>97,689,823</u>
NET ASSETS HELD IN TRUST		
FOR PENSION BENEFITS - ENDING	<u>\$ 80,421,422</u>	<u>\$ 104,593,523</u>

PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS A)

Plan Description:

Sworn officers of the Department of Public Safety, including employees of the Columbus Police Department, Columbus Fire Department, Emergency Management, Emergency Medical Service, Muscogee County Correctional Institution, correctional officers and law enforcement officers of the Muscogee County Sheriff's Department, participate in the PERS A, single-employer, noncontributory, defined benefit pension plan. Also participating in PERS A are law enforcement officers of the Parks Security Division. The benefit provisions and all other requirements are established by state statute and City ordinance. The Public Employee Retirement System (PERS A) provides retirement, disability and death benefits to plan members and their beneficiaries.

Consolidated Government of Columbus, Georgia
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<u>Group</u>	<u>July 1, 2005</u>
Retirees and Beneficiaries currently receiving benefits	337
Vested Terminated Participants	192
Active Employees	1,065

Annual Pension Cost:

For 2006, the required contribution was \$8,800,000. The City's annual pension cost was \$8,870,100 for PERS A and the actual contribution was \$8,800,000. The required contribution was determined as part of the July 1, 2004 actuarial valuation using the frozen entry age actuarial cost method. The actuarial assumptions included (a) 7.0% investment rate of return reduced from 7.5% (net of administrative expenses) and (b) projected salary increases at 3.25% per year and an inflation rate of 2.5 % per year.

The Actuarial Value of Assets is a 3-year smoothing method, established July 1, 1998. One-third of the master trust market value gain or loss for the current year, and two-thirds of the gain or loss from the previous year are recognized in the current year's actuarial value. Gains and losses for all years prior to the previous year are fully recognized. PERS A's unfunded accrued liability is being amortized as a level percentage of project payroll on a closed basis. The remaining amortization period at June 30, 2005 was 9 years. The Annual Pension Cost was computed as follows:

Annual Required Contribution	\$ 8,800,000
Interest on Net Pension Obligation	(74,287)
Adjustment to Annual Required Contribution	<u>144,387</u>
Annual Pension Cost	8,870,100
Actual Contribution Made	<u>8,800,000</u>
Increase in Net Pension Obligation	70,100
Net Pension Obligation Beginning of the Year	<u>(990,495)</u>
Net Pension Obligation End of Year	<u>\$ (920,395)</u>

Three Year Trend Information for PERS A:

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension Cost (APC)</u>	<u>Percentage of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
June 30, 2004	\$ 6,078,966	99%	\$ (1,054,280)
June 30, 2005	\$ 7,570,252	99%	\$ (990,495)
June 30, 2006	\$ 8,870,100	99%	\$ (920,395)

Required Supplemental Disclosure PERS A
Schedule of Funding Progress
(Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a) / (b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b) - (a) / (c)
7/1/03	\$ 98,105	\$ 126,921	\$ 28,816	77.3%	\$ 38,763	74.3%
7/1/04	\$ 101,106	\$ 136,764	\$ 35,658	73.9%	\$ 38,846	91.8%
7/1/05	\$ 107,863	\$ 141,941	\$ 34,077	76.0%	\$ 38,389	88.8%

PUBLIC EMPLOYEE RETIREMENT SYSTEM (PERS B)

Plan Description:

Substantially all of the full-time employees of the Consolidated Government (other than those participating in PERS A), the Columbus Water Works, the Airport Commission, the Hospital Authority, the Columbus Trade and Convention Center, and Bull Creek Golf Course Authority participate in the PERS B, a multiple-employer, noncontributory, cost sharing, defined benefit pension plan. The benefit provisions and all other requirements are established by state statute and city ordinance. The Public Employee Retirement System (PERS B) provides retirement, disability and death benefits to plan members and their beneficiaries. Current membership in the PERS B is comprised of the following:

<u>Group</u>	<u>July 1, 2005</u>
Retirees and Beneficiaries currently receiving benefits	577
Terminated participants entitled to future benefits	422
Active Employees	1,547
Number of Participating employers	6

Annual Pension Cost:

For 2006, the City's required contribution was \$4,833,920. The City's annual pension cost was \$4,833,920 for PERS B and the actual contribution was \$4,833,920. The required contribution was determined as part of the July 1, 2004 actuarial valuation using the Frozen Entry Age actuarial cost method. The actuarial assumptions included (a) 7.0% investment rate of return reduced from 7.5% (net of administrative expenses), (b) projected salary increases of 3.25% per year and an inflation rate of 2.5 % per year.

The Actuarial Value of Assets is a 3-year smoothing method, established July 1, 1998. One-third of the master trust market value gain or loss for the current year, and two-thirds of the gain or loss from the previous year are recognized in the current year's actuarial value. Gains and losses for all years prior to the previous year are fully recognized. PERS B's unfunded accrued liability is being amortized as a level percentage of project payroll on a closed basis. The remaining amortization period at June 30, 2005 was 8 years. The Annual Pension Cost was computed as follows:

Consolidated Government of Columbus, Georgia
Notes to Financial Statements
June 30, 2006

Annual Required Contribution	\$ 4,833,920
Interest on Net Pension Obligation	(222,172)
Adjustment to Annual Required Contribution	<u>470,088</u>
Annual Pension Cost	5,081,836
Actual Contribution Made	<u>(4,833,920)</u>
Increase in Net Pension Obligation	247,916
Net Pension Obligation Beginning of the Year	<u>(3,002,141)</u>
Net Pension Obligation End of Year	<u>\$ (2,754,225)</u>

Three Year Trend Information for PERS B:

<u>Fiscal Year</u> <u>Ending</u>	<u>Annual</u> <u>Pension Cost (APC)</u>	<u>Percentage of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
June 30, 2004	\$ 3,251,243	91%	\$ (3,270,899)
June 30, 2005	\$ 4,277,754	94%	\$ (3,002,141)
June 30, 2006	\$ 5,081,836	95%	\$ (2,754,225)

Required Supplemental Disclosure PERS B
Schedule of Funding Progress
(Dollar Amounts in Thousands)

<u>Actuarial</u> <u>Valuation</u> <u>Date</u>	<u>Actuarial</u> <u>Value of</u> <u>Assets</u> <u>(a)</u>	<u>Actuarial</u> <u>Accrued</u> <u>Liability</u> <u>(AAL)</u> <u>(b)</u>	<u>Unfunded</u> <u>AAL</u> <u>(UAAL)</u> <u>(b)-(a)</u>	<u>Funded</u> <u>Ratio</u> <u>(a) / (b)</u>	<u>Annual</u> <u>Covered</u> <u>Payroll</u> <u>(c)</u>	<u>UAAL as a</u> <u>Percentage of</u> <u>Covered</u> <u>Payroll</u> <u>(b) - (a) / (c)</u>
7/1/03	\$ 76,145	\$ 98,757	\$ 22,612	77.1%	\$ 43,761	51.7%
7/1/04	\$ 77,996	\$ 106,065	\$ 28,069	73.5%	\$ 43,076	65.2%
7/1/05	\$ 82,827	\$ 109,508	\$ 26,680	75.6%	\$ 44,144	60.4%

NOTE Z - HOTEL/MOTEL LODGING TAX

The Columbus Consolidated Government has levied a 7% lodging tax. A summary of the transactions for the year ending June 30, 2006 follows:

Lodging tax receipts		\$ 3,447,796
Disbursements to:		
Columbus Convention & Visitors Bureau	(40.0714%)	(1,381,580)
Civic Center	(28.5715%)	(985,087)
Columbus Sports Council	(2.7857%)	(96,045)
Columbus Trade & Convention Center	(14.2857%)	(492,542)
River Center For The Performing Arts	(14.2857%)	<u>(492,542)</u>
Balance of lodging tax funds on hand at end of year		<u>\$ -----</u>

The Columbus Consolidated Government has received audit reports from the Columbus Convention and Visitors Bureau (Component Unit), the Columbus Sports Council and the River Center for the Performing Arts covering the lodging tax monies. The Civic Center (Special Revenue Fund) and the Columbus Trade & Convention Center (Component Unit) are a part of the annual audit of the Columbus Consolidated Government. Each entity used the revenue for promotion of tourism as required by the Official Code of Georgia Annotated (OCGA) 48-13-51.

NOTE AA - SPECIAL PURPOSE LOCAL OPTION SALES TAX

On November 2, 1999, the voters of Muscogee County approved a referendum to continue a special one percent retail sales and use tax to raise \$255,441,322 for various capital and road projects. Of the voter-approved total, \$235,500,000 is direct project costs and \$19,941,322 is financing costs. The Director of the Department of Revenue Sales notified the Consolidated Government and Use Tax Division the new sales tax would begin effective April 1, 2001. The original direct project costs budget of \$235,500,000 was increased to \$240,500,000 by Council action in November 2001. The beginning balance of the Library project expenditures was adjusted by \$33,919 which was discovered when the Library project was reconciled during the current year. The schedule of projects listed below indicates their current status.

Consolidated Government of Columbus, Georgia
Special Purpose Local Option Sales Tax Projects

<u>Category</u>	<u>Project Budget</u>	<u>FY00 Thru FY05</u> <u>Expenditures</u>	<u>FY06</u> <u>Expenditures</u>	<u>Total Expenditures</u>	<u>% Complete as</u> <u>of 6/30/06</u>
Public Safety					
Fire Stations	\$ 5,000,000	\$ 5,013,467	\$ 6,678	\$ 5,020,145	100.00%
Vehicles & Equipment	\$ 13,000,000	\$ 10,488,880	\$ 1,005,075	\$ 11,493,955	88.00%
Animal Shelter	\$ 2,000,000	\$ -	\$ -	\$ -	0.00%
Total	\$ 20,000,000	\$ 15,502,347	\$ 1,011,753	\$ 16,514,100	83.00%
Economic					
Liberty District Redevelopment	\$ 5,000,000	\$ 257,047	\$ 123,018	\$ 380,065	8.00%
Columbus Iron Works Convention and Trade Center	\$ 5,000,000	\$ 7,075,403	\$ -	\$ 7,075,403	142.00%
Enterprise Zone	\$ 7,000,000	\$ 57,868	\$ 364,064	\$ 421,932	6.00%
Need for Land (NFL)	\$ 12,000,000	\$ 5,141,364	\$ 635,963	\$ 5,777,327	48.00%
Total	\$ 29,000,000	\$ 12,531,682	\$ 1,180,913	\$ 13,712,595	47.00%
Recreation	\$ 35,000,000	\$ 19,280,661	\$ 1,013,271	\$ 20,293,932	58.00%
Transportation	\$ 13,500,000	\$ 2,042,306	\$ 292,566	\$ 2,334,872	17.00%
Government Service Center	\$ 3,000,000	\$ -	\$ -	\$ -	0.00%
Stormwater Drainage and Flood Abatement	\$ 30,000,000	\$ 9,291,616	\$ 1,662,790	\$ 10,954,406	37.00%
Governmental, Proprietary & Administrative	\$ 30,000,000	\$ 29,668,974	\$ -	\$ 29,668,974	99.00%
Library	\$ 40,000,000	\$ 39,400,334	\$ 538,222	\$ 39,938,556	100.00%
Roads	\$ 40,000,000	\$ 15,318,699	\$ 4,467,121	\$ 19,785,820	49.00%
TOTAL DIRECT PROJECT COSTS	\$ 240,500,000	\$ 143,036,619	\$ 10,108,768	\$ 153,145,387	

Required Supplementary Information

Public Employee Retirement System (PERS A) Schedule of Funding Progress (Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a) / (b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b) - (a) / (c)
7/1/94	\$44,027	\$59,376	\$15,349	74.10%	\$24,006	63.9%
7/1/95	\$52,467	\$67,779	\$15,311	77.40%	\$26,407	58.0%
7/1/96	\$60,613	\$76,909	\$16,296	78.80%	\$27,482	59.3%
7/1/97	\$72,331	\$88,508	\$16,177	81.70%	\$30,050	53.8%
7/1/98	\$79,827	\$103,793	\$23,965	76.90%	\$29,193	82.1%
7/1/99	\$85,475	\$108,797	\$23,322	78.60%	\$31,338	74.4%
7/1/00	\$94,508	\$117,924	\$23,416	80.10%	\$32,681	71.6%
7/1/01	\$99,274	\$122,684	\$23,410	80.90%	\$34,723	67.4%
7/1/02	\$99,204	\$129,249	\$30,045	76.80%	\$36,953	81.3%
7/1/03	\$98,105	\$126,921	\$28,816	77.30%	\$38,763	74.3%

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Employer Contribution Actually Made	Actual Contribution as a % of Calculated Contribution
6/30/94	\$3,557	\$3,563	100.2%
6/30/95	\$3,221	\$3,328	103.3%
6/30/96	\$3,833	\$3,879	101.2%
6/30/97	\$3,802	\$3,980	104.7%
6/30/98	\$3,800	\$3,903	102.7%
6/30/99	\$3,707	\$3,968	107.0%
6/30/00	\$3,647	\$3,669	100.6%
6/30/01	\$3,801	\$3,802	100.0%
6/30/02	\$4,258	\$4,258	100.0%
6/30/03	\$4,828	\$4,828	100.0%

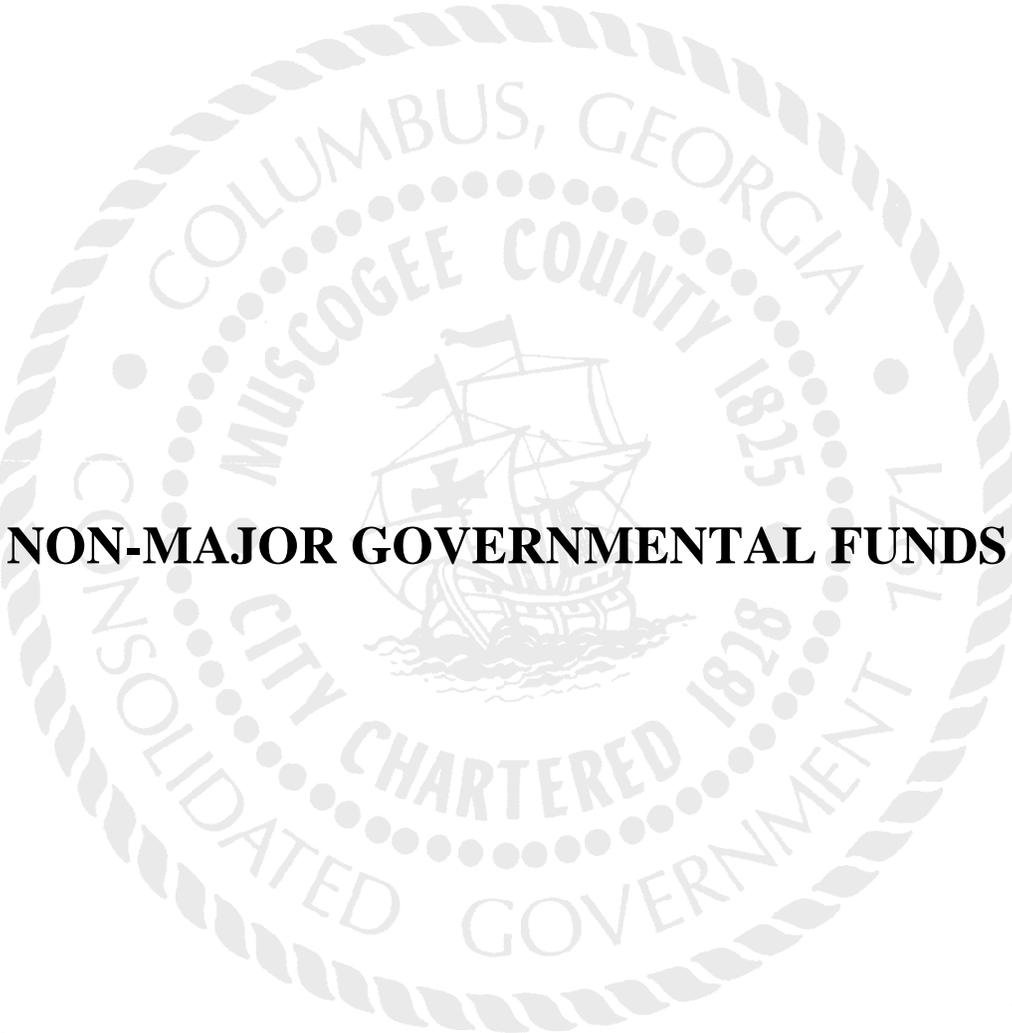
Required Supplementary Information

Public Employee Retirement System (PERS B) Schedule of Funding Progress (Dollar Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a) / (b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b) - (a) / (c)
7/1/94	\$41,075	\$51,353	\$10,278	80.00%	\$29,997	34.3%
7/1/95	\$46,586	\$57,367	\$10,781	81.20%	\$31,614	34.1%
7/1/96	\$51,576	\$64,771	\$13,194	79.60%	\$30,658	43.0%
7/1/97	\$60,657	\$74,173	\$13,516	81.80%	\$31,804	42.5%
7/1/98	\$66,056	\$82,525	\$16,469	80.00%	\$32,003	51.5%
7/1/99	\$70,056	\$89,781	\$19,725	78.00%	\$37,129	53.1%
7/1/00	\$76,645	\$94,297	\$17,651	81.30%	\$37,908	46.6%
7/1/01	\$79,344	\$99,428	\$20,084	79.80%	\$39,387	51.0%
7/1/02	\$77,978	\$101,753	\$23,284	76.60%	\$41,996	57.3%
7/1/03	\$76,145	\$98,757	\$22,612	77.10%	\$43,761	51.7%

Schedule of Employer Contributions

Fiscal Year Ending	Annual Required Contribution	Employer Contribution Actually Made	Actual Contribution as a % of Calculated Contribution
6/30/94	\$2,416	\$2,686	111.2%
6/30/95	\$2,501	\$2,607	104.2%
6/30/96	\$2,497	\$3,082	123.4%
6/30/97	\$2,708	\$3,015	111.3%
6/30/98	\$2,357	\$2,735	116.0%
6/30/99	\$2,111	\$2,479	117.4%
6/30/00	\$2,245	\$2,572	114.5%
6/30/01	\$2,266	\$2,437	107.6%
6/30/02	\$2,302	\$2,302	100.0%
6/30/03	\$2,592	\$2,592	100.0%



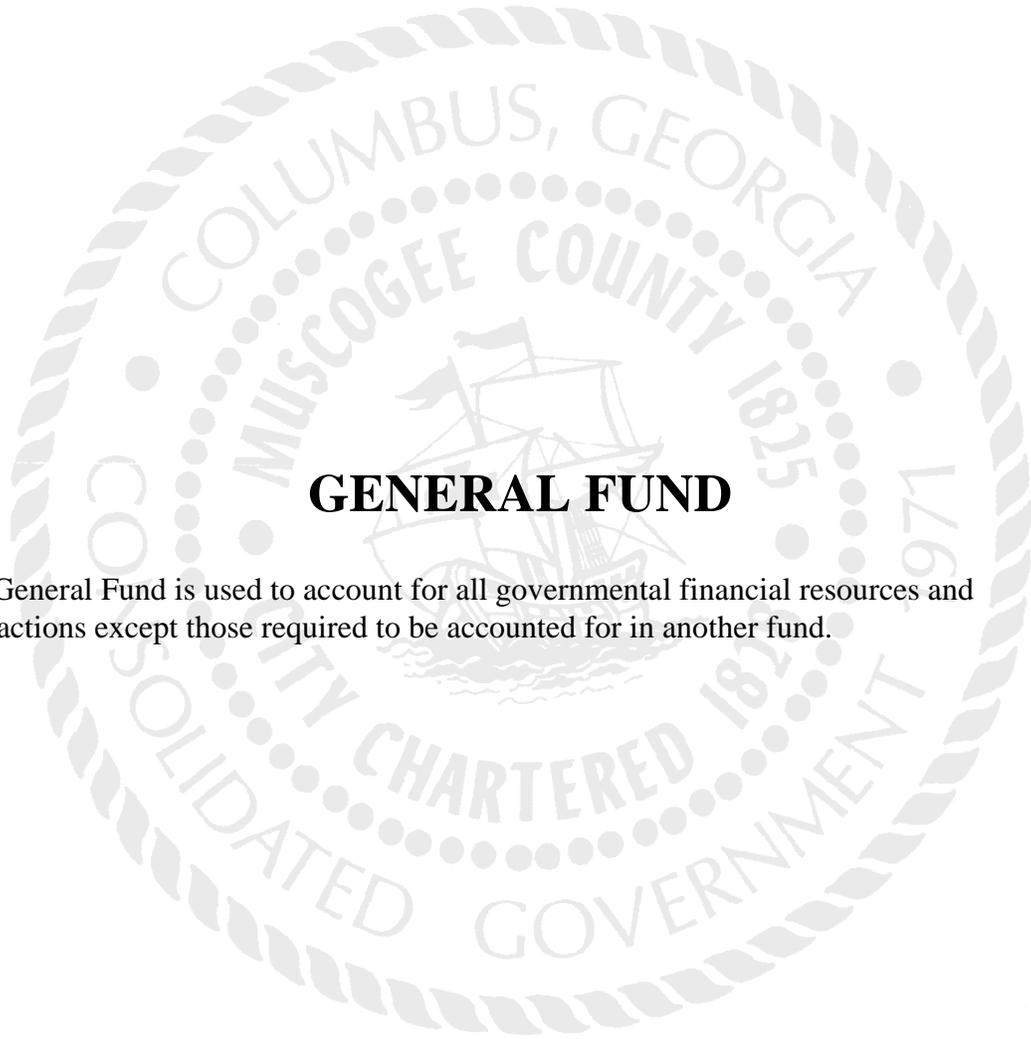
NON-MAJOR GOVERNMENTAL FUNDS

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combined Balance Sheet
Non-Major Governmental Funds
June 30, 2006

