

COLUMBIA COUNTY, GEORGIA

*Comprehensive
Annual
Financial
Report*

For The Fiscal Year Ended June 30, 2004

Columbia County, Georgia

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Fiscal Year Ended June 30, 2004



**Prepared by:
Financial Services
Leanne C. DeLoach, CPA
Director of Financial Services**



COLUMBIA COUNTY, GEORGIA

Annual Financial Report Year Ended June 30, 2004

Table of Contents

INTRODUCTORY SECTION

Letter of Transmittal	i
Principal Officials	ix
Organizational Chart	x
Certificate of Achievement for Excellence in Financial Reporting	xi

FINANCIAL SECTION

	<u>Page</u>
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1 - 2
MANAGEMENT'S DISCUSSION AND ANALYSIS	3-16
BASIC FINANCIAL STATEMENTS	17
Government-wide Financial Statements:	19
Statement of Net Assets	21
Statement of Activities	22-23
Fund Financial Statements:	25
Balance Sheet – Governmental Funds	26
Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Assets	27
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	28
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	29
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	30
Statement of Net Assets - Proprietary Funds	32-35
Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	36-37
Statement of Cash Flows - Proprietary Funds	38-41
Statement of Fiduciary Net Assets - Fiduciary Funds	42
Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	43
Notes to Financial Statements	45-77



COLUMBIA COUNTY, GEORGIA

Annual Financial Report Year Ended June 30, 2004

Table of Contents (continued)

	<u>Page</u>
FINANCIAL SECTION (Continued):	
COMBINING AND INDIVIDUAL FUND STATEMENTS	79
GENERAL FUND BY OBJECT	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	82-88
NONMAJOR GOVERNMENTAL FUNDS	
Combining Balance Sheet - Nonmajor Governmental Funds	90-91
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	92-93
Combining Balance Sheet - Nonmajor Special Revenue Funds	94-97
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	98-101
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – Nonmajor Special Revenue Funds	
Building Standards Fund	102
Federal Asset Sharing Fund	103
State Condemnation Fund	104
Street Lights Fund	105
Recreation Advisory Board Fund	106
911 Fund	107
Jail Fund	108
Drug Abuse Treatment Fund	109
Supplemental Juvenile Services Fund	110
Community Center Operations Fund	111
Community Greenspace Fund	112
Hotel / Motel Fund	113
Multiple Grants Fund	114
Library Board Fund	115
Clean and Beautiful Memorial Fund	116
Fire Services Fund	117
Sheriff's Gifts/Donations Fund	118
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual - Debt Service Fund	119
INTERNAL SERVICE FUNDS	
Combining Statement of Net Assets - Internal Service Funds	122
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets – Internal Service Funds	123
Combining Statement of Cash Flows - Internal Service Funds	124



COLUMBIA COUNTY, GEORGIA

Annual Financial Report Year Ended June 30, 2004

Table of Contents (continued)

	<u>Page</u>
FINANCIAL SECTION (Continued):	
AGENCY FUNDS	
Combining Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds	126-127
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS	
Capital Assets Used in the Operation of Governmental Funds Comparative Schedules By Source	129
Capital Assets Used in the Operation of Governmental Funds Schedule By Function and Activity	130
Capital Assets Used in the Operation of Governmental Funds Schedule Of Changes By Function and Activity	131
STATISTICAL SECTION (UNAUDITED):	
General Governmental Expenditures by Function – Last Ten Fiscal Years	132
General Governmental Revenues by Source – Last Ten Fiscal Years	133
Property Tax Levies and Collections By Tax Year – Last Ten Years	134
Assessed and Estimated Actual Value of Property – Last Ten Years	135
Property Tax Rates – Direct and Overlapping Governments – Last Ten Years	136-137
Principal Taxpayers	138
Special Assessment Billings and Collections – Last Ten Fiscal Years	139
Computation of Legal Debt Margin	140
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita – Last Ten Fiscal Years	141
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures – Last Ten Fiscal Years	142
Computation of Direct and Overlapping Bonded Debt – General Obligation Bonds	143
Revenue Bond Coverage – Water and Sewerage Department – Last Ten Fiscal Years	144
Demographic Statistics – Last Ten Years	145
Property Value, Construction and Bank Deposits – Last Ten Years	146
Miscellaneous Statistics	147
Revenue Bonds Continuing Disclosure	148-153
General Obligation Bonds Continuing Disclosure	154-156
SINGLE AUDIT SECTION:	
Report of Independent Certified Public Accountants on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	157-158
Report of Independent Certified Public Accountants on Compliance with Requirements Applicable to each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133	159-160
Schedule of Expenditures of Federal Awards	161
Notes to the Schedule of Expenditures of Federal Awards	162
Schedule of Findings and Questioned Costs	163

INTRODUCTORY SECTION



December 31, 2004

To the Honorable Chairman,
Members of the Board of Commissioners, and
Citizens of Columbia County, Georgia:

The Comprehensive Annual Financial Report (CAFR) of Columbia County, Georgia, for the year ended June 30, 2004, was prepared by the Columbia County Financial Services Division and is hereby submitted. This CAFR is being formally submitted as required by the Official Code of Georgia Annotated, Section 36-81-7 and Rule 15c2-12 of the Securities Exchange Act of 1934. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the County as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain a reasonable understanding of the County's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in the following four sections:

- The introductory section includes this transmittal letter, a list of principal officials, the County's organization chart, and a copy of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2003.
- The financial section includes the independent auditor's report on the financial statements, management's discussion and analysis, the basic audited financial statements with notes, and combining fund statements.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis, and information required by the Securities and Exchange Commission under Rule 15c2-12 of the Securities Exchange Act relating to municipal bond disclosure.
- The single audit section includes schedules of expenditures of federal and state awards and independent auditors' reports relating to these schedules.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Columbia County's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

Columbia County, established in 1790 and named in honor of Christopher Columbus, is located in the Central Savannah River Area of Georgia approximately 135 miles east of Atlanta and five miles northwest of Augusta/Richmond County. The 290 square mile county is bounded on the north by Thurmond Lake and the Savannah River (separating Columbia County from Lincoln County, Georgia, and McCormick and Edgefield Counties, South Carolina), on the south and east by Augusta/Richmond County, and on the west by McDuffie County.

A five-member Board of Commissioners governs Columbia County. The Board is comprised of one chairman, elected county wide, and four commissioners, each elected from a separate commission district serving four year staggered terms. A County Administrator, who is appointed by and responsible to the Board, directs the daily operation of the County. Services provided to the approximately 97,000 residents include: public safety (Sheriff's Office, detention center, E911, fire), emergency services, community services, public works, planning and development, and other general governmental services. The County also provides water, sewer, storm water, and solid waste disposal services to the public.

FINANCIAL REPORTING ENTITY

The financial reporting entity includes all activities and functions of the primary government (i.e., Columbia County, Georgia) as well as all related component units, if any. "Financial Accountability" is the benchmark used to determine which legally separate entities represent component units of the primary government. Blended component units, although legally separate entities, are, in substance, an integral part of the primary government's operations and, therefore, are included as part of the primary government. Accordingly, the Columbia County Solid Waste Management Authority is reported as an Enterprise Fund of the primary government because its sole purpose is to perform development, leasing, and long-term planning of a solid waste facility for the County.

The Development Authority of Columbia County, the Columbia County Board of Health, and Bartram Trail, CDC, Inc. are reported as discretely presented component units in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial positions. The Development Authority serves to promote, pursue, and implement economic development in the County. The Board of Health serves to operate the public health department of the County. Bartram Trail, CDC, Inc. is a community development corporation created to develop, construct, and operate a public golf course in Columbia County.

ECONOMIC CONDITION AND OUTLOOK

We began 2004 by adopting a new logo and brand to reflect the forward-thinking of the community and government. The stylized sailboat has been used extensively for economic development as well as community unity. The County's high school students – the future leaders of the County – had an election to determine the final choice.

Growth in all facets of Columbia County remains strong and attractive to individual families, retail/commercial, and industry alike. Our two new golf course/residential communities are progressing well and will offer a variety of housing types. The public golf course is proposing housing ranging from \$300,000 to \$600,000. New home construction in the County is continuing with single family homes beginning at \$180,000. Area homebuilders have made application for subdivision plats and building permits in large numbers. These plats include single family, townhouse developments, and apartment complexes. Single-family permits have remained steady while townhouse building permits in FY 2004 were more than 57 percent more than the previous year.

The activity level for retail and commercial development is ongoing with much growth along the major transportation thoroughfares of Washington Road, Belair Road, Interstate 20 intersections, and Furys Ferry Road. The Columbia County Chamber of Commerce was initiated in June 2003 and is now firmly established and initiating progressive (first in the nation) insurance plans for its members.

Plans for several large shopping centers have been announced, and a 400,000 sq. ft. retail center - anchored by Target and Kohls - is underway and should be open in less than a year. Across the street from this center will be an upscale retail shopping area for small shops and restaurants. This summer, the developers of Marshall Square announced a large, 50-acre lifestyle development to include retail and professional, a hotel and convention center, and residential housing across from the Evans Government and Justice Centers in the heart of the Evans Town Center. Another retail center has been announced that will be located on the Evans Middle School site once a new middle school has been built. These centers represent 1.5 million square feet of retail space that will be available over the next few years. It is obvious that the retail market is following the population flow into the County and is attracted to the County's demographics. As of August 2004, the County had issued 5069 business licenses which is an increase of 1139 from the previous year.

A significant medical corridor is developing on Belair Road. The University Hospital opened a three-story medical office facility at 100% capacity this spring and is planning to build an identical building nearby. The area's largest OBY/GYN practice will be moving from downtown Augusta to Evans, across the street from the University Hospital medical facility. It will include a wellness center, clothing stores, and restaurants. This area's medical personnel enjoy working close to their patients and their own homes. The freedom from a long commute allows them more time with their families and community activities.

The County's newest public/private partnership, Horizon North Industrial Park, has its first tenant

who is a supplier for John Deere located in the Horizon South Industrial Park nearby. Public/private partnerships have been most successful, and the concept is being encouraged throughout the County. The Horizon South Industrial Park, which had almost reached full capacity, has obtained additional property and will soon be home to a satellite campus of Augusta Tech.

Our Economic Development Executive Director anticipates that economic growth which has been announced this year will positively influence future initiatives. The quality of life in Columbia County is attractive to many, and the County is seeking environmentally-friendly commercial and industrial growth. The County is wishing to expand its economic partnership with adjoining counties and to promote growth around beautiful Lake Thurmond.

MAJOR CURRENT YEAR INITIATIVES

Fire Services. In December 2003, the Board of Commission voted to use property tax funds to provide fire services in the unincorporated area of the County. This has eliminated subscription fees and under-funding of several fire departments. The public has been very supportive of this endeavor as it will greatly improve services and lower homeowners insurance rates in the unincorporated area of the County.

1% Special Purpose Local Option Sales Tax (SPLOST) – 2000-2005. The “star” project of the current SPLOST is the County’s new public library and performing arts center, which is progressing on time and within budget. This building, along with the 300-seat amphitheatre and lighted walking track, will be the site for many community activities. The grand opening is anticipated in March 2006. The County also purchased land for a new 150-acre park. This will be the home for six additional soccer fields, tennis courts, and walking trails. Transportation projects are continuing as funding becomes available.

1% Special Purpose Local Option Sales Tax (SPLOST) – 2006-2010. Because of several important initiatives, the County passed its 2006-2010 SPLOST referendum in July 2004 so general obligation bonds could be sold. Almost 70% of the citizens supported the referendum. Most of these funds will be spent immediately on fire stations and equipment as these services are upgraded throughout the County.

Canal Headgates. A grand opening for the restored Canal Headgates buildings at the Savannah Rapids Pavilion was held in July 2004. The Lockkeeper’s Cottage is a State-recognized welcome center for the County, and the dance pavilion and dining hall are wonderful venues for family gatherings and celebrations. The land is leased from Augusta/Richmond County and in November 2004, Augusta/Richmond County extended the County’s lease agreement to 50 years.

Wildwood Park. In the early spring, new mega boat ramps, docks, and a pavilion were opened at Wildwood Park. This has greatly increased the use of this 975-acre park, and the County now hosts Walmart, ESPN, and Bassmaster Tournaments.