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Assets:					
Cash	\$ 3,660,876	\$ 221,647	\$ 558,073	\$ 26,251	\$ 4,466,847
Restricted Cash	-	-	219,289	-	219,289
Investments	11,042,110	2,939,980	37,464,839	1,426,342	52,873,271
Restricted Investments	62,245	-	-	-	62,245
Receivables:					
Taxes	1,313,513	320,838	-	-	1,634,351
Accounts	522,677	118,623	56,016	-	697,316
Street Assessments	1,500	-	-	-	1,500
Interest	250,692	-	137,868	60,215	448,775
Notes	6,641,501	-	-	-	6,641,501
Other	188,559	-	-	-	188,559
Due from Other Funds	46,973	-	-	-	46,973
Due from Other Governments	2,002,390	-	-	-	2,002,390
Prepaid Items	1,380	-	-	-	1,380
TOTAL ASSETS	\$ 25,734,416	\$ 3,601,088	\$ 38,436,085	\$ 1,512,808	\$ 69,284,397
Liabilities and Fund Balances:					
Liabilities:					
Accounts Payable	\$ 1,381,159	\$ -	\$ 2,333,399	\$ -	\$ 3,714,558
Retainage Payable	-	-	1,200	-	1,200
Accrued Liabilities	9,203	1,343	-	-	10,546
Deferred Revenues	553,722	92,081	27,286	-	673,089
Due to Other Funds	812,474	-	21,015	-	833,489
Due to Fiduciary Funds	89,345	-	-	-	89,345
TOTAL LIABILITIES	2,845,903	93,424	2,382,900	-	5,322,227
Fund Balances:					
Reserved:					
Non-Current Notes	6,662,423	-	-	-	6,662,423
Encumbrances	985,384	-	6,012,375	-	6,997,759
Project Contingency	352,267	-	-	-	352,267
Debt Service	-	3,507,664	-	-	3,507,664
Perpetual Care	-	-	-	325,314	325,314
Unreserved:					
Designated for Projects	491,904	-	30,040,810	-	30,532,714
Undesignated	14,396,535	-	-	1,187,494	15,584,029
TOTAL FUND BALANCES	22,888,513	3,507,664	36,053,185	1,512,808	63,962,170
TOTAL LIABILITIES AND FUND BALANCES	\$ 25,734,416	\$ 3,601,088	\$ 38,436,085	\$ 1,512,808	\$ 69,284,397

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For Fiscal Year Ended June 30, 2006

	Non-Major Special Revenue Funds	Non-Major Debt Service Funds	Non-Major Capital Projects Funds	Permanent Funds	Total Other Governmental Funds
Revenues:					
General Property Taxes	\$ 16,197,142	\$ 5,052,893	\$ -	\$ -	\$ 21,250,035
Sales and Use Taxes	3,447,796	-	-	-	3,447,796
Other Taxes	444,305	144,791	-	-	589,096
Intergovernmental Revenues	9,262,495	754,113	26,784	-	10,043,392
Charges for Services	3,271,360	-	-	-	3,271,360
Interest Revenues	208,047	106,241	938,599	60,015	1,312,902
Fines and Forfeitures	742,485	-	-	-	742,485
Sales and Rentals	142,470	-	-	-	142,470
Miscellaneous	38,062	435,558	-	-	473,620
TOTAL REVENUES	33,754,162	6,493,596	965,383	60,015	41,273,156
Expenditures:					
Current:					
General Government	1,155,040	-	-	-	1,155,040
Public Safety	3,523,561	-	-	-	3,523,561
Public Works	12,096,042	-	-	-	12,096,042
Culture and Recreation	2,773,091	-	-	-	2,773,091
Public Welfare	2,150,970	-	-	-	2,150,970
Urban Development and Housing	5,341,221	-	-	-	5,341,221
Economic Opportunity	1,712,312	-	-	-	1,712,312
Capital Projects	-	-	14,465,148	-	14,465,148
Debt Service:					
Principal Retirement	-	4,090,204	-	-	4,090,204
Interest and Fiscal Charges	-	4,902,134	-	-	4,902,134
TOTAL EXPENDITURES	28,752,237	8,992,338	14,465,148	-	52,209,723
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,001,925	(2,498,742)	(13,499,765)	60,015	(10,936,567)
Other Financing Sources (Uses):					
Operating Transfers In	295,687	1,334,813	2,729,864	-	4,360,364
Operating Transfers Out	(3,605,764)	-	-	-	(3,605,764)
TOTAL OTHER FINANCING SOURCES (USES)	(3,310,077)	1,334,813	2,729,864	-	754,600
NET CHANGE IN FUND BALANCES	1,691,848	(1,163,929)	(10,769,901)	60,015	(10,181,967)
FUND BALANCES - BEGINNING	21,196,665	4,671,593	46,823,086	1,452,793	74,144,137
FUND BALANCES - ENDING	\$ 22,888,513	\$ 3,507,664	\$ 36,053,185	\$ 1,512,808	\$ 63,962,170



GENERAL FUND

The General Fund is used to account for all governmental financial resources and transactions except those required to be accounted for in another fund.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Balance Sheet

General Fund

June 30, 2006

	<u>2006</u>
Assets:	
Cash	\$ 5,370,445
Investments	24,109,239
Receivables:	
Taxes	9,052,351
Accounts	3,003,883
Interest	246,497
Notes	94,559
Due from Other Funds	3,588,477
Due from Other Governments	722,518
Due from Component Units	2,314,984
Inventory of Supplies	347,495
Prepaid Items	<u>13,260</u>
TOTAL ASSETS	<u>\$ 48,863,708</u>
Liabilities and Fund Balance:	
Liabilities:	
Accounts Payable	\$ 1,882,053
Accrued Liabilities	194,179
Deferred Revenue	659,634
Due to Other Funds	465,293
Due to Fiduciary Funds	<u>872,598</u>
TOTAL LIABILITIES	4,073,757
Fund Balance:	
Reserved:	
Non-Current Notes	39,303
Encumbrances	555,044
Grant/Project Contingency	549,566
Catastrophe Losses	3,871,940
Unreserved:	
Undesignated	<u>39,774,098</u>
TOTAL FUND BALANCE	<u>44,789,951</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 48,863,708</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund
For Fiscal Year Ended June 30, 2006

	2006
Revenues:	
General Property Taxes	\$ 44,641,750
Sales and Use Taxes	37,463,448
Other Taxes	24,103,216
Licenses and Permits	2,542,800
Intergovernmental Revenues	419,212
Charges for Services	15,968,449
Interest Revenues	972,457
Fines and Forfeitures	3,719,218
Sales and Rentals	633,273
Miscellaneous Revenues	723,325
TOTAL REVENUES	131,187,148
Expenditures:	
Current:	
General Government	24,909,938
Public Safety	73,355,468
Public Works	9,170,116
Culture and Recreation	8,955,030
Health and Welfare	2,223,837
Housing and Urban Development	1,327,328
TOTAL EXPENDITURES	119,941,717
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	11,245,431
Other Financing Sources (Uses):	
Operating Transfers In	324,564
Operating Transfers Out	(5,201,642)
TOTAL OTHER FINANCING SOURCES (USES)	(4,877,078)
NET CHANGE IN FUND BALANCE	6,368,353
FUND BALANCE - BEGINNING	38,421,598
FUND BALANCE - ENDING	\$ 44,789,951

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Expenditures by Department
Budgetary Level of Control-Budget and Actual Comparison
General Fund
For Fiscal Year Ended June 30, 2006

	Budget		Actual	Variance
	Original	Final		(Over) Under
General Government:				
Council	\$ 277,120	\$ 292,312	\$ 292,312	\$ -
Clerk of Council	172,202	177,594	177,594	-
COUNCIL TOTAL	449,322	469,906	469,906	-
Mayor's Office	300,001	300,848	296,046	4,802
Mayor's Committee for the Handicapped	43,621	43,621	41,041	2,580
OFFICE OF THE MAYOR TOTAL	343,622	344,469	337,087	7,382
CITY ATTORNEY TOTAL	508,633	544,744	544,744	-
City Manager	547,008	553,508	543,541	9,967
Special Projects	187,640	188,240	179,944	8,296
Criminal Justice Coordinator	199,507	199,507	187,614	11,893
Management/Research & Analysis	-	-	-	-
Mailroom	66,824	69,324	50,062	19,262
Citizens Service Center	313,328	310,828	274,078	36,750
Real Estate	68,256	68,256	78,720	(10,464)
Risk Management	54,250	54,250	57,266	(3,016)
Public Information	78,940	78,940	80,979	(2,039)
CITY MANAGER TOTAL	1,515,753	1,522,853	1,452,204	70,649
INFORMATION TECHNOLOGY TOTAL	2,957,809	2,968,742	2,925,137	43,605
Human Resources	616,777	616,777	604,286	12,491
Employee Benefits	1,030,730	1,030,730	1,015,074	15,656
HUMAN RESOURCES TOTAL	1,647,507	1,647,507	1,619,360	28,147
Director of Finance	243,461	243,461	239,609	3,852
Revenue Collection / Occupation Tax	817,708	817,708	828,045	(10,337)
Accounting	386,455	386,455	382,988	3,467
Purchasing	301,160	301,160	288,613	12,547
Financial Planning	244,257	244,257	238,166	6,091
FINANCE TOTAL	1,993,041	1,993,041	1,977,421	15,620
COOPERATIVE EXTENSION SERVICE TOTAL	118,881	118,881	112,533	6,348
PRINT SHOP TOTAL	192,503	194,805	194,805	-
TAX COMMISSIONER TOTAL	1,264,491	1,195,551	1,186,255	9,296
Superior Court Judges	1,020,408	970,408	970,909	(501)
Court Intake Services	26,035	23,035	22,620	415
Adult Probation Office	131,349	131,349	133,620	(2,271)
Juvenile Court	477,420	433,625	432,041	1,584
Circuit Wide Juvenile Court	232,986	221,986	218,083	3,903
Jury Manager	435,319	376,319	375,493	826
SUPERIOR COURT TOTAL	2,323,517	2,156,722	2,152,766	3,956
State Court Judges	497,042	499,458	491,996	7,462
Solicitor	890,495	894,250	894,238	12
STATE COURT TOTAL	1,387,537	1,393,708	1,386,234	7,474

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Expenditures by Department
Budgetary Level of Control-Budget and Actual Comparison
General Fund
For Fiscal Year Ended June 30, 2006

	Budget		Actual	Variance
	Original	Final		(Over) Under
PROBATE JUDGE TOTAL	347,871	350,924	350,924	-
District Attorney	1,429,773	1,456,220	1,456,220	-
Victim / Witness Assistance Program	275,007	160,007	156,796	3,211
DISTRICT ATTORNEY TOTAL	1,704,780	1,616,227	1,613,016	3,211
CLERK OF SUPERIOR COURT TOTAL	1,805,707	1,837,181	1,835,573	1,608
PUBLIC DEFENDER TOTAL	1,278,095	1,148,095	1,144,005	4,090
Municipal Court Clerk	574,980	573,975	597,380	(23,405)
Municipal Court Judge	283,140	284,154	244,104	40,050
MUNICIPAL COURT TOTAL	858,120	858,129	841,484	16,645
NONDEPARTMENTAL TOTAL	3,367,632	3,652,217	3,555,109	97,108
BOARD OF ELECTIONS TOTAL	360,315	333,917	333,754	163
BOARD OF TAX ASSESSORS TOTAL	934,999	838,999	819,849	19,150
TOTAL GENERAL GOVERNMENT	\$ 25,360,135	\$ 25,186,618	\$ 24,852,166	\$ 334,452
Public Safety:				
Chief of Police	649,774	574,774	563,993	10,781
Intelligence/Vice	901,292	801,292	795,856	5,436
Office of Professional Standards	353,046	353,208	355,398	(2,190)
Conditional Discharge Program	195,779	195,779	194,775	1,004
Metro Drug Task Force	130,430	130,430	144,259	(13,829)
Field Operations	11,018,601	11,019,248	10,744,684	274,564
Investigation Services	6,363,852	6,241,037	6,109,107	131,930
Support Services	2,431,435	2,460,648	2,437,169	23,479
Administrative Services	1,174,202	1,174,364	1,145,337	29,027
Motor Transport	755,500	755,500	1,166,363	(410,863)
POLICE DEPARTMENT TOTAL	23,973,911	23,706,280	23,656,941	49,339
Chief	432,060	452,060	459,336	(7,276)
Operations	18,275,725	18,152,795	18,066,154	86,641
Administrative Services	784,782	786,907	721,566	65,341
Logistics/Support	770,990	1,049,590	1,144,156	(94,566)
Emergency Management	112,886	186,845	170,910	15,935
Special Operations	972,708	1,015,449	934,312	81,137
FIRE DEPARTMENT TOTAL	21,349,151	21,643,646	21,496,434	147,212
MUSCOGEE COUNTY PRISON TOTAL	5,886,150	5,964,534	5,912,185	52,349
Administrative	1,086,343	1,107,676	970,618	137,058
Patrol and Courts	2,619,596	2,619,596	2,885,166	(265,570)
Investigative / Fugitive	1,172,150	1,172,150	1,094,232	77,918
Training	188,894	188,894	212,922	(24,028)
Motor Transport	136,700	216,700	236,884	(20,184)
Jail	11,463,621	11,596,849	11,303,312	293,537
Recorders Court	821,379	821,379	824,106	(2,727)
Environmental Court	11,424	11,424	8,066	3,358
Medical Director	2,792,224	3,436,088	3,614,930	(178,842)
SHERIFF'S DEPARTMENT TOTAL	20,292,331	21,170,756	21,150,236	20,520
CORONER TOTAL	243,789	223,889	197,171	26,718

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Expenditures by Department
Budgetary Level of Control-Budget and Actual Comparison
General Fund
For Fiscal Year Ended June 30, 2006

	Budget		Actual	Variance
	Original	Final		(Over) Under
MUNICIPAL COURT MARSHAL TOTAL	786,567	870,176	835,876	34,300
TOTAL PUBLIC SAFETY	\$ 72,531,899	\$ 73,579,281	\$ 73,248,843	\$ 330,438
Public Works:				
Director of Public Services	378,873	370,873	371,829	(956)
Cemeteries	236,800	244,800	242,334	2,466
Fleet Management	1,867,657	1,867,657	1,837,712	29,945
Facilities Maintenance	2,521,641	2,521,641	2,627,647	(106,006)
Special Enforcement	1,163,312	1,168,327	1,155,601	12,726
Other Maintenance/Repairs	1,126,208	1,243,874	974,080	269,794
Traffic Engineering	1,334,239	1,334,727	1,381,582	(46,855)
Geographic Information System	204,022	204,022	169,818	34,204
Radio Communications	323,727	323,727	286,803	36,924
TOTAL PUBLIC WORKS	\$ 9,156,479	\$ 9,279,648	\$ 9,047,406	\$ 232,242
Culture and Recreation:				
Director of Parks and Recreation	332,574	332,574	344,512	(11,938)
Confederate Naval Museum	309,657	309,657	304,915	4,742
Golden Park	93,109	98,109	77,215	20,894
Memorial Stadium	43,720	45,040	45,644	(604)
Park Services	4,354,006	4,351,358	4,392,388	(41,030)
Aquatics	507,017	510,866	519,195	(8,329)
Pottery Shop	207,035	207,035	204,854	2,181
Recreation Services	1,292,197	1,336,197	1,389,053	(52,856)
Cooper Creek Tennis Center	282,510	282,510	220,594	61,916
Therapeutic	179,397	179,884	171,180	8,704
Athletic	413,173	420,713	396,969	23,744
Golf Course Subsidies	150,000	150,000	150,000	-
Community Schools Operation	1,246,632	1,016,763	993,096	23,667
TOTAL CULTURE AND RECREATION	\$ 9,411,027	\$ 9,240,706	\$ 9,209,615	\$ 31,091
Health and Welfare:				
Senior Citizens Center	539,510	413,910	397,428	16,482
Agency Appropriations	1,826,409	1,826,409	1,826,409	-
TOTAL HEALTH AND WELFARE	\$ 2,365,919	\$ 2,240,319	\$ 2,223,837	\$ 16,482
Housing and Urban Development:				
Planning	205,339	193,037	179,213	13,824
Inspections and Code Enforcement	1,125,817	1,164,854	1,124,078	40,776
TOTAL HOUSING & URBAN DEVELOPMENT	\$ 1,331,156	\$ 1,357,891	\$ 1,303,291	\$ 54,600
OPERATING TRANSFERS OUT	\$ 4,510,000	\$ 5,243,791	\$ 5,201,642	\$ 42,149
TOTAL EXPENDITURES AND OTHER FINANCING USES	\$ 124,666,615	\$ 126,128,254	\$ 125,086,800	\$ 1,041,454

(Concluded)

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the process of special revenue sources that are legally restricted to expenditures for specific purpose. The Consolidated Government has nineteen special funds based on the revenue source and the program purpose.

Paving Fund - To provide for the maintenance and improvements to the Consolidated Government's roads and bridges.

Sewer Fund - To provide for the operation, maintenance and improvements to the Consolidated Government's storm sewer system.

Medical Center Fund - To provide funding for indigent hospital care for the residents of Columbus.

Community Development Block Grant Fund - To account for grant monies received from the Department of Housing and Urban Development under the Community Development Block Grant Program.

Economic Development Program Fund - To account for monies loaned under the Consolidated Government's revolving loan fund.

Economic Development – Development Authority – To provide funding for economic development activities to include working with local and regional entities in attracting quality companies, working to broaden the Muscogee County tax base, job creation and retention.

Multi-Governmental Project Fund - To account for grant monies received from various federal and state agencies.

Hotel-Motel Tax Fund - To account for hotel/motel tax revenue designated for the funding of the Columbus Convention and Visitors Bureau and of the programs and facilities identified in the Consolidated Government's Master Tourism Plan.

County Drug Abuse Treatment Fund - To account for additional penalties imposed by Georgia State Law 15-21-100, Article Six designated for drug abuse treatment and education programs relating to controlled substances and marijuana.

Urban Development Action Grant Fund - To account for loans and program income received from the Department of Housing and Development under the Urban Development Action Grant Program.

Job Training Partnership Program Fund - To account for grant monies received from the Department of Labor under the Job Training Partnership Act.

Metro Drug Task Force Fund - To account for monies forfeited under the Controlled Substances Act designated for the joint law enforcement activities of the Columbus Police Department and the Muscogee County Sheriff's Department.

County Jail Fund/Penalty Assessment Fund - To account for monies collected under the Jail Construction and Staffing Act (Ga. L1989 p.1753) to provide for constructing, operating, and staffing jails, correctional institutions and detention facilities of the Consolidated Government.

Police Forfeiture Fund - To account for monies received from federal and state forfeitures designated for police department expenditures.

Sheriff's Forfeiture Fund - To account for monies received from federal and state forfeitures designated for sheriff department expenditures.

Emergency Telephone Fund - To account for telephone subscriber surcharge collections and the operations of the Emergency 911 system.

Family Connection Partnership Fund - To account for revenues from the State of Georgia Department of Human Resources to provide funding to the Muscogee County Family Connection.

Home Program Fund - To account for grant monies received from the Department of Housing and Urban Development under the Home Investment Partnership Program.

Columbus Greenspace Trust Fund - To account for monies received from the Department of Natural Resources under the Georgia Greenspace Act.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Balance Sheet
Special Revenue Funds
June 30, 2006

	Paving Fund	Sewer Fund	Community Development Block Grant Fund	Economic Development Program Fund	Economic Development- Devel. Authority Fund	Multi- Governmental Project Fund
Assets:						
Cash	\$ -	\$ 67,495	\$ 1,154,991	\$ 159,503	\$ -	\$ -
Investments	3,712,628	1,965,412	-	-	-	-
Restricted Investments	-	-	-	-	-	62,245
Receivables:						
Taxes	720,753	263,818	-	-	14,196	-
Accounts	28,947	12,814	480,916	-	-	-
Street Assessments	1,500	-	-	-	-	-
Interest	24,129	6,978	198,049	-	-	-
Notes	-	-	98,463	167,439	-	-
Other	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	37,570
Due from Other Governments	114,298	-	111,464	-	-	1,239,007
Prepaid Items	-	-	-	-	-	187
TOTAL ASSETS	\$ 4,602,255	\$ 2,316,517	\$ 2,043,883	\$ 326,942	\$ 14,196	\$ 1,339,009
Liabilities and Fund Balances:						
Liabilities:						
Accounts Payable	\$ 140,259	\$ 28,194	\$ 147,145	\$ 345	\$ -	\$ 542,240
Accrued Liabilities	1,866	1,067	-	661	-	4,063
Deferred Revenues	209,089	65,927	43,923	-	16,276	161,267
Due to Other Funds	255,524	-	-	-	-	348,185
Due to Fiduciary Funds	55,510	17,323	-	-	-	-
TOTAL LIABILITIES	662,248	112,511	191,068	1,006	16,276	1,055,755
Fund Balances:						
Reserved:						
Non-Current Notes	-	-	98,463	188,361	-	-
Encumbrances	260,393	22,653	609,051	-	-	72,942
Project Contingency	-	-	-	-	-	-
Unreserved:						
Designated for Projects	-	-	-	-	-	-
Undesignated	3,679,614	2,181,353	1,145,301	137,575	(2,080)	210,312
TOTAL FUND BALANCES	3,940,007	2,204,006	1,852,815	325,936	(2,080)	283,254
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,602,255	\$ 2,316,517	\$ 2,043,883	\$ 326,942	\$ 14,196	\$ 1,339,009

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Balance Sheet
Special Revenue Funds
June 30, 2006

	Hotel/ Motel Tax Fund	County Drug Abuse Treatment Fund	Urban Deveopment Action Grant Fund	Job Training Partnership Program Fund	Home Program Fund	Metro Drug Task Force Fund	Penalty Assessment Fund
Assets:							
Cash	\$ 46,659	\$ 6,843	\$ 796,547	\$ -	\$ 660,835	\$ 133,644	\$ 127,735
Investments	565,393	159,616	139,425	-	-	44,855	3,245,043
Restricted Investments	-	-	-	-	-	-	-
Receivables:							
Taxes	314,746	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Street Assessments	-	-	-	-	-	-	-
Interest	1,622	-	-	-	-	-	15,498
Notes	-	-	942,697	-	5,432,902	-	-
Other	-	-	-	3,342	-	-	1,130
Due from Other Funds	-	9,403	-	-	-	-	-
Due from Other Governments	-	-	-	283,917	236,191	-	-
Prepaid Items	-	680	-	-	513	-	-
TOTAL ASSETS	\$ 928,420	\$ 176,542	\$ 1,878,669	\$ 287,259	\$ 6,330,441	\$ 178,499	\$ 3,389,406
Liabilities and Fund Balances:							
Liabilities:							
Accounts Payable	\$ 203,890	\$ 220	\$ -	\$ 99,491	\$ 157,561	\$ 854	\$ 42
Accrued Liabilities	-	-	-	1,546	-	-	-
Deferred Revenues	-	-	-	-	57,240	-	-
Due to Other Funds	-	-	-	189,964	-	-	-
Due to Fiduciary Funds	-	-	-	-	-	-	-
TOTAL LIABILITIES	203,890	220	-	291,001	214,801	854	42
Fund Balances:							
Reserved:							
Non-Current Notes	-	-	942,697	-	5,432,902	-	-
Encumbrances	-	2,651	-	-	-	-	-
Project Contingency	-	-	-	-	-	-	-
Unreserved:							
Designated for Projects	-	173,671	-	-	-	177,645	-
Undesignated	724,530	-	935,972	(3,742)	682,738	-	3,389,364
TOTAL FUND BALANCES	724,530	176,322	1,878,669	(3,742)	6,115,640	177,645	3,389,364
TOTAL LIABILITIES AND FUND BALANCES	\$ 928,420	\$ 176,542	\$ 1,878,669	\$ 287,259	\$ 6,330,441	\$ 178,499	\$ 3,389,406

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Balance Sheet
Special Revenue Funds
June 30, 2006

Emergency Telephone Fund	Police Forfeiture Fund	Sheriff's Forfeiture Fund	Columbus Greenspace Trust Fund	Family Connection Partnership Fund	Total Special Revenue Funds
\$ 155,287	\$ 46,457	\$ 303,964	\$ 916	\$ -	\$ 3,660,876
1,055,711	83,243	70,784	-	-	11,042,110
-	-	-	-	-	62,245
-	-	-	-	-	1,313,513
-	-	-	-	-	522,677
-	-	-	-	-	1,500
-	4,416	-	-	-	250,692
-	-	-	-	-	6,641,501
184,087	-	-	-	-	188,559
-	-	-	-	-	46,973
-	-	-	-	17,513	2,002,390
-	-	-	-	-	1,380
\$ 1,395,085	\$ 134,116	\$ 374,748	\$ 916	\$ 17,513	\$ 25,734,416
\$ 43,659	\$ -	\$ 16,009	\$ -	\$ 1,250	\$ 1,381,159
-	-	-	-	-	9,203
-	-	-	-	-	553,722
-	-	-	-	18,801	812,474
16,512	-	-	-	-	89,345
60,171	-	16,009	-	20,051	2,845,903
-	-	-	-	-	6,662,423
17,694	-	-	-	-	985,384
-	82,114	270,153	-	-	352,267
-	52,002	88,586	-	-	491,904
1,317,220	-	-	916	(2,538)	14,396,535
1,334,914	134,116	358,739	916	(2,538)	22,888,513
\$ 1,395,085	\$ 134,116	\$ 374,748	\$ 916	\$ 17,513	\$ 25,734,416

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For Fiscal Year Ended June 30, 2006

	Paving Fund	Sewer Fund	Community Development Block Grant Fund	Economic Development Program Fund	Economic Development- Devel. Authority Fund	Multi- Governmental Project Fund	Hotel/ Motel Tax Fund
Revenues:							
General Property Taxes	\$ 11,651,010	\$ 3,671,612	\$ -	\$ -	\$ 874,520	\$ -	\$ -
Sales and Use Tax	-	-	-	-	-	-	3,447,796
Other Taxes	337,827	106,478	-	-	-	-	-
Intergovernmental Revenues	36,147	8,132	2,269,821	-	-	3,423,650	-
Charges for Services	356,689	137,593	112,502	-	-	-	-
Interest Revenues	39,435	26,569	-	-	-	4,767	20,090
Fines, Penalties and Forfeitures	-	-	-	-	-	-	-
Sales and Rentals	-	-	110,000	-	-	-	-
Miscellaneous	-	19,952	7,821	94	-	7,413	-
TOTAL REVENUES	12,421,108	3,970,336	2,500,144	94	874,520	3,435,830	3,467,886
Expenditures:							
Current:							
General Government	651,521	170,493	-	-	-	6,873	-
Public Safety	-	-	-	-	-	781,814	-
Public Works	9,205,102	2,577,449	-	-	-	313,491	-
Culture and Recreation	-	-	-	-	-	80,122	2,692,969
Health and Welfare	-	-	-	-	-	2,120,467	-
Housing and Urban Development	-	-	2,266,662	1,462	782,040	428,470	-
Economic Opportunity	-	-	-	-	-	-	-
TOTAL EXPENDITURES	9,856,623	2,747,942	2,266,662	1,462	782,040	3,731,237	2,692,969
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,564,485	1,222,394	233,482	(1,368)	92,480	(295,407)	774,917
Other Financing Sources (Uses):							
Operating Transfers In	-	-	-	-	-	295,687	-
Operating Transfers Out	(793,172)	(492,692)	(1,334,813)	-	-	-	(985,087)
TOTAL OTHER FINANCING SOURCES (USES)	(793,172)	(492,692)	(1,334,813)	-	-	295,687	(985,087)
NET CHANGE IN FUND BALANCES	1,771,313	729,702	(1,101,331)	(1,368)	92,480	280	(210,170)
FUND BALANCES - BEGINNING	2,168,694	1,474,304	2,954,146	327,304	(94,560)	282,974	934,700
FUND BALANCES - ENDING	\$ 3,940,007	\$ 2,204,006	\$ 1,852,815	\$ 325,936	\$ (2,080)	\$ 283,254	\$ 724,530

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For Fiscal Year Ended June 30, 2006

County Drug Abuse Treatment Fund	Urban Development Action Grant Fund	Job Training Partnership Program Fund	Home Program Fund	Metro Drug Task Force Fund	Penalty Assessment Fund	Emergency Telephone Fund	Police Forfeiture Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	1,712,312	1,763,093	-	-	-	-
-	-	-	-	-	-	2,664,576	-
8,205	5,717	-	-	1,839	59,278	35,113	4,132
25,077	-	-	-	121,708	251,967	-	3,982
-	-	-	-	30,803	-	-	1,667
-	200	-	1,000	-	-	-	-
<u>33,282</u>	<u>5,917</u>	<u>1,712,312</u>	<u>1,764,093</u>	<u>154,350</u>	<u>311,245</u>	<u>2,699,689</u>	<u>9,781</u>
-	-	-	-	2,464	-	272,767	-
29,182	-	-	-	112,819	-	2,413,571	13,686
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
30,503	-	-	-	-	-	-	-
-	10,930	-	1,851,657	-	-	-	-
-	-	1,712,312	-	-	-	-	-
<u>59,685</u>	<u>10,930</u>	<u>1,712,312</u>	<u>1,851,657</u>	<u>115,283</u>	<u>-</u>	<u>2,686,338</u>	<u>13,686</u>
(26,403)	(5,013)	-	(87,564)	39,067	311,245	13,351	(3,905)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(26,403)</u>	<u>(5,013)</u>	<u>-</u>	<u>(87,564)</u>	<u>39,067</u>	<u>311,245</u>	<u>13,351</u>	<u>(3,905)</u>
202,725	1,883,682	(3,742)	6,203,204	138,578	3,078,119	1,321,563	138,021
<u>\$ 176,322</u>	<u>\$ 1,878,669</u>	<u>\$ (3,742)</u>	<u>\$ 6,115,640</u>	<u>\$ 177,645</u>	<u>\$ 3,389,364</u>	<u>\$ 1,334,914</u>	<u>\$ 134,116</u>

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Special Revenue Funds
For Fiscal Year Ended June 30, 2006

	Sheriff's Forfeiture Fund	Columbus Greenspace Fund	Family Connection Partnership Fund	Total Special Revenue Funds
Revenues:				
General Property Taxes	\$ -	\$ -	\$ -	\$ 16,197,142
Sales and Use Tax	-	-	-	3,447,796
Other Taxes	-	-	-	444,305
Intergovernmental Revenues	-	-	49,340	9,262,495
Charges for Services	-	-	-	3,271,360
Investment Earnings	2,902	-	-	208,047
Fines, Penalties and Forfeitures	339,751	-	-	742,485
Sales and Rentals	-	-	-	142,470
Miscellaneous	-	-	1,582	38,062
TOTAL REVENUES	342,653	-	50,922	33,754,162
Expenditures:				
Current:				
General Government	-	-	50,922	1,155,040
Public Safety	172,489	-	-	3,523,561
Public Works	-	-	-	12,096,042
Culture and Recreation	-	-	-	2,773,091
Health and Welfare	-	-	-	2,150,970
Urban Development and Housing	-	-	-	5,341,221
Economic Opportunity	-	-	-	1,712,312
TOTAL EXPENDITURES	172,489	-	50,922	28,752,237
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	170,164	-	-	5,001,925
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	295,687
Operating Transfers Out	-	-	-	(3,605,764)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(3,310,077)
NET CHANGE IN FUND BALANCES	170,164	-	-	1,691,848
FUND BALANCES - BEGINNING	188,575	916	(2,538)	21,196,665
FUND BALANCES - ENDING	<u>\$ 358,739</u>	<u>\$ 916</u>	<u>\$ (2,538)</u>	<u>\$ 22,888,513</u>

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Paving Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
General Property Taxes	\$ 10,801,635	\$ 11,651,010	\$ 849,375
Other Taxes	247,050	337,827	90,777
Intergovernmental Revenues	-	36,147	36,147
Charges for Services	256,975	356,689	99,714
Interest Revenues	15,000	39,435	24,435
TOTAL REVENUES	11,320,660	12,421,108	1,100,448
Expenditures:			
General Government	730,571	651,521	(79,050)
Public Works	9,990,500	9,272,532	(717,968)
TOTAL EXPENDITURES	10,721,071	9,924,053	(797,018)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	599,589	2,497,055	1,897,466
Other Financing Sources (Uses):			
Transfers Out	(793,172)	(793,172)	-
TOTAL OTHER FINANCING SOURCES (USES)	(793,172)	(793,172)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(193,583)	1,703,883	1,897,466
FUND BALANCES - BEGINNING BUDGETARY BASIS	2,168,694	2,168,694	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 1,975,111	3,872,577	\$ 1,897,466
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		67,430	
FUND BALANCES - ENDING GAAP BASIS		\$ 3,940,007	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Sewer Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
General Property Taxes	\$ 3,404,774	\$ 3,671,612	\$ 266,838
Other Taxes	83,000	106,478	23,478
Intergovernmental Revenues	4,378	8,132	3,754
Charges for Services	23,500	137,593	114,093
Interest Revenues	10,500	26,569	16,069
Miscellaneous	19,952	19,952	-
TOTAL REVENUES	<u>3,546,104</u>	<u>3,970,336</u>	<u>424,232</u>
Expenditures:			
General Government	190,493	170,493	(20,000)
Public Works	2,917,878	2,545,143	(372,735)
TOTAL EXPENDITURES	<u>3,108,371</u>	<u>2,715,636</u>	<u>(392,735)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	437,733	1,254,700	816,967
Other Financing Sources (Uses):			
Transfers Out	(492,692)	(492,692)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(492,692)</u>	<u>(492,692)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(54,959)	762,008	816,967
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>1,474,304</u>	<u>1,474,304</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 1,419,345</u>	2,236,312	<u>\$ 816,967</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>(32,306)</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 2,204,006</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Community Development Block Grant
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Intergovernmental Revenues	\$ 4,969,709	\$ 2,269,821	\$ (2,699,888)
Charges for Services	-	112,502	112,502
Sales and Rentals	-	110,000	110,000
Miscellaneous	-	7,821	7,821
TOTAL REVENUES	<u>4,969,709</u>	<u>2,500,144</u>	<u>(2,469,565)</u>
Expenditures:			
Urban Development and Housing	<u>3,634,896</u>	<u>1,569,514</u>	<u>(2,065,382)</u>
TOTAL EXPENDITURES	<u>3,634,896</u>	<u>1,569,514</u>	<u>(2,065,382)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,334,813	930,630	(404,183)
Other Financing Sources (Uses):			
Transfers Out	<u>(1,334,813)</u>	<u>(1,334,813)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,334,813)</u>	<u>(1,334,813)</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	(404,183)	(404,183)
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>2,954,146</u>	<u>2,954,146</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 2,954,146</u>	2,549,963	<u>\$ (404,183)</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>(697,148)</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 1,852,815</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Economic Development Program Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Miscellaneous	\$ -	\$ 94	\$ 94
TOTAL REVENUES	<u>-</u>	<u>94</u>	<u>94</u>
Expenditures:			
Urban Development and Housing	15,000	1,462	(13,538)
TOTAL EXPENDITURES	<u>15,000</u>	<u>1,462</u>	<u>(13,538)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,000)	(1,368)	13,632
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>327,304</u>	<u>327,304</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 312,304</u>	325,936	<u>\$ 13,632</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>-</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 325,936</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Economic Development - Development Authority
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
General Property Taxes	\$ 859,879	\$ 874,520	\$ 14,641
TOTAL REVENUES	859,879	874,520	14,641
Expenditures:			
Urban Development and Housing	859,879	782,040	(77,839)
TOTAL EXPENDITURES	859,879	782,040	(77,839)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	92,480	92,480
FUND BALANCES - BEGINNING BUDGETARY BASIS	(94,560)	(94,560)	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ (94,560)	(2,080)	\$ 92,480
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ (2,080)	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Multi-Governmental Project Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Intergovernmental Revenues	\$ 4,890,611	\$ 3,423,650	\$ (1,466,961)
Interest Revenues	-	4,767	4,767
Miscellaneous	7,700	7,413	(287)
TOTAL REVENUES	<u>4,898,311</u>	<u>3,435,830</u>	<u>(1,462,481)</u>
Expenditures:			
General Government	20,000	(20,833)	(40,833)
Public Safety	968,993	661,434	(307,560)
Public Works	326,409	310,334	(16,075)
Culture and Recreation	86,375	80,122	(6,253)
Public Welfare	3,157,215	2,120,467	(1,036,748)
Urban Development and Housing	602,667	428,470	(174,197)
TOTAL EXPENDITURES	<u>5,161,659</u>	<u>3,579,993</u>	<u>(1,581,666)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(263,348)	(144,163)	119,185
Other Financing Sources (Uses):			
Transfers In	263,348	295,687	32,339
TOTAL OTHER FINANCING SOURCES (USES)	<u>263,348</u>	<u>295,687</u>	<u>32,339</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	151,524	151,524
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>282,974</u>	<u>282,974</u>	-
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 282,974</u>	434,498	<u>\$ 151,524</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>(151,244)</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 283,254</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Hotel/Motel Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Over (Under)
Revenues:			
Sales and Use Taxes	\$ 3,447,797	\$ 3,447,796	\$ (1)
Interest Revenues	-	20,090	20,090
TOTAL REVENUES	<u>3,447,797</u>	<u>3,467,886</u>	<u>20,089</u>
Expenditures:			
Culture and Recreation	<u>2,200,427</u>	<u>2,692,969</u>	<u>492,542</u>
TOTAL EXPENDITURES	<u>2,200,427</u>	<u>2,692,969</u>	<u>492,542</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,247,370	774,917	(472,453)
Other Financing Sources (Uses):			
Transfers Out	<u>(1,477,630)</u>	<u>(985,087)</u>	<u>492,543</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,477,630)</u>	<u>(985,087)</u>	<u>492,543</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(230,260)	(210,170)	20,090
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>934,700</u>	<u>934,700</u>	-
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 704,440</u>	724,530	<u>\$ 20,090</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>-</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 724,530</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
County Drug Abuse Treatment Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 8,205	\$ 8,205
Fines and Forfeitures	-	25,077	25,077
TOTAL REVENUES	-	33,282	33,282
Expenditures:			
Public Safety	107,902	23,931	(83,971)
Health and Welfare	100,000	30,503	(69,497)
TOTAL EXPENDITURES	207,902	54,434	(153,468)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(207,902)	(21,152)	186,750
FUND BALANCES - BEGINNING BUDGETARY BASIS	202,725	202,725	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ (5,177)	181,574	\$ 186,750
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		(5,252)	
FUND BALANCES - ENDING GAAP BASIS		\$ 176,322	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Urban Development Action Grant
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 5,717	\$ 5,717
Miscellaneous	-	200	200
TOTAL REVENUES	-	5,917	5,917
Expenditures:			
Urban Development and Housing	72,822	10,930	(61,892)
TOTAL EXPENDITURES	72,822	10,930	(61,892)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(72,822)	(5,013)	67,809
FUND BALANCES - BEGINNING BUDGETARY BASIS, AS RESTATED	1,883,682	1,883,682	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 1,810,860	1,878,669	\$ 67,809
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ 1,878,669	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Job Training Partnership Program Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Intergovernmental Revenues	\$ 2,070,078	\$ 1,712,312	\$ (357,766)
TOTAL REVENUES	<u>2,070,078</u>	<u>1,712,312</u>	<u>(357,766)</u>
Expenditures:			
Economic Opportunity	<u>2,252,386</u>	<u>1,712,312</u>	<u>(540,074)</u>
TOTAL EXPENDITURES	<u>2,252,386</u>	<u>1,712,312</u>	<u>(540,074)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(182,308)	-	(182,308)
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>(3,742)</u>	<u>(3,742)</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ (186,050)</u>	(3,742)	<u>\$ (182,308)</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>-</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ (3,742)</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Home Program Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Intergovernmental Revenues	\$ 2,635,416	\$ 1,763,093	\$ (872,323)
Miscellaneous	-	1,000	1,000
TOTAL REVENUES	<u>2,635,416</u>	<u>1,764,093</u>	<u>(871,323)</u>
Expenditures:			
Urban Development and Housing	2,635,416	1,848,500	(786,916)
TOTAL EXPENDITURES	<u>2,635,416</u>	<u>1,848,500</u>	<u>(786,916)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(84,407)	(84,407)
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>6,203,204</u>	<u>6,203,204</u>	-
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 6,203,204</u>	6,118,797	<u>\$ (84,407)</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>(3,157)</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 6,115,640</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Metro Drug Task Force Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Interest Revenues	\$ -	\$ 1,839	\$ 1,839
Fines and Forfeitures	89,000	121,708	32,708
Sales and Rentals	-	30,803	30,803
TOTAL REVENUES	<u>89,000</u>	<u>154,350</u>	<u>65,350</u>
Expenditures:			
General Government	2,464	2,464	-
Public Safety	176,536	112,819	(63,717)
TOTAL EXPENDITURES	<u>179,000</u>	<u>115,283</u>	<u>(63,717)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(90,000)	39,067	129,067
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>138,578</u>	<u>138,578</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 48,578</u>	177,645	<u>\$ 129,067</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 177,645</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Penalty Assessment Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Interest Revenues	\$ -	\$ 59,278	\$ 59,278
Fines and Forfeitures	-	251,967	251,967
TOTAL REVENUES	<u>-</u>	<u>311,245</u>	<u>311,245</u>
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>311,245</u>	<u>311,245</u>
Other Financing Sources (Uses):			
Transfers Out	(1,950,000)	-	(1,950,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,950,000)</u>	<u>-</u>	<u>(1,950,000)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(1,950,000)</u>	<u>311,245</u>	<u>2,261,245</u>
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>3,078,119</u>	<u>3,078,119</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 1,128,119</u>	<u>3,389,364</u>	<u>\$ 2,261,245</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>-</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 3,389,364</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Emergency Telephone Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Charges for Services	\$ 2,591,588	\$ 2,664,576	\$ 72,988
Interest Revenues	4,500	35,113	30,613
TOTAL REVENUES	2,596,088	2,699,689	103,601
Expenditures:			
General Government	272,767	272,767	-
Public Safety	2,761,130	2,358,456	(402,674)
TOTAL EXPENDITURES	3,033,897	2,631,223	(402,674)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(437,809)	68,466	506,275
Other Financing Sources (Uses):			
Transfers In	365,000	-	(365,000)
TOTAL OTHER FINANCING SOURCES (USES)	365,000	-	(365,000)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(72,809)	68,466	141,275
FUND BALANCES - BEGINNING BUDGETARY BASIS	1,321,563	1,321,563	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 1,248,754	1,390,029	\$ 141,275
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		(55,115)	
FUND BALANCES - ENDING GAAP BASIS		\$ 1,334,914	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Police Forfeiture Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Interest Revenues	\$ -	\$ 4,132	\$ 4,132
Fines and Forfeitures	-	3,982	3,982
Sales and Rentals	-	1,667	1,667
TOTAL REVENUES	<u>-</u>	<u>9,781</u>	<u>9,781</u>
Expenditures:			
Public Safety	100,000	13,686	(86,314)
TOTAL EXPENDITURES	<u>100,000</u>	<u>13,686</u>	<u>(86,314)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100,000)	(3,905)	96,095
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>138,021</u>	<u>138,021</u>	-
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 38,021</u>	<u>\$ 134,116</u>	<u>\$ 96,095</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>-</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 134,116</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Sheriff's Forfeiture Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:			
Interest Revenues	\$ -	\$ 2,902	\$ 2,902
Fines and Forfeitures	225,000	339,751	114,751
TOTAL REVENUES	<u>225,000</u>	<u>342,653</u>	<u>117,653</u>
Expenditures:			
Public Safety	325,000	172,489	(152,511)
TOTAL EXPENDITURES	<u>325,000</u>	<u>172,489</u>	<u>(152,511)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100,000)	170,164	270,164
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>188,575</u>	<u>188,575</u>	-
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 88,575</u>	358,739	<u>\$ 270,164</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		<u>-</u>	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 358,739</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Columbus Greenspace Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
TOTAL REVENUES	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING BUDGETARY BASIS	916	916	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 916	916	\$ -
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ 916	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Family Connection Partnership Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Intergovernmental Revenues	\$ 52,172	\$ 49,340	\$ (2,832)
Miscellaneous	-	1,582	1,582
TOTAL REVENUES	52,172	50,922	(1,250)
Expenditures:			
General Government	52,172	50,922	(1,250)
TOTAL EXPENDITURES	52,172	50,922	(1,250)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES - BEGINNING BUDGETARY BASIS, AS RESTATED	(2,538)	(2,538)	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ (2,538)	(2,538)	\$ -
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ (2,538)	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenue, Expenditures and Changes in Fund Balances
Job Training Partnership Program Fund
For Fiscal Year Ended June 30, 2006