MAJOR FUTURE INITIATIVES

Transportation. The County completed a 20-year transportation plan, and the Georgia DOT has been cooperative in recognizing our rapid growth and its impact on the County's major transportation corridors. DOT funding must be combined with SPLOST funds to accomplish needed improvements. The DOT is widening Fury Ferry's Road, and the project is a year behind schedule. Once completed, however, it will greatly alleviate traffic congestion on other main traffic arteries. Improvements to North Belair Road and Washington Road should begin in early 2005.

Water. The Water and Sewer Division recently sold \$28,940,000 Columbia County, Georgia Water and Sewerage Revenue Bonds for the purpose of improving the water and sewer system. The growth of the County will follow their progress, and fire insurance rates will decrease as water becomes more available in the less populated areas of the County. The Water Division's strategic planning has ensured that an ample water supply is available at all times.

Internal Improvements. This year, the County caught a computer virus that even MicroSoft had not seen before. Our IT Department created the "cure" but it was obvious that the County's computers and security were out-of-date and insufficient for the County's needs. New security elements have been added and a new central computer system will be installed in phases over the next two years. This will greatly enhance the capabilities of the Finance and many other departments.

Growth Management Plan. The State of Georgia requires its counties to write a revised Growth Management Plan every ten years. Because of the rapid growth in Columbia County, a new plan is required every five years. The County's growth management plan update is due February 2006. This plan involves a citizen committee, public meetings, and a great deal of research and decision-making on the zoning of the County. Zoning determines where all types of growth will go as well as where greenspace and recreational facilities will be located. These decisions will have a profound impact on the future quality of life in the County.

INTERNAL CONTROLS

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control process is designed to provide reasonable, but not absolute, assurance that these objectives are met. 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 valuation of costs and benefits requires estimates and judgments by management.

As part of the County's annual single audit, required in conformity with provisions of the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, tests are made to determine the adequacy of the internal control structure including

that portion relating to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations. The single audit for the year ended June 30, 2004, disclosed no material internal control weaknesses or material violations of laws and regulations.

BUDGETARY CONTROLS

The County is required to adopt a balanced budget each year and maintain budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Commissioners. Activities of the General Fund, Special Revenue Funds, and Debt Service Fund are included in the annual appropriated budget. Project-length plans are adopted for the Capital Projects Funds. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed appropriations) is the departmental level within each fund. The County Administrator may authorize transfers of appropriations within departments (except salary line items). Transfers of appropriations from one department to another or from one fund to another require approval of the Board of Commissioners.

The County maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, outstanding encumbrances generally are re-appropriated as part of the following year's budget. A detailed explanation of the County's budget procedures can be found in the notes to the financial statements.

DEBT ADMINISTRATION

Columbia County continues to maintain strong bond ratings with the major credit rating services. In September 2004, the County prepared comprehensive presentations for Fitch IBCA, Standard & Poor's, and Moody's Investors Service rating agencies in an effort to upgrade the current uninsured ratings applied to the County's general obligation bonds and water and sewerage revenue bonds. Noting increased financial flexibility due to strong reserves, the County's strong tax base growth and its consistently strong financial operations, the County received notification from Fitch IBCA and Standard & Poor's that the County's general obligation bonds ratings were upgraded from AA- to AA. Moody's maintained the rating of Aa3 on the general obligation bond issues. Standard & Poor's upgraded its rating on the water and sewerage bonds from A to AA-, while Fitch and Moody's maintained their ratings of AA- and Aa3, respectively. The County will continue to follow prudent fiscal policies and practices in order to maintain its strong credit rating.

CASH MANAGEMENT

While any investment instrument or decision carries certain elements of risk, numerous safeguards are available to minimize the risk while generating a market rate of return. Columbia County seeks to obtain market rates of return on its investments consistent with constraints imposed by its safety

objectives, cash flow considerations, and Georgia state laws. Safety of principal is the foremost objective. Each investment transaction shall first seek to ensure that capital losses are avoided, whether they be from defaults or erosion of market value.

Idle funds are invested primarily in obligations of the State of Georgia and other states; obligations issued, fully insured, or guaranteed by the United States; collateralized certificates of deposit; and repurchase agreements. The County strives to maximize investment income while minimizing risk and maintaining liquidity sufficient to cover cash operating requirements. The County utilizes various forms of investment instruments to avoid incurring unreasonable risks inherent in the lack of diversification in specific instruments, individual financial institutions, or maturities. Investment maturities are scheduled to coincide with projected cash flow needs, taking into account large routine scheduled expenditures, as well as considering unanticipated revenues and expenditures.

Investment income includes appreciation in the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

RISK MANAGEMENT

The purpose of the Columbia County risk management program is to minimize the financial burden incurred by the County as a result of work-related injuries, loss of County property, and damages which may be incurred by third parties. The County has elected to utilize coverages provided by the Association County Commissioners of Georgia Interlocal Risk Management Agency (ACCG-IRMA) and the Association County Commissioners of Georgia Group Self-Insured Workers' Compensation Fund (ACCG-GSIWCF). The County continues to maintain self-insured retention levels of \$50,000 per occurrence and \$200,000 per occurrence in the ACCG-IRMA and ACCG-GSIWCF programs, respectively. An Internal Service Fund is used to account for costs associated with risk management, with the exception of workers' compensation, which continues to be accounted for within the General Fund. Reserves are being accumulated in both funds to meet potential losses. As reserves increase, retention levels may be increased, reducing the annual cost of coverage.

Management remains committed to a safe working environment. Employee education and training enhance and supplement ongoing efforts to maintain a safe and healthy environment for all County employees. Training classes, such as CPR and first aid, defensive driving, self defense, workplace violence, and office ergonomics, are made available for all County employees.

INDEPENDENT AUDIT

The Code of Ordinances of Columbia County and the Official Code of Georgia require an annual independent audit of the County's financial records by a certified public accounting firm. The

accounting firm of Baird & Company CPAs, LLC, was selected by the Management and Financial Services Committee and approved by the Board of Commissioners in April 2004 as independent auditors for fiscal year ending June 30, 2004. The County may exercise the option to renew the contract for three additional one year periods. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Office of Management and Budget's Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' reports on internal controls and compliance with applicable laws and regulations are included in the single audit section of this report.

AWARDS

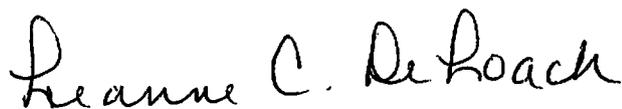
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Columbia County, Georgia, for its comprehensive annual financial report for the fiscal year ended June 30, 2003. This was the sixth consecutive year that the County achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the support and cooperation of elected officials, County administration, other County departments, external auditors, and the efficient, dedicated efforts of the entire staff of the Finance Department. Credit must be given to the County Administrator and the Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Columbia County's finances.

Respectfully submitted,



Leanne C. DeLoach, CPA
Director of Financial Services

**COLUMBIA COUNTY, GEORGIA
PRINCIPAL OFFICIALS
June 30, 2004**

ELECTED OFFICIALS

BOARD OF COMMISSIONERS

Ron C. Cross, Chairman
Diane H. Ford, Vice Chairperson, District 3

District 1	Stephen W. Brown, Jr.
District 2	Thomas W. Mercer, Jr.
District 4	Lee Anderson

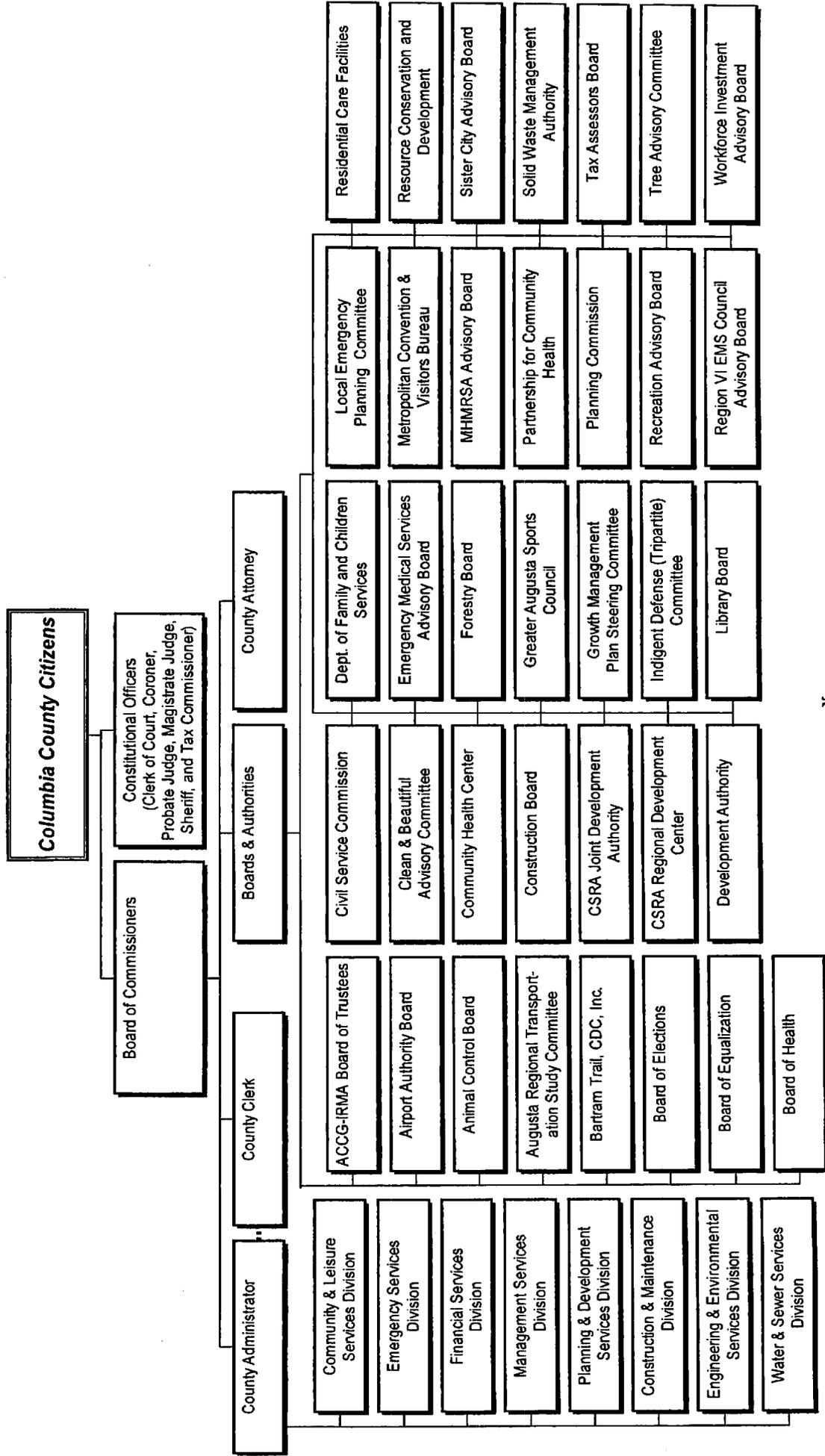
CONSTITUTIONAL OFFICERS

Tax Commissioner	Kay Allen
Clerk of Court	Cindy Mason
Magistrate Court Judge	David Huguenin
Probate Court Judge	Pat Hardaway
Sheriff	Clay Whittle
Coroner	Tommy King

APPOINTED OFFICIALS

County Administrator	Steve Szablewski
Director of Financial Services	Leanne C. DeLoach
Director of Engineering and Environmental Services	James Leiper
Director of Community and Leisure Services	Barry Smith
Director of Planning and Development Services	Jeff Browning
Director of Water and Sewerage Services	William C. Clayton
Director of Construction and Maintenance Services	Kevin Lear
Director of Emergency Services	Pamela P. Tucker
Director of Management Services	Todd Glover
County Clerk	Phebe J. Dent
County Attorney	Douglas D. Batchelor, Jr.

Columbia County Organizational Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Columbia County,
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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.