	<u>WIA Adult</u> <u>10-05-11-08-014</u>	<u>WIA Adult</u> <u>11-05-11-08-014</u>	<u>WIA Adult</u> <u>11-06-11-08-014</u>	<u>WIA Youth</u> <u>15-04-11-08-014</u>	<u>WIA Youth</u> <u>15-05-11-08-014</u>
Revenues:					
Intergovernmental Revenues	\$ 124,195	\$ 483	\$ 477,474	\$ 8,016	\$ 469,203
TOTAL REVENUES	<u>124,195</u>	<u>483</u>	<u>477,474</u>	<u>8,016</u>	<u>469,203</u>
Expenditures:					
Administration	28,979	483	40,796	8,016	21,071
Program	<u>95,216</u>	<u>-</u>	<u>436,678</u>	<u>-</u>	<u>448,132</u>
TOTAL EXPENDITURES	<u>124,195</u>	<u>483</u>	<u>477,474</u>	<u>8,016</u>	<u>469,203</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>				

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenue, Expenditures and Changes in Fund Balances
Job Training Partnership Program Fund
For Fiscal Year Ended June 30, 2006

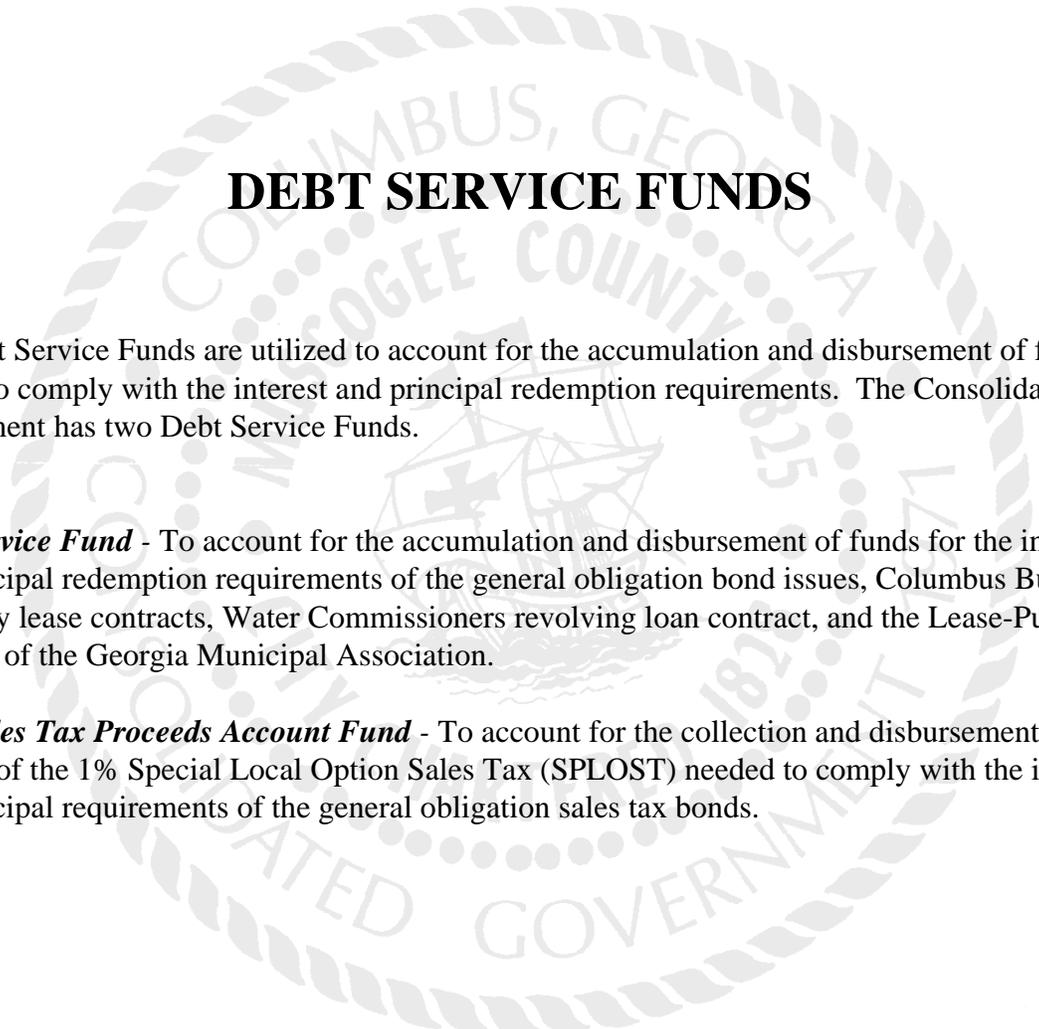
	WIA Youth 15-06-08-08-014	Summer Jobs for Youth 20-4-SF-8-144	WIA Dislocated Worker 30-05-11-08-014	WIA Dislocated Worker 31-05-11-08-014	WIA Dislocated Worker 31-06-11-08-014
Revenues:					
Intergovernmental Revenues	\$ 152,107	\$ 34,814	\$ 128,071	\$ 8,790	\$ 285,927
TOTAL REVENUES	152,107	34,814	128,071	8,790	285,927
Expenditures:					
Administration	4,060	-	20,043	8,790	22,019
Program	148,047	34,814	108,028	-	263,908
TOTAL EXPENDITURES	152,107	34,814	128,071	8,790	285,927
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	-
FUND BALANCES - BEGINNING	-	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ -	\$ -	\$ -

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenue, Expenditures and Changes in Fund Balances
Job Training Partnership Program Fund
For Fiscal Year Ended June 30, 2006

Welfare to Work DFCS	DW National Emergency 71-06-11-08-014	Total
\$ 21,606	\$ 1,626	\$ 1,712,312
21,606	1,626	1,712,312
-	1,626	155,883
21,606	-	1,556,429
21,606	1,626	1,712,312
-	-	-
(3,742)	-	(3,742)
\$ (3,742)	\$ -	\$ (3,742)

(Concluded)



DEBT SERVICE FUNDS

The Debt Service Funds are utilized to account for the accumulation and disbursement of funds needed to comply with the interest and principal redemption requirements. The Consolidated Government has two Debt Service Funds.

Debt Service Fund - To account for the accumulation and disbursement of funds for the interest and principal redemption requirements of the general obligation bond issues, Columbus Building Authority lease contracts, Water Commissioners revolving loan contract, and the Lease-Purchase Program of the Georgia Municipal Association.

1999 Sales Tax Proceeds Account Fund - To account for the collection and disbursement of the renewal of the 1% Special Local Option Sales Tax (SPLOST) needed to comply with the interest and principal requirements of the general obligation sales tax bonds.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Balance Sheet
Debt Service Fund
June 30, 2006

	<u>2006</u>
Assets:	
Cash	\$ 221,647
Investments	2,939,980
Receivables:	
Taxes	320,838
Accounts	<u>118,623</u>
TOTAL ASSETS	<u><u>\$ 3,601,088</u></u>
 Liabilities and Fund Balances:	
Liabilities:	
Accrued liabilities	\$ 1,343
Deferred revenue	<u>92,081</u>
TOTAL LIABILITIES	93,424
 Fund Balances:	
Reserved:	
Debt Service	<u>3,507,664</u>
TOTAL FUND BALANCES	<u>3,507,664</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 3,601,088</u></u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balance
Debt Service Fund
For Fiscal Year Ended June 30, 2006

	2006
Revenues:	
General Property Taxes	\$ 5,052,893
Other Taxes	144,791
Intergovernmental Revenues	754,113
Interest Revenues	106,241
Miscellaneous	435,558
TOTAL REVENUES	6,493,596
Expenditures:	
Debt Service:	
Principal Retirement	4,090,204
Interest and Fiscal Charges	4,902,134
TOTAL EXPENDITURES	8,992,338
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,498,742)
Other Financing Sources (Uses):	
Operating Transfers In	1,334,813
TOTAL OTHER FINANCING SOURCES (USES)	1,334,813
NET CHANGE IN FUND BALANCES	(1,163,929)
FUND BALANCES - BEGINNING	4,671,593
FUND BALANCES - ENDING	\$ 3,507,664

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Debt Service Fund
For Fiscal Year Ended June 30, 2006

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Over (Under)
Revenues:			
General Property Taxes	\$ 4,693,115	\$ 5,052,893	\$ 359,778
Other Taxes	76,318	754,113	677,795
Intergovernmental Revenues	742,772	106,241	(636,531)
Interest Revenues	5,000	435,558	430,558
Miscellaneous	405,000	-	(405,000)
TOTAL REVENUES	<u>5,922,205</u>	<u>6,348,805</u>	<u>426,600</u>
Expenditures:			
Principal Retirement	3,552,576	4,902,134	1,349,558
Interest and Fiscal Charges	4,269,329	-	(4,269,329)
TOTAL EXPENDITURES	<u>7,821,905</u>	<u>4,902,134</u>	<u>(2,919,771)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,899,700)	1,446,671	3,346,371
Other Financing Sources (Uses):			
Operating Transfers In	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(1,899,700)	1,446,671	3,346,371
FUND BALANCES - BEGINNING BUDGETARY BASIS	<u>4,671,593</u>	<u>4,671,593</u>	<u>-</u>
FUND BALANCES - ENDING BUDGETARY BASIS	<u>\$ 2,771,893</u>	<u>6,118,264</u>	<u>\$ 3,346,371</u>
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		<u>\$ 6,118,264</u>	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
1999 Sales Tax Proceeds Account Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Sales Tax	\$ 28,994,218	\$ 34,524,039	\$ 5,529,821
Interest Revenues	-	153,074	153,074
TOTAL REVENUES	28,994,218	34,677,113	5,682,895
Expenditures:			
Principal Retirement	11,535,000	11,535,000	-
Interest and Fiscal Charges	1,371,350	1,371,350	-
TOTAL EXPENDITURES	12,906,350	12,906,350	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,087,868	21,770,763	5,682,895
Other Financing Sources (Uses):			
Transfers Out	(16,087,868)	(21,821,723)	5,733,855
TOTAL OTHER FINANCING SOURCES (USES)	(16,087,868)	(21,821,723)	5,733,855
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	(50,960)	(50,960)
FUND BALANCES - BEGINNING BUDGETARY BASIS	19,297,644	19,297,644	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 19,297,644	19,246,684	\$ (50,960)
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ 19,246,684	

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources for the acquisition or construction of major capital facilities and improvements other than those financed by Proprietary Funds. The Consolidated Government has nine Capital Projects Funds financed by interfund transfer of general revenues, revenue bonds, loan proceeds, sales tax proceeds and general obligation sales tax bonds.

Special Projects Fund - To account for projects supported by the General, Sewer, Paving, and Integrated Waste Management Funds.

1999 Sales Tax Project Fund - To account for projects supported by the 1999 Sales Tax Proceeds Account including Road projects and acquisition, construction and equipping of various Capital projects.

Bond & Lease Purchase Pools Fund - To account for proceeds of the GMA Bond Lease Purchase Program for the acquisition of equipment.

HUD-Section 108 - To account for proceeds of a loan program guaranteed under Section 108 of the Housing and Urban Development Act of 1974 to provide development within the Second Avenue Redevelopment Area.

Columbus Building Authority Taxable Lease Revenue Bonds, Series 1999C - To account for proceeds of the 1999C taxable lease revenue bonds for Need for Land acquisition and infrastructure and Enterprise Zone land acquisition.

Columbus Building Authority Lease Revenue Bonds, Series 2001 - To account for proceeds of the 2001 lease revenue bonds for jail expansion, computer technology, security/safety enhancements and analog microwave system upgrade.

Columbus Building Authority Lease Revenue Bonds, Series 2003A - To account for proceeds of the 2003A lease revenue bonds for construction and equipping of two new fire stations, storm water enhancements, road and street resurfacing/reconstruction, 800 MhZ Tower, Parking Lot/Deck, Skate Park SuperCenter and expansion of the Columbus Georgia Convention and Trade Center.

Columbus Building Authority Taxable Lease Revenue Bonds, Series 2003B - To account for proceeds of the 2003B taxable lease revenue bonds for construction and equipping of two parking garages.

General Obligation Sales Tax Bonds, Series 2003 - To account for proceeds of the 2003 general obligation sales tax bonds for partial funding for expansion of the Columbus Convention and Trade Center and partial funding for construction of a high-tech resource center and library.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Balance Sheet
Capital Projects Funds
June 30, 2006

	Bond & Lease Purchase Pools Fund	HUD Section 108 Fund	Columbus Building Authority Taxable Lease Revenue Bonds 1999C	Columbus Building Authority Lease Revenue Bonds 2001
Assets:				
Cash	\$ -	\$ -	\$ 19,609	\$ 16,966
Restricted Cash	-	219,289	-	-
Investments	-	-	1,611,946	122,657
Receivables:				
Accounts	-	-	-	-
Interest	-	-	-	-
TOTAL ASSETS	\$ -	\$ 219,289	\$ 1,631,555	\$ 139,623
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 798,939	\$ -	\$ -	\$ -
Retainage Payable	-	-	-	-
Deferred Revenue	-	26,736	-	-
Due to Other Funds	-	-	-	-
TOTAL LIABILITIES	798,939	26,736	-	-
Fund Balances:				
Reserved:				
Encumbrances	-	-	-	37,864
Unreserved:				
Designated for Projects	(798,939)	192,553	1,631,555	101,759
TOTAL FUND BALANCES	(798,939)	192,553	1,631,555	139,623
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 219,289	\$ 1,631,555	\$ 139,623

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Balance Sheet
Capital Projects Funds
June 30, 2006

Columbus Building Authority Taxable Lease Revenue Bonds 2003B	Special Projects Fund	Columbus Building Authority Lease Revenue Bonds 2003A	Total Capital Projects Funds
\$ 52,499	\$ 286,752	\$ 182,247	\$ 558,073
-	-	-	219,289
3,611,029	16,137,249	15,981,958	37,464,839
-	56,016	-	56,016
58,408	79,460	-	137,868
<u>\$ 3,721,936</u>	<u>\$ 16,559,477</u>	<u>\$ 16,164,205</u>	<u>\$ 38,436,085</u>
\$ -	\$ 369,773	\$ 1,164,687	\$ 2,333,399
-	1,200	-	1,200
-	550	-	27,286
-	21,015	-	21,015
-	392,538	1,164,687	2,382,900
-	184,922	5,789,589	6,012,375
3,721,936	15,982,017	9,209,929	30,040,810
<u>3,721,936</u>	<u>16,166,939</u>	<u>14,999,518</u>	<u>36,053,185</u>
<u>\$ 3,721,936</u>	<u>\$ 16,559,477</u>	<u>\$ 16,164,205</u>	<u>\$ 38,436,085</u>

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects Funds
For Fiscal Year Ended June 30, 2006

	Bond & Lease Purchase Pools Fund	HUD Section 108 Fund	Columbus Building Authority Taxable Lease Revenue Bonds 1999C	Columbus Building Authority Lease Revenue Bonds 2001
Revenues:				
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -
Interest Revenues	-	-	66,093	8,401
TOTAL REVENUES	-	-	66,093	8,401
Expenditures:				
Capital Projects	798,939	-	-	236,500
TOTAL EXPENDITURES	798,939	-	-	236,500
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(798,939)	-	66,093	(228,099)
Other Financing Sources (Uses):				
Operating Transfers In	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCES	(798,939)	-	66,093	(228,099)
FUND BALANCES - BEGINNING	-	192,553	1,565,462	367,722
FUND BALANCES - ENDING	\$ (798,939)	\$ 192,553	\$ 1,631,555	\$ 139,623

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Capital Projects Funds
For Fiscal Year Ended June 30, 2006

Columbus Building Authority Taxable Lease Revenue Bonds 2003B	Special Projects Fund	Columbus Building Authority Lease Revenue Bonds 2003A	Total Capital Projects Funds
\$ -	\$ 26,784	\$ -	\$ 26,784
133,472	-	730,633	938,599
<u>133,472</u>	<u>26,784</u>	<u>730,633</u>	<u>965,383</u>
-	6,707,609	6,722,100	14,465,148
-	<u>6,707,609</u>	<u>6,722,100</u>	<u>14,465,148</u>
133,472	(6,680,825)	(5,991,467)	(13,499,765)
-	<u>2,729,864</u>	-	<u>2,729,864</u>
-	<u>2,729,864</u>	-	<u>2,729,864</u>
133,472	(3,950,961)	(5,991,467)	(10,769,901)
<u>3,588,464</u>	<u>20,117,900</u>	<u>20,990,985</u>	<u>46,823,086</u>
<u>\$ 3,721,936</u>	<u>\$ 16,166,939</u>	<u>\$ 14,999,518</u>	<u>\$ 36,053,185</u>

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Bond and Lease Purchase Pools Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
TOTAL REVENUES	\$ -	\$ -	\$ -
Expenditures:			
Capital Projects	798,939	798,939	-
TOTAL EXPENDITURES	798,939	798,939	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(798,939)	(798,939)	-
FUND BALANCES - BEGINNING BUDGETARY BASIS	-	-	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ (798,939)	(798,939)	\$ -
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ (798,939)	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Columbus Building Authority Taxable Lease Revenue Bonds, Series 1999C
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 66,093	\$ 66,093
TOTAL REVENUES	-	66,093	66,093
Expenditures:			
Capital Projects	300,000	-	(300,000)
TOTAL EXPENDITURES	300,000	-	(300,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(300,000)	66,093	366,093
FUND BALANCES - BEGINNING BUDGETARY BASIS	1,565,462	1,565,462	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 1,265,462	1,631,555	\$ 366,093
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ 1,631,555	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Columbus Building Authority Lease Revenue Bonds, Series 2001
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 8,401	\$ 8,401
TOTAL REVENUES	-	8,401	8,401
Expenditures:			
Capital Projects	100,000	172,613	72,613
TOTAL EXPENDITURES	100,000	172,613	72,613
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(100,000)	(164,212)	(64,212)
FUND BALANCES - BEGINNING BUDGETARY BASIS	367,722	367,722	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 267,722	203,510	\$ (64,212)
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		(63,887)	
FUND BALANCES - ENDING GAAP BASIS		\$ 139,623	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Columbus Building Authority Taxable Lease Revenue Bonds, Series 2003B
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 133,472	\$ 133,472
TOTAL REVENUES	-	133,472	133,472
Expenditures:			
TOTAL EXPENDITURES	3,500,000	-	(3,500,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,500,000)	133,472	3,633,472
FUND BALANCES - BEGINNING BUDGETARY BASIS	3,521,849	3,588,464	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 21,849	3,721,936	\$ 3,633,472
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		-	
FUND BALANCES - ENDING GAAP BASIS		\$ 3,721,936	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Special Projects Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Intergovernmental Revenues	\$ -	\$ 26,784	\$ 26,784
TOTAL REVENUES	-	26,784	26,784
Expenditures:			
Capital Projects	2,345,912	6,356,474	4,010,562
TOTAL EXPENDITURES	2,345,912	6,356,474	4,010,562
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,345,912)	(6,329,690)	3,983,778
Other Financing Sources (Uses):			
Operating Transfers In	2,729,864	2,729,864	-
TOTAL OTHER FINANCING SOURCES (USES)	2,729,864	2,729,864	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	383,952	(3,599,826)	(3,983,778)
FUND BALANCES - BEGINNING BUDGETARY BASIS	20,117,900	20,117,900	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 20,501,852	16,518,074	\$ (3,983,778)
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		(351,135)	
FUND BALANCES - ENDING GAAP BASIS		\$ 16,166,939	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
Columbus Building Authority Lease Revenue Bonds, Series 2003A
For Fiscal Year Ended June 30, 2006

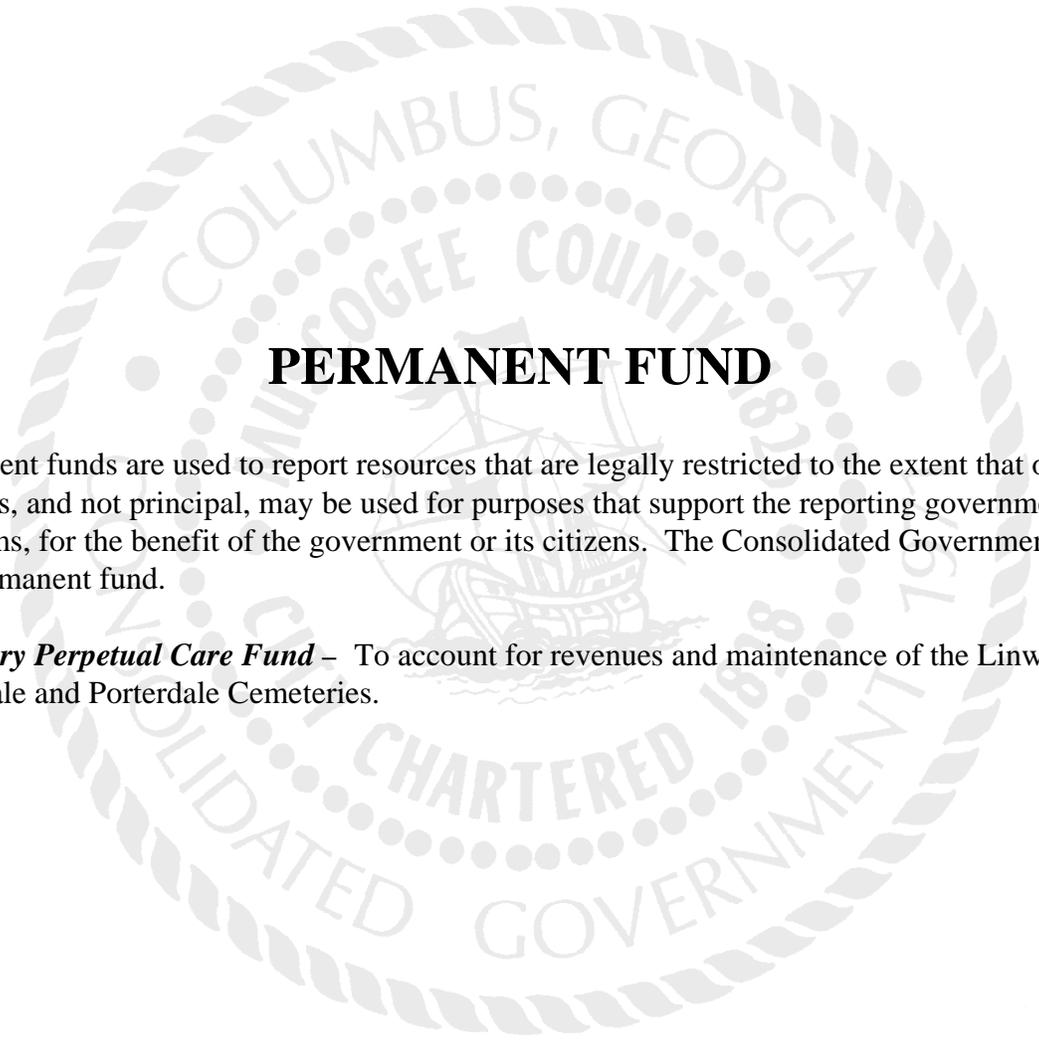
	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 730,633	\$ 730,633
TOTAL REVENUES	-	730,633	730,633
Expenditures:			
Capital Projects	21,700,000	6,021,866	(15,678,134)
TOTAL EXPENDITURES	21,700,000	6,021,866	(15,678,134)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(21,700,000)	(5,291,233)	(16,408,767)
FUND BALANCES - BEGINNING BUDGETARY BASIS	20,990,985	20,990,985	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ (709,015)	15,699,752	\$ (16,408,767)
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		(685,743)	
FUND BALANCES - ENDING GAAP BASIS		\$ 15,014,009	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
1999 Sales Tax Projects Fund
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Intergovernmental Revenues	\$ -	\$ 873,678	\$ 873,678
Interest Revenues	-	647,528	647,528
Miscellaneous	-	3,179	3,179
TOTAL REVENUES	-	1,524,385	1,524,385
Expenditures:			
Capital Projects	16,087,868	10,987,476	(5,100,392)
TOTAL EXPENDITURES	16,087,868	10,987,476	(5,100,392)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,087,868)	(9,463,091)	(6,624,777)
Other Financing Sources (Uses):			
Operating Transfers In	16,087,868	21,821,723	5,733,855
TOTAL OTHER FINANCING SOURCES (USES)	16,087,868	21,821,723	5,733,855
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	-	12,358,632	12,358,632
FUND BALANCES - BEGINNING BUDGETARY BASIS	32,818,737	32,818,737	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ 32,818,737	45,177,369	\$ 12,358,632
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		1,416,930	
FUND BALANCES - ENDING GAAP BASIS		\$ 46,594,299	

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual
General Obligation Sales Tax Bonds, Series 2003
For Fiscal Year Ended June 30, 2006

	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:			
Interest Revenues	\$ -	\$ 168,260	\$ 168,260
TOTAL REVENUES	-	168,260	168,260
Expenditures:			
Capital Projects	3,000,000	493,594	(2,506,406)
TOTAL EXPENDITURES	3,000,000	493,594	(2,506,406)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,000,000)	(325,334)	(2,674,666)
FUND BALANCES - BEGINNING BUDGETARY BASIS	1,017,408	1,017,408	-
FUND BALANCES - ENDING BUDGETARY BASIS	\$ (1,982,592)	692,074	\$ 2,674,666
Reconciliation to GAAP:			
Elimination of Effect of Encumbrances		(44,628)	
FUND BALANCES - ENDING GAAP BASIS		\$ 647,446	



PERMANENT FUND

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, for the benefit of the government or its citizens. The Consolidated Government has one permanent fund.

Cemetery Perpetual Care Fund – To account for revenues and maintenance of the Linwood, Riverdale and Porterdale Cemeteries.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Balance Sheet
Permanent Fund
June 30, 2006

	<u>Cemetery Perpetual Care Fund</u>
Assets:	
Cash	\$ 26,251
Investments	1,426,342
Receivables:	
Interest	<u>60,215</u>
TOTAL ASSETS	<u>\$ 1,512,808</u>
Liabilities and Fund Balance:	
Fund Balance:	
Reserved:	
Perpetual Care	325,314
Unreserved, Undesignated	<u>1,187,494</u>
TOTAL FUND BALANCE	<u>1,512,808</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,512,808</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenditures and Changes in Fund Balances
Permanent Fund
For Fiscal Year Ended June 30, 2006

	Cemetery Perpetual Care Fund
Revenues:	
Interest Revenues	<u>\$ 60,015</u>
TOTAL REVENUES	<u>60,015</u>
TOTAL EXPENDITURES	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	60,015
FUND BALANCE - BEGINNING	<u>1,452,793</u>
FUND BALANCE - ENDING	<u><u>\$ 1,512,808</u></u>

PROPRIETARY FUNDS

Proprietary Funds are used to account for governmental business activities. Enterprise Funds account for external activities that are usually self-sustaining, principally through user charges for services rendered. They are operated as a separate enterprise and the accounting records are maintained on the same basis as a commercial business. The Consolidated Government has four Enterprise Funds. Internal Service Funds account for services performed by a central service department for other departments or agencies of the government. The Consolidated Government has two Internal Service Funds.

Transportation System Fund - The Transportation System Fund was established for the control of the operating revenue and expense of the local public transit system.

Parking Management Fund - The Parking Management Fund was established for the purpose of operating the Parking Garage and managing public parking.

Integrated Waste Management Fund - To account for the costs of providing refuse collection and disposal services to the community.

Civic Center Fund - To account for the operation of the South Commons Civic Center.

The Employee Health Care and Life Insurance Fund - The Employee Health Care and Life Insurance Fund was established for the purpose of providing self-funding for medical claims and payment of life insurance premiums.

The Risk Management Fund - The Risk Management Fund was established for the purpose of providing self-funding for vehicle claims and workers' compensation management.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Net Assets
Enterprise Funds
June 30, 2006

	<u>Transportation</u>	<u>Parking Management</u>	<u>Total Enterprise Funds</u>
Assets:			
Current Assets:			
Cash	\$ 326,434	\$ 56,979	\$ 383,413
Investments	41,904	379,178	421,082
Receivables:			
Taxes	214,841	-	214,841
Accounts	18,694	3,688	22,382
Interest	-	539	539
Due from Other Governments	715,527	-	715,527
Inventory of Supplies	167,205	-	167,205
TOTAL CURRENT ASSETS	<u>1,484,605</u>	<u>440,384</u>	<u>1,924,989</u>
Noncurrent Assets:			
Capital Assets:			
Land	239,869	-	239,869
Plant, Building, and Improvements	2,403,395	7,074,274	9,477,669
Machinery and Equipment	10,393,116	106,944	10,500,060
Accumulated Depreciation	(7,617,953)	(1,157,547)	(8,775,500)
Net Pension Obligation	265,857	-	265,857
TOTAL NONCURRENT ASSETS	<u>5,684,284</u>	<u>6,023,671</u>	<u>11,707,955</u>
TOTAL ASSETS	<u>7,168,889</u>	<u>6,464,055</u>	<u>13,632,944</u>
Liabilities:			
Current Liabilities:			
Accounts Payable	45,422	8,229	53,651
Accrued Liabilities	-	1,970	1,970
Compensated Absences	90,618	7,880	98,498
Due to Other Funds	9,890	-	9,890
Due to Fiduciary Funds	26,855	1,766	28,621
TOTAL CURRENT LIABILITIES	<u>172,785</u>	<u>19,845</u>	<u>192,630</u>
Noncurrent Liabilities:			
Liability for Retirement Benefits	10,836	-	10,836
Compensated Absences less current portion	74,812	4,807	79,619
TOTAL NONCURRENT LIABILITIES	<u>85,648</u>	<u>4,807</u>	<u>90,455</u>
TOTAL LIABILITIES	<u>258,433</u>	<u>24,652</u>	<u>283,085</u>
Net Assets:			
Invested in Capital Assets, Net of Related Debt	5,418,427	6,023,671	11,442,098
Restricted for Other Purposes	432,320	372	432,692
Unrestricted	1,059,709	415,360	1,475,069
TOTAL NET ASSETS	<u>\$ 6,910,456</u>	<u>\$ 6,439,403</u>	<u>\$ 13,349,859</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Enterprise Funds
For Fiscal Year Ended June 30, 2006

	<u>Transportation</u>	<u>Parking Management</u>	<u>Total Enterprise Funds</u>
Operating Revenues:			
Operations	\$ 942,329	\$ 128,873	\$ 1,071,202
Fines and Forfeitures	-	210,061	210,061
TOTAL OPERATING REVENUES	<u>942,329</u>	<u>338,934</u>	<u>1,281,263</u>
Operating Expenses:			
Cost of Sales and Services	4,343,580	314,349	4,657,929
Depreciation	758,768	189,588	948,356
TOTAL OPERATING EXPENSES	<u>5,102,348</u>	<u>503,937</u>	<u>5,606,285</u>
OPERATING INCOME (LOSS)	(4,160,019)	(165,003)	(4,325,022)
Non-Operating Revenues (Expenses):			
Taxes	2,811,762	-	2,811,762
Operating Subsidy From Other Governmental Units	1,471,774	-	1,471,774
Earnings on Investments	2,324	16,820	19,144
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>4,285,860</u>	<u>16,820</u>	<u>4,302,680</u>
INCOME (LOSS) BEFORE OTHER REVENUES AND TRANSFERS	125,841	(148,183)	(22,342)
Transfers In	100,000	-	100,000
Transfers Out	(115,000)	-	(115,000)
Capital Contributions	292,566	-	292,566
CHANGE IN NET ASSETS	<u>403,407</u>	<u>(148,183)</u>	<u>255,224</u>
NET ASSETS - BEGINNING	<u>6,507,049</u>	<u>6,587,586</u>	<u>13,094,635</u>
NET ASSETS - ENDING	<u>\$ 6,910,456</u>	<u>\$ 6,439,403</u>	<u>\$ 13,349,859</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Cash Flows
Enterprise Funds
For Fiscal Year Ended June 30, 2006

	<u>Transportation</u>	<u>Parking Management</u>	<u>Total Enterprise Funds</u>
Cash Flow from Operating Activities:			
Cash Received from Customers and Users	\$ 560,760	\$ 336,653	\$ 897,413
Cash Payments to Suppliers	(2,094,703)	(154,673)	(2,249,376)
Cash Payments to Employees	(2,344,287)	(158,596)	(2,502,883)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(3,878,230)</u>	<u>23,384</u>	<u>(3,854,846)</u>
Cash Flows from Noncapital Financing Activities:			
Taxes	2,811,762	-	2,811,762
Transfers Out	(115,000)	-	(115,000)
Operating Transfers In	100,000	-	100,000
Subsidy from Other Governmental Units	1,471,774	-	1,471,774
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>4,268,536</u>	<u>-</u>	<u>4,268,536</u>
Cash Flows from Capital and Related Financing Activities:			
Purchases of Capital Assets	(351,290)	-	(351,290)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(351,290)</u>	<u>-</u>	<u>(351,290)</u>
Cash Flows from Investing Activities:			
Purchase of Investments	-	(120,767)	(120,767)
Sale of Investments	197,676	-	197,676
Interest and Dividends Received	2,324	16,281	18,605
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>200,000</u>	<u>(104,486)</u>	<u>95,514</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	239,016	(81,102)	157,914
CASH AND CASH EQUIVALENTS - BEGINNING	87,418	138,081	225,499
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 326,434</u>	<u>\$ 56,979</u>	<u>\$ 383,413</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (4,160,019)	\$ (165,003)	\$ (4,325,022)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	758,768	189,588	948,356
(Increase) Decrease in Accounts Receivable	(381,569)	(2,281)	(383,850)
(Increase) Decrease in Other Current Assets	11,433	-	11,433
Increase (Decrease) in Accounts Payable	(91,677)	(4,453)	(96,130)
Increase (Decrease) in Accrued Liabilities	8,089	3,767	11,856
Increase (Decrease) in Other Current Liabilities	(23,255)	1,766	(21,489)
TOTAL ADJUSTMENTS	<u>281,789</u>	<u>188,387</u>	<u>470,176</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (3,878,230)</u>	<u>\$ 23,384</u>	<u>\$ (3,854,846)</u>
Noncash Activities:			
Capital Assets Contributed	\$ 292,566	\$ -	\$ 292,566

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Net Assets
Internal Service Funds
June 30, 2006

	Employee Health Care and Life Insurance	Risk Management	Total
Assets:			
Cash	\$ 115,621	\$ 456,530	\$ 572,151
Investments	-	2,196,871	2,196,871
Receivables:			
Other	187,163	1,388	188,551
TOTAL ASSETS	<u>302,784</u>	<u>2,654,789</u>	<u>2,957,573</u>
Liabilities:			
Accounts Payable	1,737,998	184,016	1,922,014
Accrued Liabilities	-	1,494,552	1,494,552
TOTAL LIABILITIES	<u>1,737,998</u>	<u>1,678,568</u>	<u>3,416,566</u>
Net Assets:			
Unrestricted	(1,435,214)	976,221	(458,993)
TOTAL NET ASSETS	<u>\$ (1,435,214)</u>	<u>\$ 976,221</u>	<u>\$ (458,993)</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
For Fiscal Year Ended June 30, 2006

	Employee Health Care and Life Insurance	Risk Management	Total
Operating Revenues:			
Charges for services	\$ 16,781,410	\$ 40,642	\$ 16,822,052
TOTAL OPERATING REVENUES	<u>16,781,410</u>	<u>40,642</u>	<u>16,822,052</u>
Operating Expenses:			
Claims	15,908,534	2,384,938	18,293,472
Administrative fees	1,255,321	-	1,255,321
TOTAL OPERATING EXPENSES	<u>17,163,855</u>	<u>2,384,938</u>	<u>19,548,793</u>
OPERATING INCOME (LOSS)	(382,445)	(2,344,296)	(2,726,741)
Non-Operating Revenues (Expenses):			
Earnings on investments	-	28,069	28,069
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>-</u>	<u>28,069</u>	<u>28,069</u>
INCOME (LOSS) BEFORE OPERATING TRANSFERS	(382,445)	(2,316,227)	(2,698,672)
Transfers In	-	2,965,000	2,965,000
CHANGE IN NET ASSETS	(382,445)	648,773	266,328
NET ASSETS - BEGINNING	<u>(1,052,769)</u>	<u>327,448</u>	<u>(725,321)</u>
NET ASSETS - ENDING	<u>\$ (1,435,214)</u>	<u>\$ 976,221</u>	<u>\$ (458,993)</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Cash Flows
Internal Service Funds
For Fiscal Year Ended June 30, 2006

	Employee Health Care And Life Insurance Fund	Risk Management Fund	Total
Cash Flows from Operating Activities:			
Receipts from Customers and Users	\$ 16,662,717	\$ 122,441	\$ 16,785,158
Payments to Suppliers	<u>(16,899,857)</u>	<u>(2,607,842)</u>	<u>(19,507,699)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(237,140)</u>	<u>(2,485,401)</u>	<u>(2,722,541)</u>
Cash Flows from Noncapital Financing Activities:			
Operating transfers in	<u>-</u>	<u>3,225,000</u>	<u>3,225,000</u>
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	-	3,225,000	3,225,000
Cash Flows from Investing Activities:			
Purchase of Investments	-	(730,895)	(730,895)
Interest and Dividends Received	<u>-</u>	<u>28,069</u>	<u>28,069</u>
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>(702,826)</u>	<u>(702,826)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(237,140)	36,773	(200,367)
CASH AND CASH EQUIVALENTS - BEGINNING	<u>352,761</u>	<u>419,757</u>	<u>772,518</u>
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 115,621</u>	<u>\$ 456,530</u>	<u>\$ 572,151</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (382,445)	\$ (2,344,296)	\$ (2,726,741)
Adjustment to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Increase (Decrease) in Accounts Receivable	(118,693)	81,799	(36,894)
Increase (Decrease) in Accounts Payable	263,998	(196,788)	67,210
Increase (Decrease) in Accrued Liabilities	<u>-</u>	<u>(26,116)</u>	<u>(26,116)</u>
TOTAL ADJUSTMENTS	<u>145,305</u>	<u>(141,105)</u>	<u>4,200</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (237,140)</u>	<u>\$ (2,485,401)</u>	<u>\$ (2,722,541)</u>

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent. The Consolidated Government uses the following fiduciary funds:

Pension Trust Funds are used to account for activities related to the public employee retirement systems. The Consolidated Government maintains a Pension and Benefit Trust Fund which accounts for the assets and activities of the Consolidated Government's pension, major disability and death benefit plans.