Nancy L. Ziehl

President

Jeffrey R. Enos

Executive Director

FINANCIAL SECTION

Baird & Company CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS
Augusta, Georgia Office

John P. Gillion, Jr., CPA, PFS, CFS, CVA, CFP®
J.T. Cosnahan, CPA, CFE, CGFM, DABFA
Robert D. Huntley, Jr., CPA
Rep E. Whiddon, CPA, CVA
Brenda F. Carroll, CPA, CIA, CFE

Thomson, Georgia Office

Benjamin B. Barmore, CPA, MCP, CITP
W. Lee Hammond, CPA

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Columbia County, Georgia
Evans, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund and aggregate remaining fund information of Columbia County, Georgia, as of and for the year ended June 30, 2004, which collectively comprise Columbia County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Columbia County, Georgia's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, the discretely presented component units, the business-type activities, each major fund and the aggregate remaining fund information of Columbia County, Georgia, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general 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 October 15, 2004, on our consideration of Columbia County, Georgia's internal control over financial reporting and 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.

Management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We 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 Columbia County, Georgia, basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of Columbia County, Georgia. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them

Baird & Company, CPAs, LLC
Baird & Company, CPAs, LLC
Certified Public Accountants

October 15, 2004
Augusta, Georgia

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion & Analysis

The Management's Discussion and Analysis of the Comprehensive Annual Financial Report (CAFR) of Columbia County, Georgia (the Government) provides an overall narrative and analysis of the Government's financial statements for the fiscal year ended June 30, 2004. This discussion and analysis is designed to look at the Government's financial performance as a whole. Readers should also review the additional information provided in the transmittal letter, which can be found preceding this narrative, and the complete financial statements, with notes, which follow this narrative, to enhance their understanding of the Government's financial performance.

Financial Highlights

Key financial highlights of the Primary Government for the year ended June 30, 2004, are as follows:

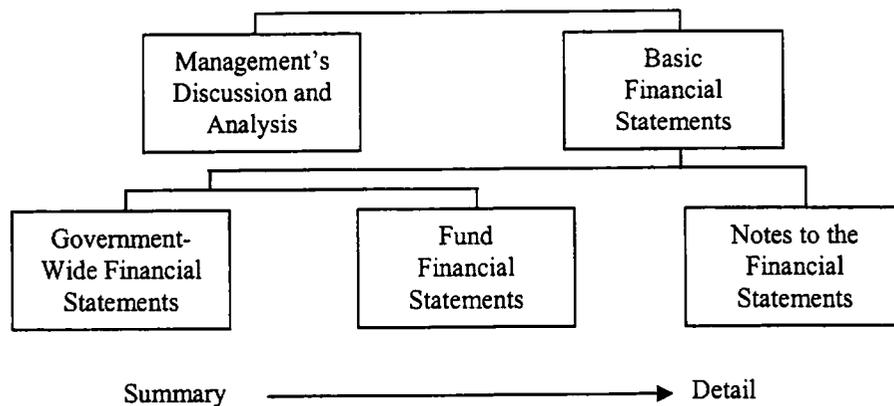
- The Government's combined net assets totaled \$222.6 million.
- The Government's total net assets increased by \$18.3 million, primarily due to increased revenue from property taxes and sales taxes and a minimal change in the filled capacity of the landfill D cell from 90% as of June 30, 2003, to 93% as of June 30, 2004. This increased the liability for closure and postclosure care costs by only \$431,050 as of June 30, 2004.
- As of the close of the current fiscal year, the Government's governmental funds reported combined ending fund balances of \$44.3 million, an increase of \$2.7 million from the prior year. Approximately 87% of this total amount, or \$38.6 million, is available for spending at the government's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$15.5 million, or 41% of total General Fund expenditures for the fiscal year. Of this amount, \$11.1 million has been designated for other purposes, leaving \$4.4 million, or 11.8% of total General Fund expenditures, as undesignated.
- Combined Revenue totaled \$94.7 million of which governmental activities totaled \$65.9 million and business-type activities totaled \$28.8 million.
- Overall expenses totaled \$76.5 million of which governmental activities totaled \$54.0 million and business-type activities totaled \$22.5 million.
- Expenses of governmental activities exceeded program revenue, resulting in the use of \$38.4 million in general revenues (mostly taxes).
- Total Outstanding Long-Term Debt, excluding compensated absences, decreased approximately \$4.1 million due to the continuing reduction in outstanding principal on existing debt.

Overview of the Financial Statements

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

Required Components of Annual Financial Report

Figure 1



Basic Financial Statements

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

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

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

Government-wide Financial Statements

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

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

The **Statement of Activities** presents information showing how the Government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expense and program revenues for each function of the Government.

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities and 3) component units. The governmental activities include most of the Government's basic services such as general administration, judicial services, public safety, public works, health and welfare, culture and recreation, and housing and development. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those services that the Government charges a fee to customers in order to provide. These include solid waste management, water and sewer, and storm water. The final category is component units. The Development Authority of Columbia County serves to promote, pursue and implement economic development in the county. The Columbia County Board of Health is a public health department. The Bartram Trail, CDC, Inc. is a community development corporation created to develop, construct, and operate a public golf course in Columbia County. Although legally separate from the Government, the Government appoints a voting majority of the boards for the Development Authority, the Board of Health, and the Bartram Trail, CDC, Inc.

Fund Financial Statements

A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Governmental Funds

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

The Government has four governmental fund types: the General Fund, Special Revenue Funds, Debt Service Fund and the Capital Projects Funds. Only two individual funds are being considered major funds – the General Fund and the 2001-2005 Special Purpose Local Option Sales Tax Fund (SPLOST).

Proprietary Funds

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

The Government has four enterprise funds: Water and Sewerage Fund, Solid Waste Authority Fund, Solid Waste Management Fund and the Storm Water Utility Fund. The Government has three internal service funds: Employee Medical Fund, Risk Management Fund and Customer Service Information Center. The Water and Sewerage Fund, Solid Waste Authority Fund and Solid Waste Management Fund are the only funds being considered major funds for presentation purposes.

Fiduciary Funds

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

Government-wide Financial Analysis

Net Assets

Net assets may serve over time as one useful indicator of a government's financial condition. The assets of the Government exceeded liabilities by \$222.6 million as of June 30, 2004.

The largest portion of the Government's net assets, \$160.8 million or 72%, reflects its investment in capital assets such as land, buildings, equipment and infrastructure (road, bridges, sidewalks, water lines and sewer lines) less any related debt used to acquire those assets that is still outstanding. The Government uses these capital assets to provide services to its citizens; therefore, these assets are not available for future spending. Although the Government's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Government's net assets, \$19.8 million or 9%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$42.0 million or 19%, may be used to meet the Government's ongoing obligations to citizens and creditors.

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

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

The Government's Net Assets

June 30

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$ 47,662,711	\$ 45,790,681	\$ 36,226,952	\$ 47,363,874	\$ 83,889,663	\$ 93,154,555
Capital assets	108,647,331	99,389,399	136,153,844	120,940,250	\$ 244,801,175	\$ 220,329,649
Total assets	<u>156,310,042</u>	<u>145,180,080</u>	<u>172,380,796</u>	<u>168,304,124</u>	<u>\$ 328,690,838</u>	<u>\$ 313,484,204</u>
Long-term liabilities outstanding	28,732,940	29,259,783	68,297,681	71,563,092	\$ 97,030,621	\$ 100,822,875
Other liabilities	4,620,888	4,862,494	4,440,404	2,406,895	\$ 9,061,292	\$ 7,269,389
Total liabilities	<u>33,353,828</u>	<u>34,122,277</u>	<u>72,738,085</u>	<u>73,969,987</u>	<u>\$ 106,091,913</u>	<u>\$ 108,092,264</u>
Net assets:						
Invested in capital assets, net of related debt	81,177,331	71,494,399	79,637,692	68,365,327	\$ 160,815,023	\$ 139,859,726
Restricted	12,614,140	715,729	7,134,148	7,998,301	\$ 19,748,288	\$ 8,714,030
Unrestricted	29,164,743	38,847,675	12,870,871	17,970,509	\$ 42,035,614	\$ 56,818,184
Total net assets	<u>\$ 122,956,214</u>	<u>\$ 111,057,803</u>	<u>\$ 99,642,711</u>	<u>\$ 94,334,137</u>	<u>\$ 222,598,925</u>	<u>\$ 205,391,940</u>

Changes in Net Assets

Governmental activities. Governmental activities increased the Government's net assets by \$11.9 million, thereby accounting for 65% of the total growth in the net assets of the Government. Key elements of this increase are as follows:

Governmental Revenues. Property tax and other taxes continue as the main source of revenue for governmental activities of the Primary Government amounting to 75% of total governmental revenues for the year ended June 30, 2004. Sales tax revenues contributed approximately \$3 million to the increase in net assets. Also, operating grants and capital grants increased by \$2.4 million and \$3 million, respectively.

Governmental Functional Expenses: As reflected in the summary of Changes in Net Assets, the Government expended 46% of the governmental appropriations for judicial and public safety expenditures. The Government continues to commit substantial financial resources for the safety of its citizens.

Business-type activities: Business-type activities increased the Government's net assets by approximately \$6.4 million, accounting for 35% of the total growth in the government's net assets. Key elements of this increase are as follows:

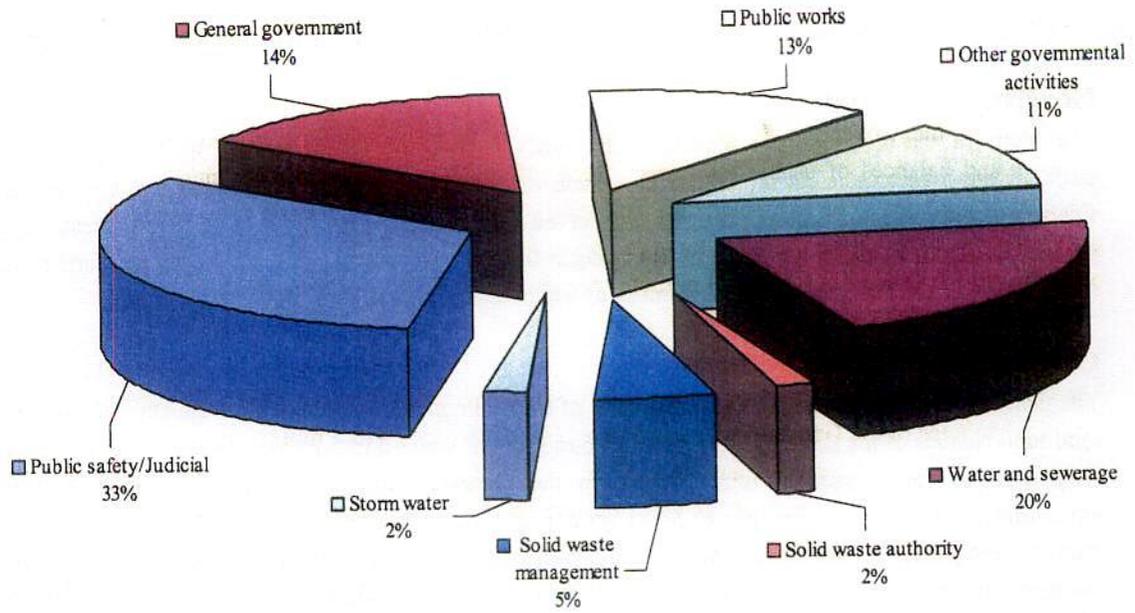
- The Water and Sewerage Fund reported an increase in net assets of \$4.2 million due to continued operating efficiency of the fund. Although the demand for water was lower than in previous years due to an unseasonably wet summer, management was able to control operating costs in connection with establishing rates sufficient to ensure an increase in net assets.
- The Solid Waste Authority Fund reported an increase in net assets of \$441,522. This increase was due to a minimal change in the filled capacity of the landfill D cell from 90% as of June 30, 2003, to 93% as of June 30, 2004. This increased the liability for closure and postclosure care costs by only \$431,050 as of June 30, 2004.
- The Solid Waste Management Fund reported a decrease in net assets of \$12,930. This decrease was due to reduced usage of the landfill. The landfill is expected to close during fiscal year 2005.

**The Government Changes in Net Assets
For the Year Ended June 30**

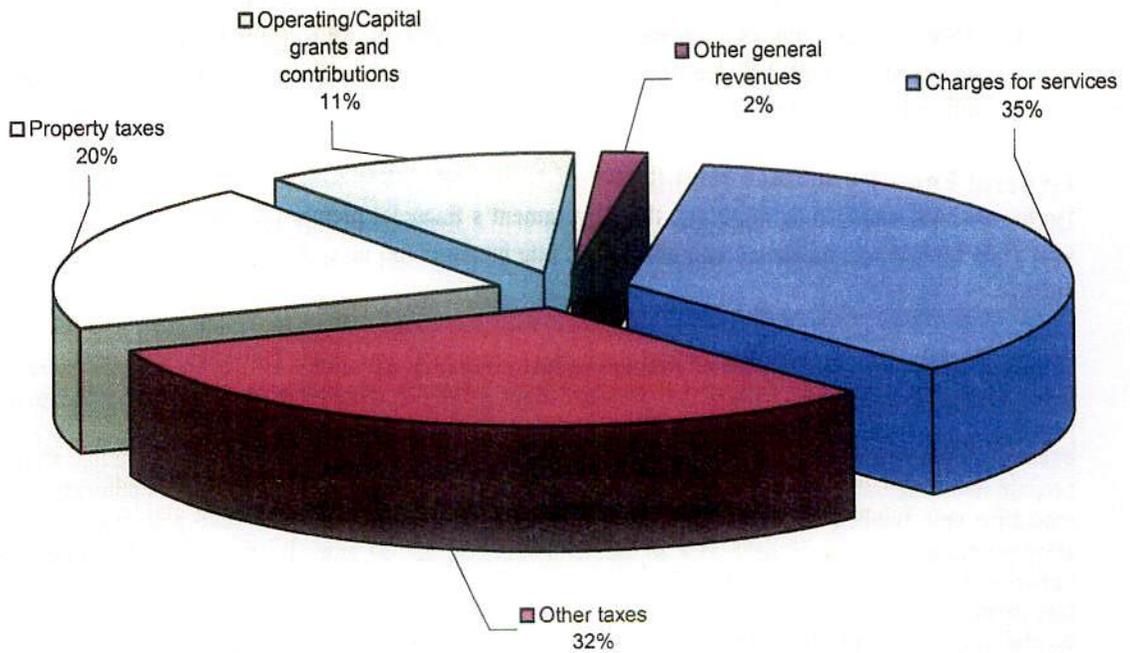
Figure 3

	Governmental Activities		Business-type Activities		Total	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Revenues:						
Program revenues:						
Charges for services	\$ 8,908,132	\$ 8,271,016	\$ 24,416,995	\$ 28,122,405	\$ 33,325,127	\$ 36,393,421
Operating grants and contributions	2,810,736	395,277	-	-	2,810,736	395,277
Capital grants and contributions	3,911,264	901,989	4,123,601	71,838	8,034,865	973,827
General revenues:						
Property taxes	19,171,747	18,156,702	-	-	19,171,747	18,156,702
Other taxes	29,945,007	25,975,970	-	-	29,945,007	25,975,970
Revenues from use of money	503,308	686,170	294,417	286,586	797,725	972,756
Gain on sale of assets	277,940	78,949	-	6,850	277,940	85,799
Miscellaneous	368,753	439,346	9,425	-	378,178	439,346
Total revenues	<u>65,896,887</u>	<u>54,905,419</u>	<u>28,844,438</u>	<u>28,487,679</u>	<u>94,741,325</u>	<u>83,393,098</u>
Expenses:						
General government	10,690,148	9,160,130	-	-	10,690,148	9,160,130
Judicial system	3,079,123	3,099,467	-	-	3,079,123	3,099,467
Public safety	21,614,362	17,039,958	-	-	21,614,362	17,039,958
Public works	9,943,098	5,258,183	-	-	9,943,098	5,258,183
Health and welfare	1,552,310	1,097,913	-	-	1,552,310	1,097,913
Culture and recreation	3,239,469	2,979,531	-	-	3,239,469	2,979,531
Housing and development	2,482,975	2,458,672	-	-	2,482,975	2,458,672
Interest on long-term debt	1,396,991	1,476,859	-	-	1,396,991	1,476,859
Water and sewer	-	-	15,639,176	13,650,616	15,639,176	13,650,616
Storm water	-	-	1,508,994	1,684,876	1,508,994	1,684,876
Solid waste management	-	-	4,090,072	4,537,644	4,090,072	4,537,644
Solid waste authority	-	-	1,236,723	7,617,211	1,236,723	7,617,211
Total expenses	<u>53,998,476</u>	<u>42,570,713</u>	<u>22,474,965</u>	<u>27,490,347</u>	<u>76,473,441</u>	<u>70,061,060</u>
Increase in net assets	11,898,411	12,334,706	6,369,473	997,332	18,267,884	13,332,038
Net assets, July 1	111,057,803	98,723,097	94,334,137	93,336,805	205,391,940	192,059,902
Prior period adjustment	-	-	(1,060,899)	-	(1,060,899)	-
Net assets, June 30	<u>\$ 122,956,214</u>	<u>\$ 111,057,803</u>	<u>\$ 99,642,711</u>	<u>\$ 94,334,137</u>	<u>\$ 222,598,925</u>	<u>\$ 205,391,940</u>

Government-Wide Expenses



Government-Wide Revenues



Financial Analysis of the Government's Individual Funds

Columbia County uses fund accounting to demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Government's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Government's financial requirements. In particular, the unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The combined fund balance of all the governmental funds is \$44.3 million, of which \$38.6 million, or 87%, is unreserved.

General Fund

The General Fund is the primary operating fund of the Government. At the end of the current fiscal year, total fund balance of the General Fund was \$16.6 million, of which \$15.5 million, or 93%, was unreserved. A portion of the unreserved fund balance in the General Fund is designated for operations and extraordinary losses, in the amounts of \$10.1 million and \$1 million, respectively, as required by financial management policies of the Government. As a measure of the General Fund's liquidity, it may be useful to compare both undesignated and designated fund balance to total fund expenditures. As of June 30, 2004, total unreserved fund balance, both undesignated and designated, represents 41% of total general fund expenditures.

The fund balance of the General Fund increased \$1.8 million (12%) as the Board of Commissioners makes a collaborative effort to improve the reserve of the Government. Key factors to this increase are as follows:

- ◆ Total revenue exceeded prior year revenue by \$2.5 million, or 6.8%, primarily due to the increase of \$2.8 million in taxes. This increase includes additional sales tax revenues of \$1.4 million, additional recording intangibles taxes of \$334,627, and additional property taxes of \$804,827.
- ◆ Although expenditures increased in fiscal year 2004 by \$2.6 million, or 7.6%, capital outlay decreased by \$320,138 due to the success of the SPLOST program and other sources of revenues utilized for capital needs.

General Fund Budgetary Highlights

During the year ended June 30, 2004, the Government's financial picture remains impressive. The fiscal year 2004 budget was balanced with no millage rate increase and no reduction in services provided to the citizens.

During the year, the Government revised the budget on several occasions. However, no amendments were made to the General Fund budget that changed total revenues, expenditures, or other financing sources (uses). Generally, budget amendments fall into one of five categories: 1) amendments to appropriate fund balance for encumbrances from the prior year; 2) amendments made to adjust the estimates that are used to prepare the original budget resolution once exact information is available; 3) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 4) increases in appropriations that become necessary to maintain services; and 5) amendments to transfer appropriations between departments. The fifth category has no effect on the final budget and, therefore, is not addressed in this narrative. For example, included in the original budget for the general government function was a contingency in the amount of \$843,299. During the year, the Government transferred these funds to other functions as needed, but this had no impact on the total budget.

The actual operating revenues for the General Fund were more than the budgeted amount by \$196,425, or <1%. The individual sources within the revenues fluctuated both positively and negatively. No individual source materially varied from the final budget, except for *other revenues*. In order to balance revenues with expenditures, the Government budgeted as a revenue \$1.55 million of fund balance to be used for capital expenditures.

As a result of superior budget management by all departments of the Government, actual operating expenditures were less than the budgeted amount by \$2.1 million. For the year, actual revenue and other financing sources exceeded actual expenditures and other financing uses by \$1.8 million.

Capital Projects Funds

The Government uses Capital Projects Funds to account for the acquisition and construction of major capital facilities that are not financed by Proprietary Funds. A major fund included in the fund financial statements is the 2001-2005 SPLOST Fund. The proceeds of the special purpose 1% sales tax are accounted for in this Capital Projects Fund until improvement projects are completed. The SPLOST Fund's fund balance is \$18.6 million, all of which is held for specific construction and improvement projects and capital acquisitions. The increase in fund balance is due to the timing of the collection of revenues as compared to project expenditures.

Proprietary Funds

The activities of the Government that render services to the general public on a user charge basis, or that require periodic determination of revenues for public policy, are accounted for as Enterprise Funds. The Government's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net assets at the end of the year were as follows: Water and Sewerage Fund, \$11.6 million; Solid Waste Authority Fund, \$(342,507); Solid Waste Management Fund, (\$339,975); Storm Water Utility Fund, \$1.5 million. The total growth (reduction) in net assets for previously mentioned funds was \$4.2 million, \$441,522, (\$12,930), and \$1.7 million, respectively. A prior period adjustment in the amount of (\$1,060,899) was made to beginning net assets in the Water and Sewerage Fund due to an error in prior years' calculations of depreciation expense. Other factors concerning the finances of these funds have already been addressed in the discussion of the Government's business-type activities.

Capital Assets and Debt Administration

Capital Assets

The Government's investment in capital assets for its governmental and business-type activities as of June 30, 2004, amounts to \$244.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the Government, such as roads, bridges, streets and sidewalks, drainage systems and other similar items.

Major capital asset transactions during the year include:

- Construction of \$8.2 million of infrastructure and other public works projects.
- Addition of water and sewer systems of \$5 million and storm water systems of \$1.6 million.
- Increase in construction in process for water and sewer projects of \$14.4 million.

Additional information on the Government's capital assets can be found in Note 6 of the notes to the

financial statements of this report.

**The Government's Capital Assets
(net of depreciation)
June 30**

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
	Land	\$ 25,943,275	\$ 25,049,103	\$ 1,425,680	\$ 1,225,680	\$ 27,368,955
Buildings	43,399,861	45,784,769	1,072,482	1,125,749	44,472,343	46,910,518
Improvements other than buildings	2,407,065	2,469,631	952,533	1,587,555	3,359,598	4,057,186
Utility plant and distribution systems	-	-	63,062,442	63,137,027	63,062,442	63,137,027
Donated subdivision	-	-	33,650,416	31,934,037	33,650,416	31,934,037
Storm water systems	-	-	4,330,808	3,109,206	4,330,808	3,109,206
Infrastructure	24,186,101	18,276,066	-	-	24,186,101	18,276,066
Vehicles, machinery and equipment	2,881,592	2,898,825	2,018,090	2,539,945	4,899,682	5,438,770
Construction in progress	9,829,437	4,911,005	29,641,392	15,220,151	39,470,829	20,131,156
Total	\$108,647,331	\$ 99,389,399	\$ 136,153,843	\$119,879,350	\$244,801,174	\$ 219,268,749

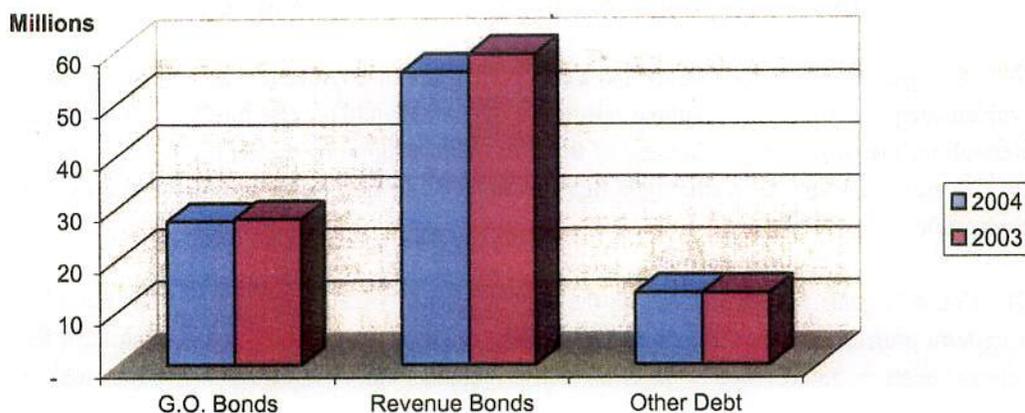
Long-Term Debt

As of June 30, 2004, the Government had a total of \$97 million in outstanding long-term debt. Of this amount, \$27.5 million consists of general obligation debt backed by the full faith and credit of the government and \$55.9 million consists of revenue bonds backed by the revenues of the water and sewer system and the landfill. The Government retired \$3.5 million of outstanding bonds during the year ended June 30, 2004. There were no general obligation or revenue bonds issued during fiscal year 2004.