Agency Funds are used to account for assets held by Consolidated Government as an agent or cash conduit for individuals, private organizations, other governments, and the Consolidated Government departments. The Consolidated Government maintains the following Agency Funds:

Clerk of Superior Court
Clerk of Municipal Court
Probate Court
Adult Probation
Sheriff
Tax Commissioner
Law Library
Magistrate Court

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Plan Net Assets of Pension Trust Funds
Fiduciary Funds
As Of June 30, 2006

	General Government PERS B	Public Safety PERS A	Death Benefit	Major Disability	Totals
Assets:					
Operating Cash	\$ 1,001,283	\$ 1,303,936	\$ 25,468	\$ 19,085	\$ 2,349,772
Receivables:					
Interest	381,218	496,446	9,697	7,266	894,627
Other	221,303	311,177	-	-	532,480
Due from Governmental Funds	513,749	519,307	-	-	1,033,056
Due from Component Units	7,500	-	-	-	7,500
Total Receivables	<u>1,123,770</u>	<u>1,326,930</u>	<u>9,697</u>	<u>7,266</u>	<u>2,467,663</u>
Investments, at Fair Value					
US Government Obligations	14,837,415	19,322,253	377,399	282,815	34,819,882
Mortgages	6,531,045	8,505,154	166,121	124,488	15,326,808
Corporate Bonds	8,949,285	11,654,345	227,631	170,581	21,001,842
Common Stocks	44,187,974	57,544,473	1,123,949	842,262	103,698,658
Short Term Investments	3,790,650	4,936,432	96,418	72,253	8,895,753
Total Investments	<u>78,296,369</u>	<u>101,962,657</u>	<u>1,991,518</u>	<u>1,492,399</u>	<u>183,742,943</u>
TOTAL ASSETS	80,421,422	104,593,523	2,026,683	1,518,750	188,560,378
Liabilities:					
TOTAL LIABILITIES	-	-	-	-	-
Net Assets Held in Trust for Pension Benefits	<u>\$ 80,421,422</u>	<u>\$ 104,593,523</u>	<u>\$ 2,026,683</u>	<u>\$ 1,518,750</u>	<u>\$ 188,560,378</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Changes in Plan Net Assets of Pension Trust Funds
Fiduciary Funds
For Fiscal Year Ended June 30, 2006

	General Government PERS B	Public Safety PERS A	Death Benefit	Major Disability	Total
Additions:					
Employer Contributions	\$ 6,400,793	\$ 8,800,000	\$ 172,609	\$ 112,614	\$ 15,486,016
Investment Income:					
Interest and Dividends	2,420,468	3,152,092	61,566	46,136	5,680,262
Administrative Fees	(363,563)	(473,455)	(9,247)	(6,930)	(853,195)
Net Appreciation (Depreciation) in Fair Value of Investments	1,512,217	2,485,594	135,680	102,197	4,235,688
Total Investment Income	3,569,122	5,164,231	187,999	141,403	9,062,755
Miscellaneous	946	1,232	24	18	2,220
TOTAL ADDITIONS	9,970,861	13,965,463	360,632	254,035	24,550,991
Deductions:					
Benefits	4,861,361	7,012,830	311,500	192,988	12,378,679
Contractual Services	48,934	48,933	-	-	97,867
TOTAL DEDUCTIONS	4,910,295	7,061,763	311,500	192,988	12,476,546
CHANGE IN NET ASSETS	5,060,566	6,903,700	49,132	61,047	12,074,445
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - BEGINNING	75,360,856	97,689,823	1,977,551	1,457,703	176,485,933
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS - ENDING	\$ 80,421,422	\$ 104,593,523	\$ 2,026,683	\$ 1,518,750	\$ 188,560,378

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2006

	<u>Law Library Fund</u>	<u>Clerk Of Superior Court</u>	<u>Probate Court</u>	<u>Clerk Of Municipal Court</u>	<u>Clerk Of Magistrate Court</u>	<u>Sheriff's Office</u>	<u>Adult Probation Office</u>	<u>Tax Commissioner's Office</u>	<u>Totals</u>
Assets:									
Cash	\$ 13,431	\$ 5,645,205	\$ -	\$ 70,353	\$ 18,108	\$ 240,100	\$ 92,510	\$ 2,094,687	\$ 8,174,394
Receivables:									
Taxes	-	-	-	-	-	-	-	10,217,404	10,217,404
Other	-	-	-	-	-	-	-	79,283	79,283
TOTAL ASSETS	<u>\$ 13,431</u>	<u>\$ 5,645,205</u>	<u>\$ -</u>	<u>\$ 70,353</u>	<u>\$ 18,108</u>	<u>\$ 240,100</u>	<u>\$ 92,510</u>	<u>\$ 12,391,374</u>	<u>\$ 18,471,081</u>
Liabilities:									
Due to Other Governments and Agencies	\$ 13,431	\$ 5,645,205	\$ -	\$ 70,353	\$ 18,108	\$ 240,100	\$ 92,510	\$ 12,391,374	\$ 18,471,081
TOTAL LIABILITIES	<u>\$ 13,431</u>	<u>\$ 5,645,205</u>	<u>\$ -</u>	<u>\$ 70,353</u>	<u>\$ 18,108</u>	<u>\$ 240,100</u>	<u>\$ 92,510</u>	<u>\$ 12,391,374</u>	<u>\$ 18,471,081</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For Fiscal Year Ended June 30, 2006

	Balance July 1, 2005	Additions	Deductions	Balance June 30, 2006
Law Library Fund				
Assets:				
Cash	\$ 22,126	\$ 248,556	\$ 257,251	\$ 13,431
Liabilities:				
Due to other governments and agencies	\$ 22,126	\$ 248,556	\$ 257,251	\$ 13,431
Clerk of Superior court				
Assets:				
Cash	\$ 5,516,156	\$ 11,369,870	\$ 11,240,821	\$ 5,645,205
Liabilities:				
Due to other governments and agencies	\$ 5,516,156	\$ 11,369,870	\$ 11,240,821	\$ 5,645,205
Probate Court				
Assets:				
Cash	\$ -	\$ 295,748	\$ 295,748	\$ -
Liabilities:				
Due to other governments and agencies	\$ -	\$ 295,748	\$ 295,748	\$ -
Clerk of Municipal Court				
Assets:				
Cash	\$ 37,095	\$ 1,605,840	\$ 1,572,582	\$ 70,353
Liabilities:				
Due to other governments and agencies	\$ 37,095	\$ 1,605,840	\$ 1,572,582	\$ 70,353
Clerk of Magistrate Court				
Assets:				
Cash	\$ 17,838	\$ 681,685	\$ 681,415	\$ 18,108
Liabilities:				
Due to other governments and agencies	\$ 17,838	\$ 681,685	\$ 681,415	\$ 18,108
Sheriff's Office				
Assets:				
Cash	\$ 174,509	\$ 2,307,589	\$ 2,241,998	\$ 240,100
Liabilities:				
Due to other governments and agencies	\$ 174,509	\$ 2,307,589	\$ 2,241,998	\$ 240,100
Adult Probation Office				
Assets:				
Cash	\$ 91,450	\$ 3,790,059	\$ 3,788,999	\$ 92,510
Liabilities:				
Due to other governments and agencies	\$ 91,450	\$ 3,790,059	\$ 3,788,999	\$ 92,510
Tax Commissioner's Office				
Assets:				
Cash	\$ 1,984,480	\$ 151,549,862	\$ 151,439,655	\$ 2,094,687
Receivables:				
Taxes	11,522,524	150,244,742	151,549,862	10,217,404
Other	79,691	-	408	79,283
Total Assets	\$ 13,586,695	\$ 301,794,604	\$ 302,989,925	\$ 12,391,374
Liabilities:				
Due to other governments and agencies	\$ 13,586,695	\$ 150,244,742	\$ 151,440,063	\$ 12,391,374
TOTAL ASSETS	\$ 19,445,869	\$ 322,093,951	\$ 323,068,739	\$ 18,471,081
TOTAL LIABILITIES	\$ 19,445,869	\$ 170,544,089	\$ 171,518,877	\$ 18,471,081

COMPONENT UNITS

Component Units are organizations for which the primary government is financially accountable and organizations for which the nature and significance of their relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The Consolidated Government of Columbus Georgia reports the following business-type component units:

- Columbus Trade and Convention Center
- Bull Creek Golf Authority
- Oxbow Creek Golf Authority
- Columbus Convention and Visitors Bureau
- Columbus Airport
- Columbus Water Works
- Hospital Authority of Columbus

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Statement of Net Assets

Business Type Component Units

June 30, 2006

	Columbus Trade & Convention Center	Bull Creek Golf Authority	Oxbow Creek Golf Authority	Columbus Convention & Visitors Bureau	Columbus Airport Commission	Total Non-Major Component Units	Columbus Water Works	Hospital Authority of Columbus	Total Component Units
Assets:									
Current Assets:									
Cash	\$ 267,862	\$ 3,000	\$ 1,500	\$ 350,608	\$ 157,460	\$ 780,430	\$ 28,020,866	\$ 2,363,757	\$ 31,165,053
Investments	1,388,297	-	-	-	2,409,625	3,797,922	-	-	3,797,922
Receivables:									
Taxes	70,672	-	-	-	-	70,672	-	-	70,672
Accounts	63,426	-	523	153,934	366,209	584,092	8,808,349	1,072,995	10,465,436
Third Party Payor Settlements	-	-	-	-	-	-	-	14,838	14,838
Prepaid Items	-	-	-	78,645	-	78,645	-	221,992	300,637
Inventory of Supplies	-	-	-	8,979	-	8,979	729,351	-	738,330
Other Current Assets	-	-	-	-	8,930	8,930	-	31,815	40,745
TOTAL CURRENT ASSETS	1,790,257	3,000	2,023	592,166	2,942,224	5,329,670	37,558,566	3,705,397	46,593,633
Restricted Assets:									
Cash	-	-	-	-	741,503	741,503	45,017,345	-	45,758,848
Investments	-	-	-	-	1,125,647	1,125,647	1,998,986	307,709	3,432,342
Interest Receivable	-	-	-	-	-	-	26,861	-	26,861
Due from Other Governments	-	-	-	-	-	-	2,050,000	-	2,050,000
TOTAL RESTRICTED ASSETS	-	-	-	-	1,867,150	1,867,150	49,093,192	307,709	51,268,051
Capital Assets:									
Land	279,000	1,042,440	-	-	4,470,577	5,792,017	1,524,837	17,800	7,334,654
Leasehold Improvements	69,643	4,122,206	1,687,721	277,648	18,752,368	24,909,586	-	-	24,909,586
Plant, Building, and Improvements	43,673,443	176,664	157,308	-	17,947,693	61,955,108	109,284,050	6,667,221	177,906,379
Machinery and Equipment	566,208	298,792	102,297	539,233	2,300,420	3,806,950	12,942,334	4,320,541	21,069,825
Development Plans	-	-	-	-	399,792	399,792	-	-	399,792
Water Distribution and Sewer Systems	-	-	-	-	-	-	404,773,466	-	404,773,466
Construction in Progress	-	-	-	-	3,566,816	3,566,816	25,605,685	-	29,172,501
Accumulated Depreciation	(10,410,078)	(1,112,122)	(573,086)	(603,143)	(22,386,458)	(35,084,887)	(139,318,847)	(9,216,799)	(183,620,533)
TOTAL CAPITAL ASSETS	34,178,216	4,527,980	1,374,240	213,738	25,051,208	65,345,382	414,811,525	1,788,763	481,945,670
Other Assets:									
Investments	-	-	-	-	-	-	-	4,439,860	4,439,860
Land Held for Investment	-	-	-	-	-	-	-	1,008,218	1,008,218
Bond Issue Costs	36,820	10,753	-	-	142,492	190,065	2,623,326	9,281	2,822,672
TOTAL OTHER ASSETS	36,820	10,753	-	-	142,492	190,065	2,623,326	5,457,359	8,270,750
TOTAL ASSETS	36,005,293	4,541,733	1,376,263	805,904	30,003,074	72,732,267	504,086,609	11,259,228	588,078,104

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Statement of Net Assets

Business Type Component Units

June 30, 2006

	<u>Columbus Trade & Convention Center</u>	<u>Bull Creek Golf Authority</u>	<u>Oxbow Creek Golf Authority</u>	<u>Columbus Convention & Visitors Bureau</u>	<u>Columbus Airport Commission</u>	<u>Total Non-Major Component Units</u>	<u>Columbus Water Works</u>	<u>Hospital Authority of Columbus</u>	<u>Total Component Units</u>
Liabilities:									
Current Liabilities:									
Accounts Payable	53,805	27,985	11,493	101,831	226,183	421,297	2,702,035	564,953	3,688,285
Accrued Liabilities	130	-	-	8,312	75,709	84,151	329,330	599,369	1,012,850
Interest Payable	-	-	-	-	63,118	63,118	1,550,514	-	1,613,632
Customer Deposits	-	-	-	-	-	-	79,775	-	79,775
Deferred Revenue	32,126	-	-	-	-	32,126	999,405	-	1,031,531
Due to Primary Government	7,500	1,378,681	936,303	-	-	2,322,484	-	-	2,322,484
Compensated Absences	22,326	14,446	7,880	2,957	-	47,609	441,815	-	489,424
Notes and Bonds Payable, Current Portion	104,348	116,983	61,804	5,556	500,000	788,691	8,535,899	375,000	9,699,590
TOTAL CURRENT LIABILITIES	<u>220,235</u>	<u>1,538,095</u>	<u>1,017,480</u>	<u>118,656</u>	<u>865,010</u>	<u>3,759,476</u>	<u>14,638,773</u>	<u>1,539,322</u>	<u>19,937,571</u>
Noncurrent Liabilities:									
Deferred Income	-	-	-	-	957,850	957,850	-	-	957,850
Notes and Bonds Payable, Less Current Portion	5,149,275	361,014	824,757	-	3,189,181	9,524,227	157,102,847	1,255,000	167,882,074
Compensated Absences, Less Current Portion	44,472	30,891	2,416	-	-	77,779	245,923	-	323,702
TOTAL NONCURRENT LIABILITIES	<u>5,193,747</u>	<u>391,905</u>	<u>827,173</u>	<u>-</u>	<u>4,147,031</u>	<u>10,559,856</u>	<u>157,348,770</u>	<u>1,255,000</u>	<u>169,163,626</u>
TOTAL LIABILITIES	<u>5,413,982</u>	<u>1,930,000</u>	<u>1,844,653</u>	<u>118,656</u>	<u>5,012,041</u>	<u>14,319,332</u>	<u>171,987,543</u>	<u>2,794,322</u>	<u>189,101,197</u>
Net Assets:									
Invested in capital assets, net of related debt	28,924,593	4,049,983	487,679	213,738	21,504,519	55,180,512	251,064,141	140,963	306,385,616
Restricted for other purposes	-	-	-	-	1,851,643	1,851,643	46,022,756	-	47,874,399
Unrestricted	1,666,718	(1,438,250)	(956,069)	473,510	1,634,871	1,380,780	35,012,169	8,323,943	44,716,892
TOTAL NET ASSETS	<u>\$ 30,591,311</u>	<u>\$ 2,611,733</u>	<u>\$ (468,390)</u>	<u>\$ 687,248</u>	<u>\$ 24,991,033</u>	<u>\$ 58,412,935</u>	<u>\$ 332,099,066</u>	<u>\$ 8,464,906</u>	<u>\$ 398,976,907</u>

(Concluded)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Revenues, Expenses and Changes in Fund Net Assets
Business Type Component Units
For Fiscal Year Ended June 30, 2006

	Columbus Trade & Convention Center	Bull Creek Golf Authority	Oxbow Creek Golf Authority	Columbus Convention & Visitors Bureau	Columbus Airport Commisstion	Total Non-Major Component Units	Columbus Water Works	Hospital Authority of Columbus	Total Component Units
Operating Revenues:									
Operations	\$ 987,772	\$ 1,040,181	\$ 315,250	\$ 1,691,522	\$ 2,139,456	\$ 6,174,181	\$ 47,603,247	\$ 14,786,352	\$ 68,563,780
Concessions	620,490	87,829	49,583	-	-	757,902	-	-	757,902
TOTAL OPERATING REVENUES	<u>1,608,262</u>	<u>1,128,010</u>	<u>364,833</u>	<u>1,691,522</u>	<u>2,139,456</u>	<u>6,932,083</u>	<u>47,603,247</u>	<u>14,786,352</u>	<u>69,321,682</u>
Operating Expenses:									
Cost of Sales and Services	1,703,100	1,118,370	421,209	1,636,819	1,710,207	6,589,705	23,915,117	13,250,852	43,755,674
Depreciation and amortization	1,182,736	226,421	66,926	87,080	1,278,833	2,841,996	13,054,681	347,177	16,243,854
TOTAL OPERATING EXPENSES	<u>2,885,836</u>	<u>1,344,791</u>	<u>488,135</u>	<u>1,723,899</u>	<u>2,989,040</u>	<u>9,431,701</u>	<u>36,969,798</u>	<u>13,598,029</u>	<u>59,999,528</u>
OPERATING INCOME (LOSS)	(1,277,574)	(216,781)	(123,302)	(32,377)	(849,584)	(2,499,618)	10,633,449	1,188,323	9,322,154
Non-Operating Revenues:									
Taxes	750,897	-	-	-	-	750,897	-	-	750,897
Operating subsidy from other Governmental units	-	-	-	7,600	3,501,041	3,508,641	-	-	3,508,641
Interest and fiscal charges	(241,046)	(36,528)	(51,484)	-	(151,278)	(480,336)	(5,034,725)	(106,888)	(5,621,949)
Earnings on investments	28,447	-	-	8,489	155,514	192,450	4,010,701	191,037	4,394,188
Miscellaneous	-	-	-	(11,272)	238,874	227,602	(2,049,805)	-	(1,822,203)
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>538,298</u>	<u>(36,528)</u>	<u>(51,484)</u>	<u>4,817</u>	<u>3,744,151</u>	<u>4,199,254</u>	<u>(3,073,829)</u>	<u>84,149</u>	<u>1,209,574</u>
INCOME (LOSS) BEFORE OTHER REVENUES AND TRANSFERS	(739,276)	(253,309)	(174,786)	(27,560)	2,894,567	1,699,636	7,559,620	1,272,472	10,531,728
Capital Contributions	-	53,229	-	-	-	53,229	153,693,605	-	153,746,834
CHANGE IN NET ASSETS	(739,276)	(200,080)	(174,786)	(27,560)	2,894,567	1,752,865	161,253,225	1,272,472	164,278,562
NET ASSETS - BEGINNING	<u>31,330,587</u>	<u>2,811,813</u>	<u>(293,604)</u>	<u>714,808</u>	<u>22,096,466</u>	<u>56,660,070</u>	<u>170,845,841</u>	<u>7,192,434</u>	<u>234,698,345</u>
NET ASSETS - ENDING	<u>\$ 30,591,311</u>	<u>\$ 2,611,733</u>	<u>\$ (468,390)</u>	<u>\$ 687,248</u>	<u>\$ 24,991,033</u>	<u>\$ 58,412,935</u>	<u>\$ 332,099,066</u>	<u>\$ 8,464,906</u>	<u>\$ 398,976,907</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Statement of Cash Flows
Business Type Component Units
For Fiscal Year Ended June 30, 2006

	<u>Columbus Trade & Convention Center</u>	<u>Bull Creek Golf Authority</u>	<u>Oxbow Creek Golf Authority</u>	<u>Columbus Convention & Visitors Bureau</u>	<u>Columbus Airport Commisstion</u>	<u>Total Non-Major Component Units</u>	<u>Columbus Water Works</u>	<u>Hospital Authority of Columbus</u>	<u>Total Component Units</u>
Cash Flow from Operating Activities:									
Cash Received from Customers and Users	\$ 1,623,270	\$ 1,129,533	\$ 364,628	\$ 1,671,941	\$ 2,735,207	\$ 7,524,579	\$ 45,665,902	\$ 14,706,304	\$ 67,896,785
Cash Payments to Suppliers	(1,118,723)	(551,630)	(80,233)	(1,256,008)	(1,149,062)	(4,155,656)	(15,017,822)	(12,979,199)	(32,152,677)
Cash Payments to Employees	(595,209)	(431,269)	(173,949)	(422,780)	(1,093,150)	(2,716,357)	(8,407,949)	-	(11,124,306)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(90,662)</u>	<u>146,634</u>	<u>110,446</u>	<u>(6,847)</u>	<u>492,995</u>	<u>652,566</u>	<u>22,240,131</u>	<u>1,727,105</u>	<u>24,619,802</u>
Cash Flows from Noncapital Financing Activities:									
Taxes	750,897	-	-	-	-	750,897	-	-	750,897
Payments on Operation Debt	-	-	-	(33,333)	-	(33,333)	-	-	(33,333)
Passenger facility charges	-	-	-	-	226,626	226,626	-	-	226,626
Subsidy from Other Governmental Units	-	-	-	7,600	3,291,027	3,298,627	-	-	3,298,627
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	<u>750,897</u>	<u>-</u>	<u>-</u>	<u>(25,733)</u>	<u>3,517,653</u>	<u>4,242,817</u>	<u>-</u>	<u>-</u>	<u>4,242,817</u>
Cash Flows from Capital and Related Financing Activities:									
Proceeds from Capital Debt	-	-	-	-	-	-	12,340,231	-	12,340,231
Purchases of Capital Assets	(19,950)	-	-	(73,453)	(3,822,592)	(3,915,995)	(16,706,235)	(168,733)	(20,790,963)
Principal Paid on Capital Debt	(102,174)	(110,106)	(58,962)	-	(490,000)	(761,242)	(8,102,541)	(355,000)	(9,218,783)
Interest Paid on Capital Debt	(241,046)	(36,528)	(51,484)	-	(136,045)	(465,103)	(5,034,725)	(108,471)	(5,608,299)
Other payments	-	-	-	300	-	300	(2,445,762)	-	(2,445,462)
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(363,170)</u>	<u>(146,634)</u>	<u>(110,446)</u>	<u>(73,153)</u>	<u>(4,448,637)</u>	<u>(5,142,040)</u>	<u>(19,949,032)</u>	<u>(632,204)</u>	<u>(25,723,276)</u>
Cash Flows from Investing Activities:									
Purchase of Investments	(607,923)	-	-	-	(272,097)	(880,020)	-	(1,434,198)	(2,314,218)
Sale of Investments	-	-	-	-	-	-	4,010,701	-	4,010,701
Earnings on Investments	28,447	-	-	8,489	795,466	832,402	-	191,037	1,023,439
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(579,476)</u>	<u>-</u>	<u>-</u>	<u>8,489</u>	<u>523,369</u>	<u>(47,618)</u>	<u>4,010,701</u>	<u>(1,243,161)</u>	<u>2,719,922</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(282,411)	-	-	(97,244)	85,380	(294,275)	6,301,800	(148,260)	5,859,265

(Continued)

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

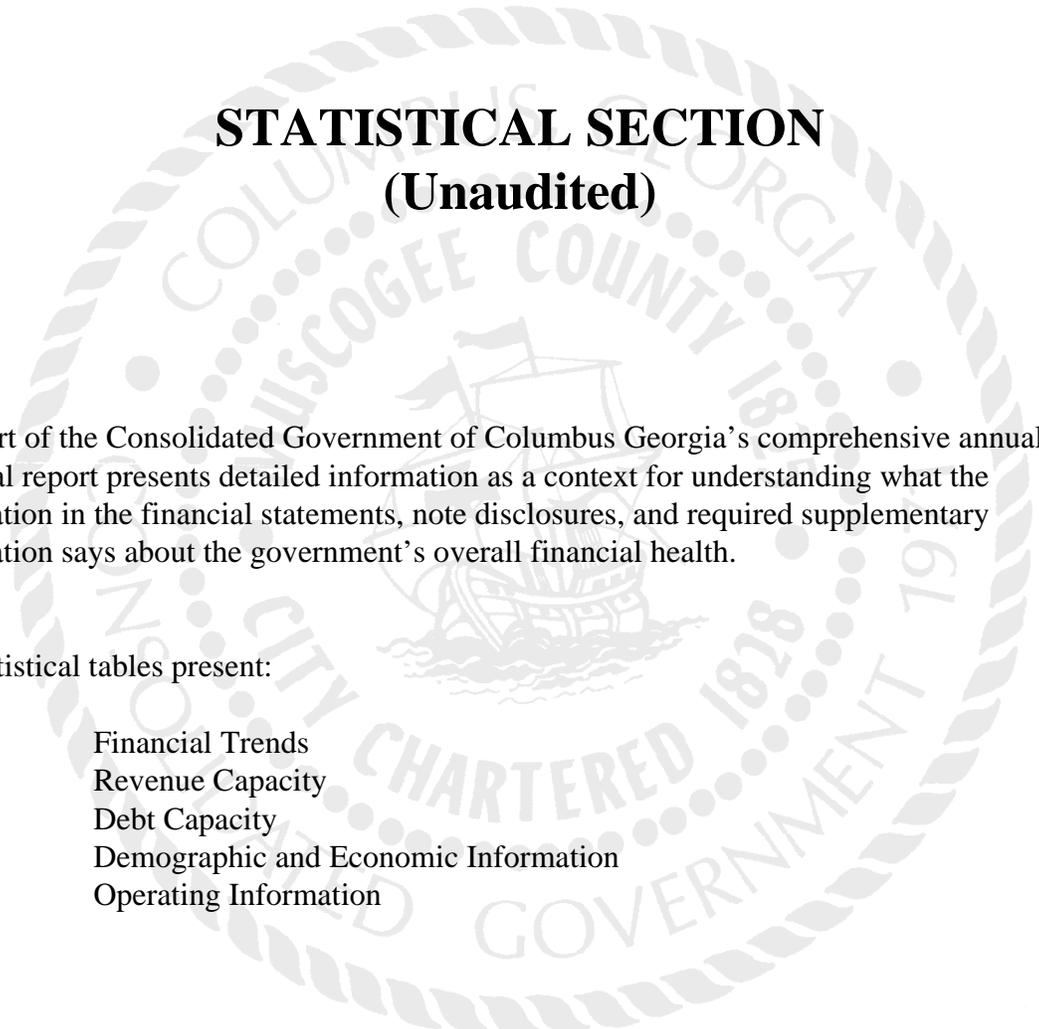
Statement of Cash Flows

Business Type Component Units

For Fiscal Year Ended June 30, 2006

	<u>Columbus Trade & Convention Center</u>	<u>Bull Creek Golf Authority</u>	<u>Oxbow Creek Golf Authority</u>	<u>Columbus Convention & Visitors Bureau</u>	<u>Columbus Airport Commission</u>	<u>Total Non-Major Component Units</u>	<u>Columbus Water Works</u>	<u>Hospital Authority of Columbus</u>	<u>Total Component Units</u>
CASH AND CASH EQUIVALENTS - BEGINNING	550,273	3,000	1,500	447,852	813,583	1,816,208	66,736,411	2,512,017	71,064,636
CASH AND CASH EQUIVALENTS - ENDING	<u>\$ 267,862</u>	<u>\$ 3,000</u>	<u>\$ 1,500</u>	<u>\$ 350,608</u>	<u>\$ 898,963</u>	<u>\$ 1,521,933</u>	<u>\$ 73,038,211</u>	<u>\$ 2,363,757</u>	<u>\$ 76,923,901</u>
Cash					\$ 157,460		\$ 28,020,866		
Restricted Cash					<u>741,503</u>		<u>45,017,345</u>		
TOTAL CASH AND CASH EQUIVALENTS					<u>\$ 898,963</u>		<u>\$ 73,038,211</u>		
 Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:									
Operating Income (Loss)	\$ (1,277,574)	\$ (216,781)	\$ (123,302)	\$ (32,377)	\$ (849,584)	\$ (2,499,618)	\$ 10,633,449	\$ 1,188,323	\$ 9,322,154
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:									
Depreciation and amortization expense	1,182,736	226,421	66,926	87,080	1,278,833	2,841,996	13,054,681	347,177	16,243,854
Provision for doubtful accounts	-	-	-	-	-	-	-	196,673	196,673
(Increase) Decrease in Accounts Receivable	15,008	1,523	(205)	(19,582)	21,916	18,660	(1,923,965)	(80,048)	(1,985,353)
(Increase) Decrease in other current assets	-	-	-	(43,395)	9,639	(33,756)	(66,260)	19,319	(80,697)
Increase (Decrease) in Accounts Payable	(25,682)	(8,301)	(1,174)	15,553	(18,897)	(38,501)	172,824	79,037	213,360
Increase (Decrease) in Accrued Liabilities	2,005	4,494	(307)	(14,126)	(36,627)	(44,561)	369,402	(23,376)	301,465
Increase (Decrease) in Deferred Revenue	5,345	-	-	-	87,715	93,060	-	-	93,060
Increase (Decrease) in other current liabilities	7,500	139,278	168,508	-	-	315,286	-	-	315,286
TOTAL ADJUSTMENTS	<u>1,186,912</u>	<u>363,415</u>	<u>233,748</u>	<u>25,530</u>	<u>1,342,579</u>	<u>3,152,184</u>	<u>11,606,682</u>	<u>538,782</u>	<u>15,297,648</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (90,662)</u>	<u>\$ 146,634</u>	<u>\$ 110,446</u>	<u>\$ (6,847)</u>	<u>\$ 492,995</u>	<u>\$ 652,566</u>	<u>\$ 22,240,131</u>	<u>\$ 1,727,105</u>	<u>\$ 24,619,802</u>
Noncash Capital Financing Activities:									
Capital Assets Contributed	\$ -	\$ 53,229	\$ -	\$ -	\$ -	\$ 53,229	\$ 153,693,605	\$ -	\$ 153,746,834

(Concluded)

The seal of Columbus Georgia is a large, circular emblem in the background. It features a central illustration of a three-masted sailing ship on the water. The text around the seal includes "COLUMBUS GEORGIA" at the top, "MUSCOGEE COUNTY 1828" on the left, "CITY CHARTERED 1828" at the bottom, and "GOVERNMENT 79" on the right. The seal is rendered in a light gray, semi-transparent style.

STATISTICAL SECTION (Unaudited)

This part of the Consolidated Government of Columbus Georgia's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

The statistical tables present:

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Demographic and Economic Information
- Operating Information

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

Net Assets by Component

Last Five Fiscal Years

(accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Governmental activities:					
Invested in capital assets, net of related debt	\$ 50,297,595	\$ 42,978,387	\$ 49,402,862	\$ 329,266,201	\$ 343,290,843
Restricted	89,932,122	154,049,581	132,850,092	121,450,263	121,069,917
Unrestricted	<u>35,590,784</u>	<u>31,217,303</u>	<u>35,855,777</u>	<u>36,049,887</u>	<u>41,587,920</u>
Total governmental activities net assets	<u>\$ 175,820,501</u>	<u>\$ 228,245,271</u>	<u>\$ 218,108,731</u>	<u>\$ 486,766,351</u>	<u>\$ 505,948,680</u>
Business-type activities:					
Invested in capital assets, net of related debt	\$ 44,508,071	\$ 43,520,388	\$ 43,728,977	\$ 43,580,213	\$ 43,498,882
Restricted	1,151,056	979,815	586,386	8,217,290	7,878,788
Unrestricted	<u>(411,888)</u>	<u>1,287,856</u>	<u>3,016,241</u>	<u>329,058</u>	<u>203,748</u>
Total business-type activities net assets	<u>\$ 45,247,239</u>	<u>\$ 45,788,059</u>	<u>\$ 47,331,604</u>	<u>\$ 52,126,561</u>	<u>\$ 51,581,418</u>
Primary government:					
Invested in capital assets, net of related debt	\$ 94,805,666	\$ 86,498,775	\$ 93,131,839	\$ 372,846,414	\$ 386,789,725
Restricted	91,083,178	155,029,396	133,436,478	129,667,553	128,948,705
Unrestricted	<u>35,178,896</u>	<u>32,505,159</u>	<u>38,872,018</u>	<u>36,378,945</u>	<u>41,791,668</u>
Total primary government net assets	<u>\$ 221,067,740</u>	<u>\$ 274,033,330</u>	<u>\$ 265,440,335</u>	<u>\$ 538,892,912</u>	<u>\$ 557,530,098</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA

*Changes in Net Assets
Last Five Fiscal Years
(accrual basis of accounting)*

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Expenses:					
Governmental Activities:					
General Government	\$ 28,990,343	\$ 26,285,528	\$ 24,086,203	\$ 29,564,344	\$ 26,743,426
Public Safety	76,023,565	73,586,117	75,201,356	78,735,898	81,843,455
Public Works	19,526,661	19,582,526	19,454,988	22,901,952	42,657,872
Culture and Recreation	11,659,193	13,343,932	17,526,807	13,546,297	13,906,926
Health and Welfare	12,765,460	13,047,789	13,464,618	14,042,500	15,485,307
Housing and Development	5,272,577	5,916,446	6,314,855	4,943,623	6,685,803
Economic Opportunity	2,955,954	3,229,081	38,935,560	2,125,152	1,604,525
Interest on Long-Term Debt	5,064,061	4,292,535	8,058,436	6,657,250	6,209,549
Total governmental activities expenses	<u>162,257,814</u>	<u>159,283,954</u>	<u>203,042,823</u>	<u>172,517,016</u>	<u>195,136,863</u>
Business-Type Activities:					
Integrated Waste	6,911,080	6,702,523	8,998,177	8,312,869	9,190,102
Parking Management	360,852	407,791	451,639	491,090	503,937
Transportation	4,274,918	4,579,725	4,601,650	4,805,025	5,102,348
Civic Center	4,402,085	4,673,164	5,389,231	5,475,853	6,784,140
Total business-type activities expenses	<u>15,948,935</u>	<u>16,363,203</u>	<u>19,440,697</u>	<u>19,084,837</u>	<u>21,580,527</u>
Total primary government expenses	<u>\$ 178,206,749</u>	<u>\$ 175,647,157</u>	<u>\$ 222,483,520</u>	<u>\$ 191,601,853</u>	<u>\$ 216,717,390</u>
Program Revenues:					
Governmental Activities:					
Charges for services	23,590,310	23,735,055	24,325,341	24,502,360	25,901,501
Operating grants and contributions	11,206,780	10,483,345	10,259,463	8,020,929	9,499,153
Capital grants and contributions	9,360,696	1,083,307	3,044,352	23,829	873,669
Total governmental activities program revenues	<u>44,157,786</u>	<u>35,301,707</u>	<u>37,629,156</u>	<u>32,547,118</u>	<u>36,274,323</u>
Business-Type Activities:					
Charges for services:					
Integrated Waste	9,436,765	9,264,133	9,221,800	9,690,247	9,564,123
Parking Management	279,015	307,069	335,374	322,587	338,934
Transportation	873,820	933,773	813,704	811,052	942,329
Civic Center	2,157,498	3,003,934	3,940,381	4,017,079	4,809,689
Operating grants and contributions	313,829	144,497	1,320,537	223,534	1,471,774
Capital grants and contributions	1,195,146	693,973	1,077,212	1,626,642	292,566
Total business-type activities program revenues	<u>14,256,073</u>	<u>14,347,379</u>	<u>16,709,008</u>	<u>16,691,141</u>	<u>17,419,415</u>
Total primary government program revenues	<u>\$ 58,413,859</u>	<u>\$ 49,649,086</u>	<u>\$ 54,338,164</u>	<u>\$ 49,238,259</u>	<u>\$ 53,693,738</u>
Net (Expense)/Revenue:					
Governmental Activities	(118,100,028)	(123,982,247)	(165,413,667)	(139,969,898)	(158,862,540)
Business-Type Activities	(1,692,862)	(2,015,824)	(2,731,689)	(2,393,696)	(4,161,112)
Total primary government net expense	<u>\$ (119,792,890)</u>	<u>\$ (125,998,071)</u>	<u>\$ (168,145,356)</u>	<u>\$ (142,363,594)</u>	<u>\$ (163,023,652)</u>
General Revenues and Other Changes in Net Assets:					
Governmental Activities:					
Taxes					
Property Taxes	59,201,397	61,746,039	65,338,434	69,796,230	75,213,014
Sales Taxes	58,124,560	57,374,300	58,795,576	63,052,513	69,092,401
Hotel/Motel Taxes	2,102,640	2,428,170	2,623,391	2,916,705	3,447,796
Alcohol Beverage Taxes	2,587,352	2,686,212	2,733,233	2,785,346	2,895,086
Business Taxes	19,791,419	20,670,707	22,038,799	23,583,651	24,692,311
Unrestricted grants and contributions	34,244	19,686	34,925	164,425	95,435
Investment Earnings	6,925,574	5,056,178	852,655	4,501,583	3,174,349
Miscellaneous	795,976	4,000,000	-	-	-
Transfers	(545,756)	(638,765)	(1,019,106)	(4,487,694)	(565,523)
Total governmental activities	<u>149,017,406</u>	<u>153,342,527</u>	<u>151,397,907</u>	<u>162,312,759</u>	<u>178,044,869</u>
Business-Type Activities:					
Property Taxes	2,631,394	2,698,127	2,616,154	2,660,453	2,811,762
Investment Earnings	11,788	15,557	23,999	40,506	238,684
Contributions	800,000	-	-	-	-
Gain (Loss) Sale of Assets	-	(36,295)	(167,634)	-	-
Transfers	545,756	638,765	1,019,106	4,487,694	565,523
Total business-type activities	<u>3,988,938</u>	<u>3,316,154</u>	<u>3,491,625</u>	<u>7,188,653</u>	<u>3,615,969</u>
Total primary government	<u>\$ 153,006,344</u>	<u>\$ 156,658,681</u>	<u>\$ 154,889,532</u>	<u>\$ 169,501,412</u>	<u>\$ 181,660,838</u>
Change in Net Assets					
Governmental activities	30,917,378	29,360,280	(14,015,760)	22,342,861	19,182,329
Business-type activities	2,296,076	1,300,330	759,936	4,794,957	(545,143)
Total primary government	<u>\$ 33,213,454</u>	<u>\$ 30,660,610</u>	<u>\$ (13,255,824)</u>	<u>\$ 27,137,818</u>	<u>\$ 18,637,186</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Fund Balances,
Governmental Funds,
Last Five Fiscal Years
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund					
Reserved	\$ 1,702,784	\$ 850,083	\$ 673,774	\$ 4,402,101	\$ 5,015,853
Unreserved	<u>39,149,538</u>	<u>31,633,598</u>	<u>30,743,749</u>	<u>34,019,497</u>	<u>39,774,098</u>
Total General Fund	<u>\$ 40,852,322</u>	<u>\$ 32,483,681</u>	<u>\$ 31,417,523</u>	<u>\$ 38,421,598</u>	<u>\$ 44,789,951</u>
All Other Governmental Funds					
Reserved	30,060,087	55,199,430	45,619,206	44,936,030	41,714,691
Unreserved reported in:					
Special revenue funds	9,213,721	5,823,769	7,681,742	8,928,748	12,894,288
Capital projects funds	50,068,861	95,825,322	84,429,258	70,315,818	72,659,975
Permanent funds	<u>1,068,637</u>	<u>1,071,915</u>	<u>1,097,162</u>	<u>1,127,479</u>	<u>1,187,494</u>
Total all other governmental funds	<u>\$ 90,411,306</u>	<u>\$ 157,920,436</u>	<u>\$ 138,827,368</u>	<u>\$ 125,308,075</u>	<u>\$ 128,456,448</u>

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Changes in Fund Balances
Governmental Funds, Last Five Fiscal Years
(modified accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues:					
General Property Taxes	\$ 58,409,701	\$ 60,857,650	\$ 64,888,648	\$ 71,207,733	\$ 76,386,030
Sales and Use Taxes	62,814,552	62,488,681	64,152,201	68,754,565	75,435,283
Other Taxes	19,791,419	20,670,706	22,038,800	23,583,652	24,692,312
Licenses and Permits	2,235,844	2,157,783	2,257,954	2,153,269	2,542,800
Intergovernmental Revenues	20,307,844	12,219,091	13,876,572	8,931,447	11,336,282
Charges for Services	17,252,597	17,746,629	18,564,804	18,963,924	19,239,809
Interest Revenues	6,881,331	5,020,748	1,201,770	4,491,594	3,254,221
Fines and Forfeitures	5,084,701	4,589,874	4,341,958	3,756,205	4,461,703
Sales and Rentals	5,129,264	629,226	1,154,602	994,262	775,743
Private Contributions	28,879	4,019,686	29,450	156,084	-
Miscellaneous Revenues	1,185,313	1,205,118	668,364	1,345,194	1,200,124
TOTAL REVENUES	<u>199,121,445</u>	<u>191,605,192</u>	<u>193,175,123</u>	<u>204,337,929</u>	<u>219,324,307</u>
Expenditures:					
General Government	24,275,099	24,620,025	23,610,114	25,646,887	26,064,978
Public Safety	72,819,692	69,807,403	70,422,069	72,603,317	76,879,029
Public Works	18,568,319	19,867,607	19,473,475	19,961,020	21,266,158
Culture and Recreation	10,258,768	11,585,476	11,218,195	11,307,159	11,728,121
Health and Welfare	12,765,460	13,047,789	13,464,618	14,042,500	15,485,307
Urban Development and Housing	4,946,292	5,901,684	6,103,756	4,896,366	6,668,549
Economic Opportunity	3,042,887	3,321,445	2,931,423	2,430,730	1,712,312
Capital Projects	36,455,885	49,581,636	57,265,589	34,187,175	24,573,916
Debt Service:					
Principal Retirement	23,045,624	8,473,316	17,991,721	14,705,320	15,625,204
Interest and Fiscal Charges	5,064,061	4,368,348	8,122,371	6,721,185	6,273,484
Debt Insurance Costs	-	808,032	357,701	698	-
TOTAL EXPENDITURES	<u>211,242,087</u>	<u>211,382,761</u>	<u>230,961,032</u>	<u>206,502,357</u>	<u>206,277,058</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,120,642)	(19,777,569)	(37,785,909)	(2,164,428)	13,047,249
Other Financing Sources (Uses):					
Transfers In	30,164,924	33,931,846	36,659,763	31,403,175	27,098,606
Transfers Out	(32,104,617)	(36,272,505)	(40,273,080)	(38,617,906)	(30,629,129)
Premiums on Debt Issue	-	662,003	-	-	-
Proceeds From Debt Issue	674,659	80,596,714	21,240,000	828,686	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,265,034)</u>	<u>78,918,058</u>	<u>17,626,683</u>	<u>(6,386,045)</u>	<u>(3,530,523)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (13,385,676)</u>	<u>\$ 59,140,489</u>	<u>\$ (20,159,226)</u>	<u>\$ (8,550,473)</u>	<u>\$ 9,516,726</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	15.6%	7.9%	12.2%	12.2%	11.7%

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Assessed Value and Estimated Actual Value of Taxable Property, Last Five Fiscal Years

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Industrial Property	Other Real & Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2002	\$1,355,014,599	\$ 1,178,948,478	\$ 513,403,385	\$ 221,312,517	\$ 616,862,076	2,651,816,903	37.99	8,189,080,678	40.0%
2003	1,535,243,646	1,199,884,203	497,711,653	127,257,179	612,805,393	2,747,291,288	38.49	8,400,241,703	40.0%
2004	1,610,959,332	1,267,486,958	485,528,176	125,679,582	629,307,941	2,860,346,107	40.85	8,724,135,120	40.0%
2005	1,699,369,072	1,325,633,982	460,259,569	130,957,485	643,738,375	2,972,481,733	42.81	9,040,550,270	40.0%
2006	1,797,427,005	1,335,531,102	483,187,949	129,839,965	647,569,982	3,098,416,039	42.81	9,364,965,053	40.0%

Source: Muscogee County Tax Commissioner
Muscogee County Tax Assessor

Note: Property in Columbus/Muscogee County is reviewed annually

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Direct and Overlapping Property Tax Rates, Last Five Fiscal Years
(rate per \$1,000 of assessed value)

Fiscal Year	City Direct Rates			Overlapping Rates
	Basic Rate	Debt Service	Total Direct	Muscogee County School District
2002	37.17	0.82	37.99	23.37
2003	37.67	0.82	38.49	23.37
2004	39.62	1.23	40.85	23.37
2005	41.58	1.23	42.81	23.37
2006	41.58	1.23	42.81	23.37

Source: Columbus Consolidated Government Finance Department

Note: The Consolidated Government's tax rate can only be increased by majority vote of Columbus Council.
 Rates for debt service are based on each year's requirements.