**The Government's Outstanding Debt
General Obligation and Revenue Bonds
June 30, 2004 and 2003**

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
General obligation bonds	\$ 27,470,000	\$ 27,895,000	\$ -	\$ -	\$ 27,470,000	\$ 27,895,000
Revenue bonds	-	-	55,885,405	59,267,408	55,885,405	59,267,408
Other debt	1,262,940	1,364,783	12,412,278	12,295,684	13,675,218	13,660,467
Total debt	\$ 28,732,940	\$ 29,259,783	\$ 68,297,683	\$ 71,563,092	\$ 97,030,623	\$ 100,822,875



In September 2004, the Government made presentations to the bond rating agencies in New York in preparation for the issuance of general obligation and water and sewerage revenue bonds. The Government has maintained a bond rating of Aa3 from Moody's Investor Services for both the general obligation and water and sewerage debt. Standard and Poor's upgraded the general obligation debt from AA- to AA and the water and sewerage debt from A to AA-. Fitch upgraded the general obligation debt from AA- to AA and maintained the water and sewerage debt at AA-. These bond ratings are clear indications of the sound financial condition of the Government. These high ratings are a primary factor in keeping interest costs low on the Government's outstanding debt.

The State of Georgia limits the amount of general obligation debt that a unit of government can issue to 10 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the Government is \$235 million.

Additional information regarding the Government's long-term debt can be found in Note 7 of the notes to the financial statements of this report.

Economic Factors

The Board of Commissioners have continued to aggressively address the current and future needs of the Government by focusing on sound financial management, the reserve policy, the use of current resources for capital expenditures and the development of capital improvement plans. With a growing, diverse population, the challenge is to continue to improve the quality of life by concentrating on the demands placed on the public infrastructure such as transportation, water supply, wastewater treatment, the demands of revitalization of many business areas and the demands of greenspace conservation. Although the nation and surrounding counties are facing financial difficulties, Columbia County is able to maintain low property tax rates and low debt levels and has increased the reserves so that we can remain a leader and provide the best place to live, work and play.

Budget Highlights for the Fiscal Year Ending June 30, 2005

With the rapid growth in the County and a continual desire to improve services, passing a balanced budget with an adequate contingency without raising the operational millage rate for the sixth consecutive year is a triumph for the Government. Because of the fiscal responsibility by the Board of Commission in the past, the Government is able to weather tight financial times while seeking to provide services as cost-effectively as possible.

The County's goals for 2005 start with the continuation of fiscal responsibility and strategies for needed long-term projects. Three major initiatives – SPLOST renewal, the initiation of long-term fire protection service contracts, and revision of the Growth Management Plan – will be the focal points for the BOC.

In July 2004, the SPLOST (Special Purpose Local Option Sales Tax) referendum was approved by the citizens, and this renewal could bring in up to \$100 million in additional tax revenue over a five-year period. Numerous projects for recreation, transportation, public safety, County facilities, and intergovernmental ventures have been identified.

Public safety is the primary mission of any county government. Communication improvements for the Sheriff's Office and staffed fire stations throughout the County are a priority. The BOC voted in December 2003 to change from a subscription-based fire protection service to a property-tax based fire protection service. The County now contracts with private fire departments to provide the service and will provide needed stations and equipment.

Below are additional budget highlights of the General Fund:

- | | |
|---|-------------|
| • Economic development | \$ 916,796 |
| • 1.5% Contingency | \$ 609,945 |
| • 12 new positions in various
County departments and other
promotions and reclassifications | \$ 392,425 |
| • Merit/benefit increases | \$ 793,187 |
| • Capital equipment | \$1,616,576 |
| • Increase from prior year | 3.39% |

Requests for Information

This report is designed to provide an overview of the Government's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, Columbia County, Georgia, 630 Ronald Reagan Drive, Evans, Georgia 30809.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Columbia County, Georgia

Statement of Net Assets

June 30, 2004

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total	Development Authority of Columbia County	Columbia County Board of Health	Bartram Trail CDC, Inc.
Assets						
Cash and cash equivalents	\$ 37,045,647	\$ 8,483,059	\$ 45,528,706	\$ 61,509	\$ 254,511	\$ -
Investments	4,731,311	13,740,271	18,471,582	-	-	-
Taxes receivable	348,971	-	348,971	-	-	-
Accounts receivable	743,151	3,396,376	4,139,527	31,573	46,738	-
Intergovernmental receivable	4,200,101	-	4,200,101	-	-	-
Internal balances	(373,958)	373,958	-	-	-	-
Inventories	28,575	311,395	339,970	-	-	-
Prepaid items	176,830	30,875	207,705	253	-	-
Deferred charges	-	1,049,405	1,049,405	-	-	945,137
Due from fiduciary funds	701,083	-	701,083	-	-	-
Due from component units	61,000	-	61,000	-	-	-
Capital assets:						
Land and construction in progress	35,772,712	29,731,129	65,503,841	489,194	-	3,605,810
Other capital assets, net of accumulated depreciation	72,874,619	106,422,715	179,297,334	1,875,890	27,434	-
Restricted assets:						
Restricted cash	-	6,861,669	6,861,669	-	-	5,746,934
Restricted investments	-	1,979,944	1,979,944	-	-	-
Total assets	156,310,042	172,380,796	328,690,838	2,458,419	328,683	10,297,881
Liabilities						
Accounts payable	2,451,058	3,835,749	6,286,807	1,084	2,075	-
Accrued payroll	1,312,834	215,556	1,528,390	-	-	-
Unearned revenue	256,129	-	256,129	-	-	-
Accrued interest payable	600,867	300,339	901,206	3,999	-	-
Due to primary government	-	-	-	61,000	-	-
Customer deposits	-	88,760	88,760	-	-	-
Long-term liabilities:						
Liabilities due within one year	1,595,000	4,522,637	6,117,637	575,000	79,095	-
Liabilities due in greater than one year	27,137,940	63,775,044	90,912,984	3,320,000	-	10,384,516
Total liabilities	33,353,828	72,738,085	106,091,913	3,961,083	81,170	10,384,516
Net assets						
Invested in capital assets, net of related debt	81,177,331	79,637,692	160,815,023	2,365,084	27,434	(2,846,251)
Restricted for debt service	12,614,140	7,134,148	19,748,288	-	-	1,814,479
Unrestricted	29,164,743	12,870,871	42,035,614	(3,867,748)	220,079	945,137
Total net assets	\$ 122,956,214	\$ 99,642,711	\$ 222,598,925	\$ (1,502,664)	\$ 247,513	\$ (86,635)

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

Columbia County, Georgia
Statement of Activities
For the Year Ended June 30, 2004

<u>Functions/Programs</u>	<u>Program Revenues</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 10,690,148	\$ 2,053,359	\$ 2,124,840	\$ 3,198,002
Judicial system	3,079,123	2,766,721	60,231	-
Public safety	21,614,362	1,926,851	117,403	-
Public works	9,943,098	159,322	253,908	288,515
Health and welfare	1,552,310	90,661	146,613	-
Culture and recreation	3,239,469	506,461	46,217	424,747
Housing and development	2,482,975	1,404,757	61,524	-
Debt service - interest and fees	1,396,991	-	-	-
Total governmental activities	53,998,476	8,908,132	2,810,736	3,911,264
Business-type activities:				
Water and sewer	15,639,176	16,863,596	-	2,954,986
Storm water	1,508,994	2,000,827	-	1,168,615
Solid waste management	4,090,072	2,750,707	-	-
Solid waste authority	1,236,723	2,801,865	-	-
Total business-type activities	22,474,965	24,416,995	-	4,123,601
Total primary government	\$ 76,473,441	\$ 33,325,127	\$ 2,810,736	\$ 8,034,865
Component units:				
Development Authority of Columbia County	\$ 385,154	\$ 1,625	\$ 603,310	\$ -
Columbia County Board of Health	1,215,101	169,385	1,025,520	-
Bartram Trail CDC, Inc.	115,887	-	-	-
Total component unit	\$ 501,041	\$ 1,625	\$ 603,310	\$ -

General revenues:
Taxes, property
Taxes, other than property
Revenues from use of money and property
Gain on sale of capital assets
Miscellaneous
Total general revenues

Change in net assets

Net assets - beginning
Prior period adjustment
Net assets - beginning, as restated
Net assets - ending

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

**Net (Expense) Revenue and
Changes in Net Assets**

Primary Government			Component Units		
Governmental Activities	Business-type Activities	Total	Development Authority of Columbia County	Columbia County Board of Health	Bartram Trail CDC, Inc.
\$ (3,313,947)	\$ -	\$ (3,313,947)	\$ -	\$ -	\$ -
(252,171)	-	(252,171)	-	-	-
(19,570,108)	-	(19,570,108)	-	-	-
(9,241,353)	-	(9,241,353)	-	-	-
(1,315,036)	-	(1,315,036)	-	-	-
(2,262,044)	-	(2,262,044)	-	-	-
(1,016,694)	-	(1,016,694)	-	-	-
(1,396,991)	-	(1,396,991)	-	-	-
<u>(38,368,344)</u>	<u>-</u>	<u>(38,368,344)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	4,179,406	4,179,406	-	-	-
-	1,660,448	1,660,448	-	-	-
-	(1,339,365)	(1,339,365)	-	-	-
-	1,565,142	1,565,142	-	-	-
-	6,065,631	6,065,631	-	-	-
<u>(38,368,344)</u>	<u>6,065,631</u>	<u>(32,302,713)</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ -	\$ -	\$ -	\$ 219,781	\$ -	\$ -
-	-	-	-	(20,196)	-
-	-	-	-	-	(115,887)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,781</u>	<u>\$ (20,196)</u>	<u>\$ (115,887)</u>
19,171,747	-	19,171,747	-	-	-
29,945,007	-	29,945,007	-	-	-
503,308	294,417	797,725	6,789	1,751	29,252
277,940	-	277,940	-	-	-
368,753	9,425	378,178	44,666	49,473	-
<u>50,266,755</u>	<u>303,842</u>	<u>50,570,597</u>	<u>51,455</u>	<u>51,224</u>	<u>29,252</u>
11,898,411	6,369,473	18,267,884	271,236	31,028	(86,635)
111,057,803	94,334,137	205,391,940	(1,773,900)	216,485	-
-	(1,060,899)	(1,060,899)	-	-	-
<u>111,057,803</u>	<u>93,273,238</u>	<u>204,331,041</u>	<u>(1,773,900)</u>	<u>216,485</u>	<u>-</u>
<u>\$ 122,956,214</u>	<u>\$ 99,642,711</u>	<u>\$ 222,598,925</u>	<u>\$ (1,502,664)</u>	<u>\$ 247,513</u>	<u>\$ (86,635)</u>

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FUND FINANCIAL STATEMENTS

Columbia County, Georgia

**Balance Sheet
Governmental Funds
June 30, 2004**

	General	Special Local Option Sales Tax Fund 2001-2005	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 14,400,577	\$ 17,241,166	\$ 5,119,291	\$ 36,761,034
Investments	4,049,396	-	681,915	4,731,311
Taxes receivable	317,966	-	31,005	348,971
Accounts receivable	164,795	7,016	570,281	742,092
Intergovernmental receivable	1,918,103	2,281,998	-	4,200,101
Due from component units	-	61,000	-	61,000
Due from other funds	4,232,607	-	6,355,603	10,588,210
Inventories	28,575	-	-	28,575
Prepaid items	154,391	11,624	10,510	176,525
Total assets	\$ 25,266,410	\$ 19,602,804	\$ 12,768,605	\$ 57,637,819
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 678,860	\$ 853,683	\$ 656,257	\$ 2,188,800
Accrued payroll	1,183,183	38,079	83,948	1,305,210
Accrued compensated absences	205,643	2,873	15,815	224,331
Deferred revenue	267,398	-	281,151	548,549
Due to other funds	6,335,194	114,428	2,628,437	9,078,059
Accrued interest	-	-	24,433	24,433
Total liabilities	8,670,278	1,009,063	3,690,041	13,369,382
Fund balances:				
Reserved for encumbrances	956,805	1,554,480	2,135,855	4,647,140
Reserved for inventories/prepaid items	182,966	11,624	10,510	205,100
Reserved for debt service	-	-	848,444	848,444
Unreserved, designated for operations	10,063,212	-	-	10,063,212
Designated for extraordinary reserve	1,000,000	-	-	1,000,000
Unreserved, undesignated	4,393,149	17,027,637	-	21,420,786
Unreserved, reported in nonmajor:				
Special revenue	-	-	733,988	733,988
Capital projects	-	-	5,349,767	5,349,767
Total fund balances	16,596,132	18,593,741	9,078,564	44,268,437
Total liabilities and fund balances	\$ 25,266,410	\$ 19,602,804	\$ 12,768,605	\$ 57,637,819

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

Columbia County, Georgia

Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Assets
June 30, 2004

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

Ending fund balance - governmental funds	\$ 44,268,437
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	108,647,331
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	292,420
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(28,503,142)
Interest payable on long-term debt does not require current financial resources. Therefore, interest payable is not reported as a liability in the governmental funds balance sheet.	(576,434)
Internal service funds are used by management to charge the costs of risk management and employee health benefits activity to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	(572,472)
Certain activities between funds, including indirect costs and reimbursements, are recorded as revenues and expenditures in the respective funds. These interfund transactions have been eliminated in the statement of net assets.	<u>(599,926)</u>
Net assets of governmental activities	<u>\$ 122,956,214</u>

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

Columbia County, Georgia

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2004**

	<u>General</u>	<u>Special Local Option Sales Tax Fund 2001-2005</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes - property	\$ 17,260,914	\$ -	\$ 1,956,261	\$ 19,217,175
Taxes - other than property	14,167,247	12,341,187	3,419,055	29,927,489
Licenses and permits	328,687	-	837,070	1,165,757
Intergovernmental	1,925,011	948,935	909,062	3,783,008
Charges for services	2,963,898	-	2,711,122	5,675,020
Fines and forfeitures	1,637,758	-	356,010	1,993,768
Investment income	151,350	183,187	166,222	500,759
Contributions and donations	13,370	-	49,758	63,128
Other	271,749	6,566	88,360	366,675
Total revenues	38,719,984	13,479,875	10,492,920	62,692,779
Expenditures				
Current:				
General government	8,303,134	1,302,391	-	9,605,525
Judicial system	3,000,304	-	23,170	3,023,474
Public safety	16,238,772	-	3,325,694	19,564,466
Public works	3,345,303	-	3,947,424	7,292,727
Health and welfare	1,039,230	-	379,732	1,418,962
Culture and recreation	2,632,346	-	321,050	2,953,396
Housing and development	1,545,650	-	869,428	2,415,078
Miscellaneous	-	-	6,865	6,865
Capital outlay	1,260,405	9,132,599	1,765,291	12,158,295
Debt service:				
Principal	-	-	425,000	425,000
Interest	-	-	1,406,354	1,406,354
Total expenditures	37,365,144	10,434,990	12,470,008	60,270,142
Excess (deficiency) of revenues over (under) expenditures	1,354,840	3,044,885	(1,977,088)	2,422,637
Other financing sources (uses)				
Sale of property	277,940	-	-	277,940
Transfers in	182,010	34,353	-	216,363
Transfers out	-	(7,010)	(209,353)	(216,363)
Total other financing sources (uses)	459,950	27,343	(209,353)	277,940
Net change in fund balances	1,814,790	3,072,228	(2,186,441)	2,700,577
Fund balances - beginning	14,781,342	15,521,513	11,265,005	41,567,860
Fund balances - ending	\$ 16,596,132	\$ 18,593,741	\$ 9,078,564	\$ 44,268,437

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

Columbia County, Georgia

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended June 30, 2004

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

Net change in fund balances - total governmental funds \$ 2,700,577

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period. 9,257,932

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (27,910)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. 521,637

In the fund financial statements, interest expense on long-term debt is reported in the period that the current financial resources are used. In the statement of activities, interest expense on long-term debt is recorded as the expense is incurred. This amount is the difference between recording interest as accrued rather than as paid. 9,363

The net revenue of certain activities of the internal service funds is reported with governmental activities. (517,209)

Certain activities between funds, including indirect costs and reimbursements, are recorded as revenues and expenditures in the respective funds. These interfund transactions have been eliminated in the statement of activities. (45,979)

Change in net assets of governmental activities \$ 11,898,411

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

Columbia County, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes - property	\$ 16,981,532	\$ 16,981,532	\$ 17,260,914	\$ 279,382
Taxes - other than property	12,574,114	12,574,114	14,167,247	1,593,133
Licenses and permits	213,350	213,350	328,687	115,337
Intergovernmental	2,154,502	2,154,502	1,925,011	(229,491)
Charges for services	2,565,787	2,565,787	2,963,898	398,111
Fines and forfeitures	1,885,000	1,885,000	1,637,758	(247,242)
Investment income	301,200	301,200	151,350	(149,850)
Contributions and donations	22,000	22,000	13,370	(8,630)
Other	1,826,074	1,826,074	271,749	(1,554,325)
Total revenues	<u>38,523,559</u>	<u>38,523,559</u>	<u>38,719,984</u>	<u>196,425</u>
Expenditures				
Current:				
General government	10,967,186	8,349,107	8,303,134	45,973
Judicial system	2,751,567	3,196,342	3,000,304	196,038
Public safety	15,051,402	16,755,753	16,238,772	516,981
Public works	3,360,294	3,690,097	3,345,303	344,794
Health and welfare	945,305	1,029,377	1,039,230	(9,853)
Culture and recreation	2,461,713	2,703,542	2,632,346	71,196
Housing and development	2,021,547	2,113,366	1,545,650	567,716
Capital outlay	1,914,741	1,636,171	1,260,405	375,766
Total expenditures	<u>39,473,755</u>	<u>39,473,755</u>	<u>37,365,144</u>	<u>2,108,611</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(950,196)</u>	<u>(950,196)</u>	<u>1,354,840</u>	<u>2,305,036</u>
Other financing sources (uses)				
Proceeds from capital lease	597,700	597,700	-	(597,700)
Sale of property	103,000	103,000	277,940	174,940
Transfers in	249,496	249,496	182,010	(67,486)
Total other financing sources (uses)	<u>950,196</u>	<u>950,196</u>	<u>459,950</u>	<u>(490,246)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>1,814,790</u>	<u>\$ 1,814,790</u>
Fund balance - beginning			<u>14,781,342</u>	
Fund balance - ending			<u>\$ 16,596,132</u>	

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Columbia County, Georgia
Statement of Net Assets
Proprietary Funds
June 30, 2004

	Business-type Activities - Enterprise Funds		
	Water and Sewerage Fund	Solid Waste Authority Fund	Solid Waste Management Fund
Assets			
Current assets			
Cash and cash equivalents	\$ 1,345,415	\$ 5,012,483	\$ 740,721
Investments	10,277,365	3,462,906	-
Accounts receivable	2,721,817	40,277	472,695
Due from other funds	13,523	-	135,397
Inventories	311,395	-	-
Prepaid items	25,170	-	2,235
Restricted assets held to pay current liabilities	2,279,948	1,212,736	-
Total current assets	<u>16,974,633</u>	<u>9,728,402</u>	<u>1,351,048</u>
Noncurrent assets			
Restricted cash and investments	-	5,348,929	-
Deferred charges	1,039,454	9,951	-
Capital assets, net of accumulated depreciation	129,493,475	1,507,108	312,747
Total noncurrent assets	<u>130,532,929</u>	<u>6,865,988</u>	<u>312,747</u>
Total assets	<u>147,507,562</u>	<u>16,594,390</u>	<u>1,663,795</u>
Liabilities			
Current liabilities			
Accounts payable	3,739,760	-	55,369
Accrued payroll	184,551	-	13,239
Accrued compensated absences	237,535	-	24,612
Due to other funds	5,431	135,397	138,037
Payable from restricted assets			
Revenue bonds payable	2,825,000	1,140,000	-
Accrued interest payable	229,065	71,274	-
Customer deposits	88,760	-	-
Current portion of notes payable and capital leases	239,300	-	47,668
Total current liabilities	<u>7,549,402</u>	<u>1,346,671</u>	<u>278,925</u>
Noncurrent liabilities			
Notes payable	1,589,701	-	-
Capital leases	-	-	120,114
Estimated liability for landfill closure and postclosure care costs	-	8,732,727	1,412,098
Revenue bonds	50,685,404	1,235,000	-
Total noncurrent liabilities	<u>52,275,105</u>	<u>9,967,727</u>	<u>1,532,212</u>
Total liabilities	<u>59,824,507</u>	<u>11,314,398</u>	<u>1,811,137</u>

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

<u>Non-major</u>		Governmental
<u>Storm Water</u>		Activities -
<u>Utility</u>		Internal
<u>Fund</u>	<u>Total</u>	Service
		<u>Funds</u>
\$ 1,384,440	\$ 8,483,059	\$ 284,613
-	13,740,271	-
161,587	3,396,376	1,059
5,431	154,351	19,592
-	311,395	-
3,470	30,875	305
-	3,492,684	-
<u>1,554,928</u>	<u>29,609,011</u>	<u>305,569</u>
-	5,348,929	-
-	1,049,405	-
4,840,514	136,153,844	-
<u>4,840,514</u>	<u>142,552,178</u>	<u>-</u>
<u>6,395,442</u>	<u>172,161,189</u>	<u>305,569</u>
40,620	3,835,749	262,258
17,766	215,556	7,624
8,522	270,669	5,467
18,388	297,253	685,758
-	3,965,000	-
-	300,339	-
-	88,760	-
-	286,968	-
<u>85,296</u>	<u>9,260,294</u>	<u>961,107</u>
-	1,589,701	-
-	120,114	-
-	10,144,825	-
-	51,920,404	-
-	63,775,044	-
<u>85,296</u>	<u>73,035,338</u>	<u>961,107</u>

Continued on the following pages.