Overlapping rates are those of the local school district that apply to property owners within the Consolidated Government.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Principal Property Tax Payers, Current Year and Nine Years Ago

Taxpayer	Type of Business	2006			1997			Percentage of Total City Taxable Assessed Value
		Taxable Assessed Value	Taxes Levied	Percentage of Total City Taxes Levied (1)	Taxable Assessed Value	Taxes Levied	Rank	
TSYS	Credit Card Processing	\$51,485,573	\$2,189,037	3.10%	16,582,387	671,105	6	1.58%
AFLAC	Insurance	46,855,593	1,945,913	2.80%	26,472,532	1,085,374	3	2.55%
Georgia Power	Utility	44,522,599	1,835,293	2.60%	45,765,746	1,850,952	1	4.35%
United Technologies/Pratt & Whitney	Manufacturing	32,412,396	1,346,059	1.90%	16,392,372	672,087	7	1.58%
Swift Textiles, Inc.	Manufacturing	22,676,675	1,331,817	1.90%	24,981,914	1,024,258	4	2.41%
Bellsouth Telecommunications	Utility	32,457,538	1,309,779	1.80%	31,434,832	1,232,786	2	2.90% (2)
PEACHTREE MALL LLC	Shopping Center Complex	30,693,180	1,274,688	1.70%	19,999,270	819,970	5	1.93%
W. C. Bradley Company	Manufacturing	26,531,858	1,182,671	1.30%	13,602,169	546,721	unranked	1.28%
MBIA	Manufacturing	22,711,569	943,211	1.90%	8,437,663	345,944	unranked	0.81%
ATMOS Energy Corporation	Utility	16,334,474	675,530	1.00%	13,089,200	533,964	unranked	1.25% (3)
Total		\$326,681,455.00	\$14,033,998.59	20.00%	1997 Top Ten:	9,392,758		22.06%

Source: Muscogee County Tax Commissioner's Office

(1) Percentage of total property tax levy by all taxing jurisdictions in Columbus

(2) in 1997 legal name was Southern Bell

(3) in 1997 legal name was United Cities Gas Company

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Real and Personal Property Tax Levies and Collections, Last Five Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Collections to Date	
		Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2002	\$ 42,544,109	\$ 41,367,290	97.23%	\$ 936,345	\$ 42,303,635	99.43%
2003	44,736,305	43,012,683	96.15%	1,200,707	44,213,390	98.83%
2004	49,062,884	47,045,191	95.89%	1,354,993	48,400,184	98.65%
2005	52,612,746	50,399,381	95.79%	1,390,918	51,790,300	98.44%
2006	54,730,288	53,344,188	97.47%	-	53,344,188	97.47%

Source: Muscogee County Tax Commissioner's Office

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Ratios of Outstanding Debt by Type, Last Five Fiscal Years

Fiscal Year	Governmental Activities					Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Water & Sewer Bonds	Lease Revenue Bonds	Notes Payable	Capital Leases			
2002	\$ 33,035,000	\$ 3,025,000	\$ 30,150,568	\$ 11,250,000	\$ 3,210,913.00	\$ 80,671,481	1.6%	436
2003	60,070,000	2,805,000	71,337,703	10,500,000	3,138,164	147,850,867	2.8%	811
2004	54,725,000	2,570,000	81,356,471	9,750,000	2,079,308	150,480,779	2.8%	811
2005	43,725,000	2,320,000	80,289,900	9,000,000	1,732,811	137,067,711	n/a	740
2006	32,190,000	2,050,000	78,410,165	8,250,000	1,041,471	121,941,636	n/a	658

Note: Details regarding the Consolidated Government's debt can be found in the notes to the financial statements.
 Personal Income data not available for FY05 or FY06.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Ratios of Net General Bonded Debt Outstanding, Last Five Fiscal Years

General Bonded Debt Outstanding							
Fiscal Year	General Obligation Bonds	Revenue Bonds	Total	Debt Service Monies Available	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2002	\$ 33,035,000	\$ 30,150,568	\$ 63,185,568	\$ 11,962,069	\$ 51,223,499	0.6%	\$ 276.55
2003	60,070,000	71,337,703	131,407,703	17,164,430	114,243,273	1.4%	626.81
2004	54,725,000	81,356,471	136,081,471	19,131,240	116,950,231	1.3%	629.91
2005	43,725,000	80,289,900	124,014,900	23,969,237	100,045,663	1.1%	540.00
2006	32,190,000	78,410,165	110,600,165	22,754,348	87,845,817	0.9%	474.15

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Direct and Overlapping Governmental Activities Debt, as of June 30, 2006

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
General Obligation Debt	\$ 32,190,000	100.00%	\$ 32,190,000
Water and Sewer Bonds	2,050,000	100.00%	2,050,000
Lease Revenue Bonds	78,410,165	100.00%	78,410,165
Notes Payable	8,250,000	100.00%	8,250,000
Capital Leases	1,041,471	100.00%	1,041,471
City direct debt			121,941,636
Total direct and overlapping debt			<u>\$ 121,941,636</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The Muscogee County School District has no outstanding debt during the current year.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Legal Debt Margin, Last Five Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2006	
Assessed Value	\$ 3,745,986,021
Debt limit (10% of assessed value)	374,598,602
Debt applicable to limit:	
General Obligation Bonds	32,190,000
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>32,190,000</u>
Legal Debt Margin	<u><u>\$ 342,408,602</u></u>

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Debt Limit	\$ 327,563,227	\$ 336,009,668	\$ 348,965,405	\$ 361,622,011	\$ 374,598,602
Total net debt applicable to limit	<u>33,035,000</u>	<u>60,070,000</u>	<u>54,725,000</u>	<u>43,725,000</u>	<u>32,190,000</u>
Legal debt margin	<u><u>294,528,227</u></u>	<u><u>275,939,668</u></u>	<u><u>294,240,405</u></u>	<u><u>317,897,011</u></u>	<u><u>342,408,602</u></u>
 Total net debt applicable to the limit as a percentage of debt limit	 10.09%	 17.88%	 15.68%	 12.09%	 8.59%

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

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Demographic and Economic Statistics, Last Five Calendar Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
Source:	(1)	(2)	(3)	(4)	(5)	(6)
2002	185,226	5,149,581	27,784	33.2	32,741	5.1%
2003	182,260	5,218,772	28,656	33.2	32,854	5.9%
2004	185,662	5,469,591	29,460	33.4	32,572	4.7%
2005	185,271	n/a	n/a	34.1	32,572	6.0%
2006	185,271	n/a	n/a	n/a	32,572	5.8%

Sources:

- (1) Bureau of Economic Analysis and U.S. Census projections
- (2) Bureau of Economic Analysis
- (3) Bureau of Economic Analysis and U.S. Census
- (4) U. S. Census and Greater Columbus Chamber of Commerce
- (5) Muscogee County School District
- (7) Georgia Department of Labor

Note: Personal Income and Per Capita Personal Income data is not available for FY 2005 and 2006.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Principal Employers, Current Year

<u>Employer</u>	<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Fort Benning Military Reservation (U.S. Army)	33,779	1	21.6%
TSYS	6,000	2	3.8%
Muscogee County School District	5,927	3	3.8%
AFLAC, Inc.	3,300	4	2.1%
Columbus Consolidated Government	2,847	5	1.8%
Columbus Regional Healthcare System	2,603	6	1.7%
W. C. Bradley Company	2,000	7	1.3%
Blue Cross/Blue Shield of Georgia	1,700	8	1.1%
Swift Denim, Inc.	1,600	9	1.0%
St. Francis Hospital, Inc.	1,409	10	0.9%
Total	<u><u>61,165</u></u>		<u><u>39.1%</u></u>

*Includes City of Columbus and Fort Benning Military Reservation

Sources: Columbus Chamber of Commerce, Georgia Department of Labor

Note: The Columbus Consolidated Government has not reported this information in previous years. Principal employers in 1997 is not available.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Full-time Equivalent City Government Employees by Function/Program, Last Five Fiscal Years

<u>Function/Program</u>	<u>Full-time Equivalent Employees as of June 30 (Actual/Funded)</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Government	363	366	467	473	447
Public Safety					
Police	497	497	497	497	480
Fire	371	379	394	394	377
Sheriff	324	324	367	370	345
Other Public Safety	130	130	116	116	107
Public Works	376	379	378	382	366
Housing & Urban Development	47	51	50	47	44
Culture & Recreation	404	398	396	399	356
Integrated Waste	97	97	98	98	98
Civic Center	34	34	31	31	31
Transportation (METRA)	76	76	74	74	74
Parking Management	6	6	8	8	8
Total	<u>2,725</u>	<u>2,737</u>	<u>2,876</u>	<u>2,889</u>	<u>2,733</u>

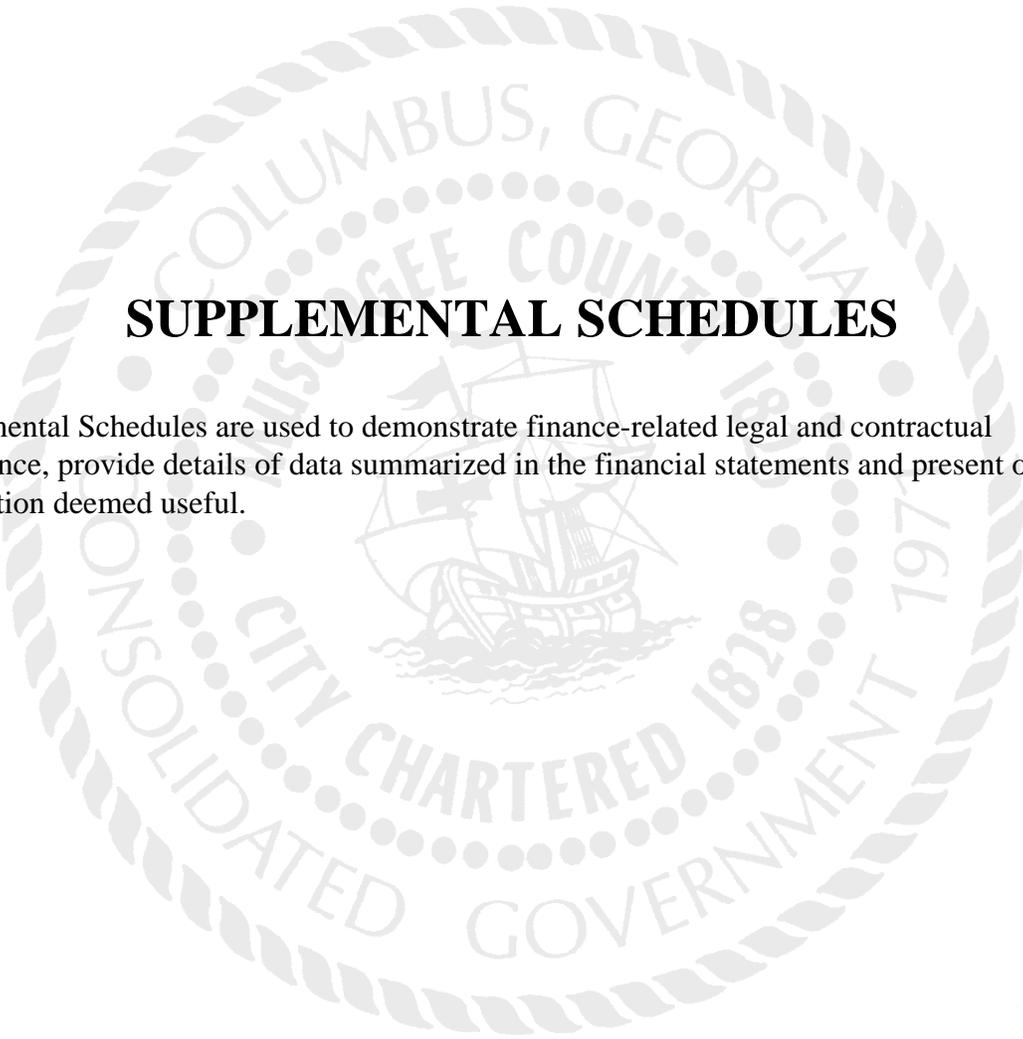
Source: Annual Operating Budgets as prepared by Financial Planning Division, Finance Department

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Operating Indicators by Function/Program, Last Five Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Police					
Police calls dispatched	157,046	153,578	153,503	158,304	157,152
Patrol Officer responses to calls for service	378,000	362,745	415,682	304,169	310,200
Criminal Arrests	22,400	19,850	20,950	18,739	20,103
Homicides	14	22	16	29	24
Burglary/Theft Cases Assigned	2320	3,100	2,690	2,447	2,566
Number of Neighborhood Watch Programs established	4	14	14	15	15
7th Grade Students enrolled in GREAT (Gang Resistance Education and Training)	2,900	5,560	4,050	5,280	5,040
Fire					
Fire calls dispatched	17,074	16,392	16,625	18,063	19,230
EMS calls dispatched	20,342	20,653	21,061	21,530	23,068
Percent of responses arriving within five minutes of call	n/a	59%	64%	68%	72%
Percent of Firefighters trained as EMT's	n/a	21%	33%	33%	35%
Refuse Collections					
Number of household and business customers served	n/a	58,890	58,972	59,772	60,622
Household waste collected and covered daily (tons)	135,684	142,250	135,684	142,250	145,000
Inert Waste collected/received (annual tonnage)	n/a	12,904	12,260	16,832	17,555
Inert Waste mulched (annual tonnage)	3,941	4,250	5,580	5,000	6,000
Recyclables collected (annual tonnage)	3,430	3,416	3,296	3,768	4,000
Other Public works					
Street resurfacing/repairing (asphalt tonnage)	n/a	2,043	2,197	2,095	2,800
Miles of right-of-way mowed	1,783	1,653	1,701	1,814	2,500
Number of trees planted	550	669	808	808	870
Number of trees pruned or removed	1,636	2,197	4,157	4,857	3,540
Culture and recreation					
Aquatics swim lesson participants	403	504	462	482	507
Daily average attendance at all pools	n/a	685	685	910	1,000
Cultural Arts Center participants	3,807	9,485	13,160	10,263	14,175
Inspections and Code Enforcement					
Building Inspections	26,700	31,970	36,244	37,618	38500
Permits Issued	20,004	20,857	20,862	20968	22939
Plans Checked	n/a	4,796	3,743	4,850	4652
Construction Valuations	\$275,384,114	\$225,783,752	\$246,750,341	\$233,413,139	\$337,039,812
Code deficient/unsafe housing units demolished	n/a	18	43	50	55
Transit					
Total Route Miles	939,739	1,064,681	1,036,923	1,106,203	1,007,929
Passengers	1,127,519	1,127,350	1,111,795	1,119,650	1,105,717

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Capital Asset Statistics by Function/Program, Last Five Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Public Safety					
Police					
Stations/Precincts	3	3	3	3	3
Patrol vehicles	225	230	235	240	237
Marshal					
Vehicles	15	15	15	16	16
Fire					
Permanent stations	12	12	14	14	14
Temporary stations	3	3	2	2	2
Engines	14	14	15	17	20
Ladder trucks	5	5	6	6	6
Ambulances	12	12	12	12	12
Squad trucks	2	2	2	2	2
Cars	30	30	30	30	30
Public works					
Paved Streets (miles)	684	750	957	967	967
Dump Trucks	47	48	46	47	45
Parks and recreation					
Park Acreage	1,917	3,467	3,467	3,467	3,467
Parks	52	52	52	52	52
Swimming Pools	13	6	6	6	6
Super Centers	2	4	4	4	4
Community Centers	8	8	8	8	8
Public Playground Systems	87	84	84	84	84
Athletic Fields	112	115	115	115	115
Refuse Collections					
Collection Trucks	46	46	46	46	48
Recycle Trucks	9	9	9	9	9
Transit					
Fixed Route Buses	28	27	31	30	29
Trolleys	3	3	3	4	4
Dial-A-Ride Buses	8	7	6	6	6

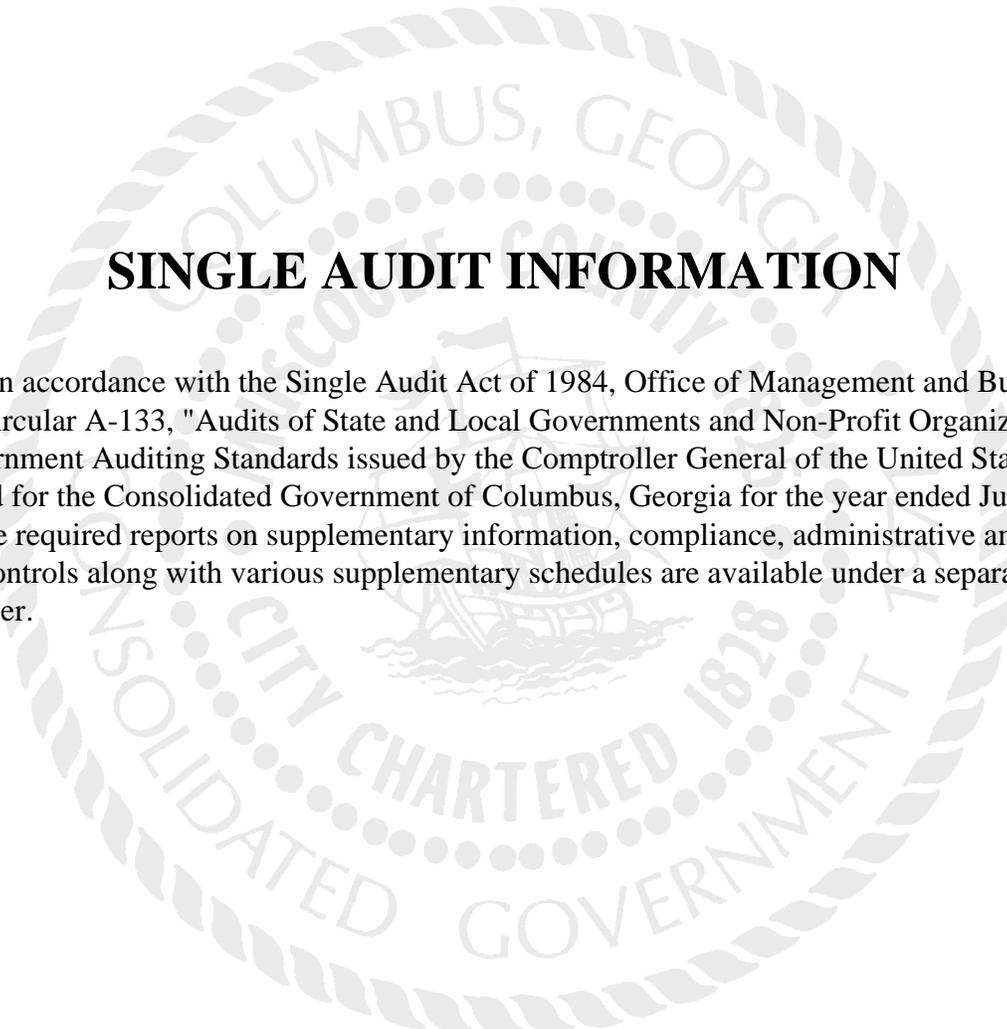
The seal of Columbus, Georgia, is a circular emblem with a rope-like border. It features a central illustration of a three-masted sailing ship on the water. The text around the seal includes "COLUMBUS, GEORGIA" at the top, "ALSO SEE COUNTY" in the middle, "CITY CHARTERED 1828" at the bottom, and "CONSOLIDATED GOVERNMENT 197" on the right side.

SUPPLEMENTAL SCHEDULES

Supplemental Schedules are used to demonstrate finance-related legal and contractual compliance, provide details of data summarized in the financial statements and present other information deemed useful.

CONSOLIDATED GOVERNMENT OF COLUMBUS, GEORGIA
Schedule of Revenues and Expenditures - Budget to Actual
Family Connection Program
DHR Contract #427-93-060606
For Fiscal Year Ended June 30, 2006

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under) Budget</u>
Revenues:			
Georgia Department of Human Resources	\$ 49,340	\$ 50,000	\$ (660)
TOTAL REVENUES	49,340	50,000	(660)
Expenditures:			
Direct Salaries & Fringe Benefits	36,678	36,000	(678)
Other Operating	12,662	14,000	1,338
TOTAL EXPENDITURES	49,340	50,000	660
EXCESS REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



SINGLE AUDIT INFORMATION

An audit in accordance with the Single Audit Act of 1984, Office of Management and Budget (OMB) Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations", and Government Auditing Standards issued by the Comptroller General of the United States was performed for the Consolidated Government of Columbus, Georgia for the year ended June 30, 2006. The required reports on supplementary information, compliance, administrative and internal controls along with various supplementary schedules are available under a separate report cover.