Columbia County, Georgia
Statement of Net Assets - Continued
Proprietary Funds
June 30, 2004

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Water and Sewerage Fund</u>	<u>Solid Waste Authority Fund</u>	<u>Solid Waste Management Fund</u>
Net assets			
Invested in capital assets, net of related debt	75,472,436	(867,892)	192,633
Restricted for debt service	643,757	6,490,391	-
Unrestricted net assets	11,566,862	(342,507)	(339,975)
Total net assets	<u>\$ 87,683,055</u>	<u>\$ 5,279,992</u>	<u>\$ (147,342)</u>

Some amounts reported for *business-type activities* in the statement of net assets are different because of the following:

- Certain internal service fund assets and liabilities are included with business-type activities.
- Interfund indirect cost allocations have been eliminated.
- Total net assets for business-type activities

<u>Non-major</u>		Governmental
<u>Storm Water</u>		Activities -
<u>Utility</u>		Internal
<u>Fund</u>	<u>Total</u>	Service
		<u>Funds</u>
4,840,515	79,637,692	-
-	7,134,148	-
<u>1,469,631</u>	<u>12,354,011</u>	<u>(655,538)</u>
<u>\$ 6,310,146</u>	<u>99,125,851</u>	<u>\$ (655,538)</u>

(83,066)
599,926
\$ 99,642,711

Columbia County, Georgia
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2004

	Business-type Activities - Enterprise Funds		
	Water and Sewerage Fund	Solid Waste Authority Fund	Solid Waste Management Fund
Operating revenues			
Charges for services	\$ 16,655,218	\$ 2,801,865	\$ 2,730,809
Intergovernmental	-	-	-
Rental income	25,000	-	-
Reimbursement	101,228	-	1,333,852
Other	9,425	-	19,898
Total operating revenues	<u>16,790,871</u>	<u>2,801,865</u>	<u>4,084,559</u>
Operating expenses			
Personal services	3,554,781	-	296,736
Purchased/contracted services	1,363,112	3,997	521,365
Supplies and materials	2,917,779	-	232,184
Repairs and maintenance	967,642	-	-
Interfund/Interdepartmental charges	376,962	1,333,852	81,974
Depreciation and amortization	4,449,845	659,128	131,738
Other costs	21,938	-	2,811,647
Landfill closure and postclosure care costs	-	431,050	24,955
Total operating expenses	<u>13,652,059</u>	<u>2,428,027</u>	<u>4,100,599</u>
Operating income (loss)	<u>3,138,812</u>	<u>373,838</u>	<u>(16,040)</u>
Nonoperating revenue (expense)			
Interest earned	161,438	210,232	3,110
Interest expense	(2,043,152)	(142,548)	-
Total nonoperating revenue (expense)	<u>(1,881,714)</u>	<u>67,684</u>	<u>3,110</u>
Income (loss) before transfers, contributions special items, and extraordinary items	<u>1,257,098</u>	<u>441,522</u>	<u>(12,930)</u>
Capital contributions	<u>2,954,986</u>	<u>-</u>	<u>-</u>
Change in net assets	<u>4,212,084</u>	<u>441,522</u>	<u>(12,930)</u>
Total net assets - beginning	<u>84,531,870</u>	<u>4,838,470</u>	<u>(134,412)</u>
Prior period adjustments	<u>(1,060,899)</u>	<u>-</u>	<u>-</u>
Total net assets - beginning, as restated	<u>83,470,971</u>	<u>4,838,470</u>	<u>(134,412)</u>
Total net assets - ending	<u>\$ 87,683,055</u>	<u>\$ 5,279,992</u>	<u>\$ (147,342)</u>

Some amounts reported for *business-type activities* in the statement of net assets are different because of the following:

Certain internal service fund assets and liabilities are included with business-type activities.

Interfund indirect cost allocations have been eliminated.

Change in net assets of business-type activities

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

<u>Non-major Storm Water Utility Fund</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 2,000,827	\$ 24,188,719	\$ 3,195,010
-	-	814,898
-	25,000	-
-	1,435,080	-
1,500	30,823	19,102
<u>2,002,327</u>	<u>25,679,622</u>	<u>4,029,010</u>
329,664	4,181,181	144,849
388,686	2,277,160	4,341,026
21,956	3,171,919	14,661
-	967,642	-
353,007	2,145,795	47,150
423,164	5,663,875	-
-	2,833,585	480
-	456,005	-
<u>1,516,477</u>	<u>21,697,162</u>	<u>4,548,166</u>
<u>485,850</u>	<u>3,982,460</u>	<u>(519,156)</u>
26,787	401,567	3,513
-	(2,185,700)	-
<u>26,787</u>	<u>(1,784,133)</u>	<u>3,513</u>
512,637	2,198,327	(515,643)
<u>1,168,615</u>	<u>4,123,601</u>	<u>-</u>
<u>1,681,252</u>	<u>6,321,928</u>	<u>(515,643)</u>
4,628,894		(139,895)
-		-
<u>4,628,894</u>		<u>(139,895)</u>
<u>\$ 6,310,146</u>		<u>\$ (655,538)</u>

1,566
45,979
\$ 6,369,473

Columbia County, Georgia

**Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2004**

	Business-type Activities-Enterprise Funds		
	Water and Sewerage Fund	Solid Waste Authority Fund	Solid Waste Management Fund
Operating activities			
Cash received from customers	\$ 16,305,824	\$ 2,762,579	\$ 4,101,687
Cash paid to suppliers and others	(3,754,372)	(1,379,631)	(3,735,970)
Cash paid to employees	(3,508,779)	-	(301,438)
Net cash provided by (used in) operating activities	<u>9,042,673</u>	<u>1,382,948</u>	<u>64,279</u>
Capital and related financing activities			
Acquisition and construction of capital assets	(16,952,454)	-	-
Principal paid on revenue bonds	(2,690,000)	(1,015,000)	-
Principal paid on notes / capital leases	(228,608)	-	(113,074)
Interest paid on revenue bonds, notes and capital leases	(2,053,548)	(172,237)	-
Net cash provided by (used in) capital and related financing activities	<u>(21,924,610)</u>	<u>(1,187,237)</u>	<u>(113,074)</u>
Investing activities			
Interest on investments	161,438	210,232	3,110
Net cash provided (used) in investing activities	<u>161,438</u>	<u>210,232</u>	<u>3,110</u>
Net increase (decrease) in cash and cash equivalents/investments	<u>(12,720,499)</u>	<u>405,943</u>	<u>(45,685)</u>
Cash and cash equivalents/investments			
Beginning of year	<u>26,623,227</u>	<u>10,142,157</u>	<u>786,406</u>
End of year	<u>\$ 13,902,728</u>	<u>\$ 10,548,100</u>	<u>\$ 740,721</u>

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

<u>Non-major Storm Water Utility Fund</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 2,055,514	\$ 25,225,604	\$ 4,028,287
(1,766,315)	(10,636,288)	(3,694,886)
(324,040)	(4,134,257)	(137,482)
<u>(34,841)</u>	<u>10,455,059</u>	<u>195,919</u>
(421,970)	(17,374,424)	-
-	(3,705,000)	-
-	(341,682)	-
-	(2,225,785)	-
<u>(421,970)</u>	<u>(23,646,891)</u>	<u>-</u>
26,787	401,567	3,513
<u>26,787</u>	<u>401,567</u>	<u>3,513</u>
(430,024)	(12,790,265)	199,432
<u>1,814,464</u>	<u>39,366,254</u>	<u>85,181</u>
<u>\$ 1,384,440</u>	<u>\$ 26,575,989</u>	<u>\$ 284,613</u>

Continued on the following pages.

Columbia County, Georgia

Statement of Cash Flows - Continued

Proprietary Funds

For the Year Ended June 30, 2003

	Business-type Activities-Enterprise Funds		
	Water and Sewerage Fund	Solid Waste Authority Fund	Solid Waste Management Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities			
Operating income (loss)	\$ 3,138,812	\$ 373,838	\$ (16,040)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	4,449,845	659,128	131,738
Change in assets and liabilities			
Accounts receivable	(516,361)	(39,286)	17,128
Inventory	202,348	-	-
Deferred charges / prepaid expense	(1,608)	-	253
Due from other funds	(6,586)	-	41,782
Accounts payable	2,010,447	-	(41,048)
Accrued liabilities	46,002	-	(4,702)
Customer deposits	31,314	-	-
Due to other funds	(311,540)	(41,782)	(89,787)
Estimated liability for landfill closure and postclosure care cost	-	431,050	24,955
Total adjustments	<u>5,903,861</u>	<u>1,009,110</u>	<u>80,319</u>
Net cash provided by (used in) operating activities	<u>\$ 9,042,673</u>	<u>\$ 1,382,948</u>	<u>\$ 64,279</u>
Noncash investing, capital, and financing activities:			
Capital contributions from developers	\$ 2,954,986	\$ -	\$ -

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

<u>Non-major Storm Water Utility Fund</u>	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 485,850	\$ 3,982,460	\$ (519,156)
423,164	5,663,875	-
53,187	(485,332)	(723)
-	202,348	-
(240)	(1,595)	(63)
46	35,242	6,451
28,227	1,997,626	76,138
5,624	46,924	7,367
-	31,314	-
(1,030,699)	(1,473,808)	625,905
-	456,005	-
<u>(520,691)</u>	<u>6,472,599</u>	<u>715,075</u>
<u>\$ (34,841)</u>	<u>\$ 10,455,059</u>	<u>\$ 195,919</u>
\$ 1,168,615	\$ 4,123,601	\$ -

Columbia County, Georgia
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2004

	<u>Pension Trust Fund</u>	
	<u>Employees' Retirement Fund</u>	<u>Agency Funds</u>
Assets		
Cash and cash equivalents	\$ -	\$ 2,481,240
Investments	12,137,241	-
Total assets	<u>12,137,241</u>	<u>\$ 2,481,240</u>
Liabilities		
Due to other funds	-	\$ 701,083
Due to others	-	1,780,157
Total liabilities	<u>-</u>	<u>\$ 2,481,240</u>
Net assets		
Reserved for employees' retirement	<u>\$ 12,137,241</u>	

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

Columbia County, Georgia
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
For the Year Ended June 30, 2004

	Pension Trust Fund
	Employees' Retirement Fund
Additions	
Investment income:	
Net appreciation (depreciation) in fair value of investments \$	1,079,734
Interest	178,187
Total investment income	1,257,921
Employer contributions	2,189,679
Total additions	3,447,600
Deductions	
Benefits	923,846
Total deductions	923,846
Change in net assets	2,523,754
Total net assets - beginning	9,613,487
Total net assets - ending	\$ 12,137,241

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

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NOTES TO FINANCIAL STATEMENTS

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies

Introduction

The financial statements of Columbia County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has implemented GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and related standards. These standards provide for significant changes in terminology and presentation and for the inclusion of Management's Discussion and Analysis as required supplementary information.

As permitted by accounting principles generally accepted in the United States of America, the County has elected to apply only applicable Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989 that do not contradict GASB pronouncements in its accounting and reporting practices for its government-wide and proprietary operations. The more significant of the County's accounting policies are described below.

Reporting entity

Columbia County, Georgia, established in 1790 and named in honor of Christopher Columbus, is located in the Central Savannah River Area of Georgia approximately 135 miles east of Atlanta and five miles northwest of Augusta-Richmond County. The 290 square mile county is bounded on the north by Thurmond Lake and the Savannah River (separating Columbia County from Lincoln County, Georgia, and McCormick and Edgefield Counties, South Carolina), on the south and east by Augusta-Richmond County, and on the west by McDuffie County. The County operates under an elected Commission form of government.

The County is governed by a board of five elected County Commissioners (the "Board"). As required by accounting principles generally accepted in the United States of America, these financial statements present the County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of the operational or financial relationships with the County.

Based upon the application of the GASB Statement No. 14, *The Financial Reporting Entity*, criteria, the following funds are included in the reporting entity.

Blended component unit

Columbia County Solid Waste Management Authority – The Columbia County Solid Waste Management Authority (SWMA) is governed by an eight member Board of Directors, of which at least three members must be elected officials. Each member of the SWMA is appointed by the Board. Although it is legally separate from the County, the SWMA is reported as if it were part of the primary government because its sole purpose is to perform development, leasing, and long-term planning of a solid waste facility (landfill), reported in the Solid Waste Management Fund, for the County. The SWMA, which is reported as an Enterprise Fund, entered into an intergovernmental agreement with the County to subsidize its operations through the General Fund.

Discretely presented component units

Development Authority of Columbia County – The component unit column in the government-wide financial statements includes the financial data of the Development Authority of Columbia County. It is reported in a separate column to emphasize that it is legally separate from the County. The Development Authority is governed by a nine member Board of Directors appointed by the Board of Commissioners. The Development Authority serves to promote, pursue and implement economic development in the County. The Development Authority entered into an intergovernmental agreement with the County to subsidize its operations through the General Fund.

Columbia County Board of Health – The component unit column in the government-wide financial statements includes the financial data of the Columbia County Board of Health. It is reported in a separate column to emphasize that it is legally separate from the County. The Board of Health is comprised of seven members, four of which are appointed by the Board of Commissioners. The operations of the Board of Health are subsidized through the County's General Fund.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies (Continued)

Bartram Trail CDC, Inc.— The component unit column in the government-wide financial statements includes the financial statements of Bartram Trail CDC, Inc. It is reported in a separate column to emphasize that it is legally separate from the County. Columbia County is the sole member of this community development corporation (CDC), which is governed by a five member Board of Directors appointed by the Board of Commissioners. The purpose of Bartram Trail CDC, Inc. is to develop, finance, construct, acquire, and operate a public golf course, clubhouse and related facilities in Columbia County; to finance costs of the project by issuing bonds, notes or other obligations; to convey title, possession and use of the project to Columbia County upon discharge of the debt; and to operate exclusively for charitable and educational purposes.

Complete financial statements of each of the blended and discretely presented component units may be obtained at the County's administrative office. The address is as follows:

Columbia County, Georgia
General Administrative Offices
630 Ronald Reagan Drive
Evans, Georgia 30809

Certain County elected officials collect and disburse taxes, fees, fines, etc. Separate records of accountability are maintained for such transactions, which are recorded as agency funds of the County. Receipts transferred from these funds to the County's General Fund, Debt Service Fund and Special Revenue Funds are included as revenues in these funds. Operating costs for these officials are included as expenditures in the General Fund. These elected officials are as follows:

Tax Commissioner
Probate Court Judge
Magistrate Court Judge
Clerk of Superior Court
Sheriff

Basis of Presentation

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

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

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

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

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies (Continued)

Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The County reports the following major governmental funds:

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

Special Local Option Sales Tax Fund – 2001-2005 - The Special Local Option Sales Tax Fund – 2001-2005 is used to account for property acquisition and construction of projects designated to be funded by revenue from the special purpose local option sales tax collected during 2001 through 2005.

The County reports the following nonmajor governmental funds:

Building Standards Fund - to account for building permits and inspection fees.

Federal Asset Sharing Fund - to account for assets seized or confiscated by federal courts.

State Condemnation Fund - to account for assets seized or confiscated by state courts.

Street Lights Fund - to account for the street light assessments used for maintenance of street lights in certain subdivisions.

Recreation Advisory Board Fund - to account for various projects sponsored by the Recreation Advisory Board to raise funds for recreation equipment.

911 Fund - to account for the 911 phone charges used for the maintenance of the 911 phone lines.

Jail Fund - to account for fines charged by the County to be used for jail improvements.

Drug Abuse Treatment Fund - to account for vice fines charged by the County to be used for drug abuse treatment and prevention.

Supplemental Juvenile Services Fund - to account for fines charged to juvenile offenders to be used for juvenile services.

Community Center Operations Fund - to account for the activities of the Columbia County community centers.

Community Greenspace Fund - to account for funds used to acquire real property for the preservation of greenspace, pursuant to the Georgia Greenspace Program as established in OCGA 36-22-1 et seq.

Hotel/Motel Fund - to account for hotel/motel tax collections, pursuant to OCGA 48-13-50 et seq.

Multiple Grant Fund – to account for all grants not meeting the 2% materiality test and not used to finance general fund operations.

Library Board Fund – to account for the activity of the Columbia County Library.

Clean and Beautiful Memorial Fund – to account for funds used for beautification projects on County property.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies (Continued)

Fire Services Fund – to account for taxes collected in special service districts within the unincorporated area for purpose of providing fire services.

Sheriff's Gift/Donations Fund – to account for funds donated to the Sheriff's office from external persons or entities.

Special Local Option Sales Tax Fund 1996 – 2000 - to account for the property acquisition and construction of projects designated to be funded by revenue from the special purpose local option sales tax collected during 1996 through 2000.

Capital Road/Drainage Projects Fund - to account for special projects funded by Insurance Premium Tax.

Airport Authority Fund – to account for the activity of the Columbia County Airport Authority.

General Obligation Bond Projects Fund - to account for construction projects funded through General Obligation Bonds.

Windmill Sewer Project Fund - to account for the extension of sewer lines to Windmill Plantation subdivision.

Debt Service Fund – to account for funds designated to be used for principal and interest payments on governmental fund debt.

The County reports the following major enterprise funds:

Water and Sewerage Fund – to account for water and sewer operations as well as construction and maintenance of water and sewerage projects.

Solid Waste Authority Fund - to account for debt service, construction and property of the landfill.

Solid Waste Management Fund - to account for the cost of operating and maintaining the landfill facility.

The County reports the following nonmajor enterprise funds:

Storm Water Utility Fund – to account for the cost of providing storm water management services and maintaining and improving the County's storm water infrastructure.

Additionally, the County reports the following fund types:

Internal Service Funds – Internal Service Funds are used to account for the operations that provide services to other departments or agencies for the government, on a cost-reimbursement basis. The County has three internal service funds:

Employee Medical Fund – to account for employer and employee contributions to the County's insurance program.

Risk Management Fund – to account for the County's risk management program.

Customer Service/Information Center Fund – to account for the County's customer service/information center program.

Employees' Retirement Pension Trust Fund – This fund accounts for the employer's contributions to the retirement program, together with interest and dividend income which are used to fund the program.

Agency Funds – Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds:

Clerk of Superior Court - to account for the receipt and disbursement of court ordered fines and fees made on behalf of third parties.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies (Continued)

Probate Court - to account for the receipt and disbursement of funds held on behalf of others and fees for services provided under State law.

Magistrate Court - to account for the receipt and disbursement of bonds and court ordered fines and fees made on behalf of third parties.

Sheriff's Office - to account for the receipt and disbursement of fees and services provided under State law.

Tax Commissioner - to account for tax billings, collections, and remittances held by the Tax Commissioner on behalf of other governmental agencies.

General Trust and Agency - to account for miscellaneous receipts held on behalf of other governments and/or other funds.

Measurement Focus and Basis of Accounting

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies (Continued)

Cash and cash equivalents

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, deposits with insignificant early withdrawal penalties, and short-term investments with an original maturity of three months or less.

The County follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Nonparticipating interest-earning investment contracts (investments whose value is not affected by interest rate or other market changes), including savings accounts, certificates of deposit, repurchase agreements, money market investments (short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U.S. Treasury and agency obligations) and participating interest-bearing investment contracts, that have a remaining maturity at purchase of one year or less are reported at cost or amortized cost assuming their fair value has not been impacted by changes in the credit worthiness of the issuer or similar factors. All other investments are reported at fair value (the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

Investments

Investments are reported at fair value, which is determined as follows: short-term investments are reported at cost, which approximates fair value; securities traded on national exchanges are valued at current prices or current prices of similar securities; securities for which an established market does not exist are reported at estimated fair value using selling prices for similar investments for which there is an active market. There are no investments reported at amortized cost.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Allowance for bad debt

The allowance for bad debt covers amounts owed from individuals, companies and other entities which have purchased services from County owned entities or which have been provided services from the County. The allowance was determined by analysis of the year-end receivable balances for those accounts which the County believes will not be collected based on past history.

Interfund receivables/payables and internal balances

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and as "internal balances" on the statement of net assets in the government-wide financial statements.

Inventories and prepaid items

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted assets

Proceeds from debt and funds set aside for payment of Enterprise Fund revenue bonds are classified as restricted assets since their use is limited by applicable bond indebtedness. Other cash funds available for use for specific purposes are classified as restricted.

Capital assets

Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. This minimum capitalization cost is applicable for all categories of capital assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets acquired prior to July 1, 2002, consist of the streets network that was acquired or that received substantial improvements subsequent to July 1, 1980. The streets network is reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are expensed as incurred.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 1 - Summary of significant accounting policies (Continued)

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

Vehicles	3 to 8 years
Furniture and fixtures	3 to 8 years
Machinery and equipment	5 to 10 years
Water and Sewer systems	10 to 50 years
Storm water systems	10 to 50 years
Buildings and improvements	10 to 50 years
Infrastructure	25 to 75 years

Construction cost - capitalization

In the proprietary funds, construction costs include costs incurred in the construction of assets, engineering fees and capitalized net interest costs as defined in FASB Statement No. 34, *Capitalization of Interest Cost* and FASB Statement No. 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*, for specified projects. Capitalized interest totaling approximately \$834,000 was recorded for the year ended June 30, 2004.

Compensated absences

The County's policy is to permit employees to accumulate earned but unused leave benefits. The County's government-wide and proprietary funds include an accrual for the estimated compensation costs attributable to employee earned but unused leave benefits.

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 straight-line method that approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, as expenditures during the period the costs are incurred. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net assets/fund balances

Net assets in government-wide and proprietary fund financial statements are classified as invested in capital assets, net of related debt; restricted; and unrestricted. Restricted net assets represent constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through state statute.

The equity section of the governmental fund financial statement balance sheet is comprised of these major fund balance elements: reserved, unreserved/designated and unreserved/undesignated. Reserves represent the portion of fund balance that is (1) not available for appropriation or expenditure and/or (2) is segregated legally for a specific future use. To indicate tentative future plans for current resources, a portion of unreserved fund balance is shown as designated. All other current resources are shown as unreserved, undesignated on the balance sheet.

Use of estimates

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

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 2 - Stewardship, compliance, and accountability

Budgetary information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general fund, proprietary funds and special revenue funds. The County adopts a project length budget for each capital project fund.

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

1. Prior to June 1, the Director of Financial Services begins receiving various departmental and agency budget requests for the fiscal year commencing July 1.
2. The County Administrator, Director of Financial Services, Board of Commissioners and other administrative personnel review in detail the budget requests with the departments and agencies.
3. Along with the budget review, public hearings are conducted to obtain citizen comments.
4. The proposed operating budgets are formally adopted by the Board in June for the fiscal year commencing July 1.
5. The legal level of budgetary control is the department level.
6. All appropriations lapse at year-end.
7. The operating budgets originally adopted may be amended throughout the year as presented below:
 - a. Transfers within departments except salary line items may be authorized by the County Administrator.
 - b. Transfers between departments or funds shall be by authority of the Board.
 - c. Increase or decrease in the total fund appropriation shall be by authority of the Board.
 - d. Increase or decrease in salary appropriation within any department shall be by authority of the Board.
 - e. Appropriation of fund balances in excess of established reserve requirements shall be by authority of the Board.
 - f. Items b - e above must be reviewed by the Management and Financial Services Committee.

Excess of expenditures over appropriations in individual departments

During the year, County expenditures did not exceed the total budget authorization.

Deficit fund balances or net assets

The following funds had deficits at June 30, 2004:

Special Revenue Funds

Community Center Operations Fund - The fund deficit of \$548,794 is due primarily to maintenance costs of the facility not supported through rental fees. The deficit will be funded by future rental fees as utilization of the Center increases and transfers from the General Fund.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 2 - Stewardship, compliance, and accountability (Continued)

Fire Services Fund – The fund deficit of \$2,163,396 is due primarily to the fund being in the first year of operation. Taxes were not collected during the fiscal year. The deficit will be funded by transfers from the General Fund and the new Insurance Premium Tax Fund.

Enterprise Funds

Solid Waste Management Fund- The deficit net assets of \$147,342 is primarily a result of an increase in vehicle maintenance costs. The deficit will be funded with future revenues.

Note 3 - Deposits and investments

Statutes authorize the County to make direct investments in obligations of the State of Georgia or the U.S. Government, obligations fully insured or guaranteed by the U.S. Government, repurchase agreements and certificates of deposit which are secured by direct obligations of Georgia or the U.S. Government.

The carrying amount of the primary government's deposits with financial institutions was \$57,747,419 and the bank balance was \$58,382,796. The carrying amount of the component units' deposits with financial institutions was \$316,020 and the bank balance was \$395,539. The bank balance is categorized as follows:

	Primary Government	Component Unit
Amount insured by the FDIC	\$ 700,000	\$ 161,000
Amount collateralized with securities held by the pledging financial institution's trust department in the County's name	57,682,796	234,539
Amount uncollateralized	-	-
Total bank balance	\$ 58,382,796	\$ 395,539

Investments are categorized below to give an indication of the level of risk assumed by the County at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or its trust department or agent but not in the County's name.

	Risk Category			Carrying Amount	Fair Value
	1	2	3		
U.S. Government securities	\$ -	\$ 10,746,825	\$ -	\$ 10,746,825	\$ 10,746,825
Non-credit risk investments					
Cash – deposits with brokerage houses				9,388,523	
Mutual funds				7,553,842	
Insurance contracts				2,014,508	
Cash – deposits with financial institutions				57,747,419	
Cash on hand				9,265	
Total cash and cash equivalents				\$ 87,460,382	

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 3 - Deposits and investments (continued)

The amounts on the previous table are classified in the accompanying balance sheet as follows:

Cash and cash equivalents – unrestricted	\$	48,009,946
Investments – unrestricted		30,608,823
Cash and cash equivalents – restricted		6,861,669
Investments – restricted		<u>1,979,944</u>
	\$	<u>87,460,382</u>

Component units - Deposits consisted of cash deposits with financial institutions, cash on hand, and deposits with brokerage houses. The amounts are classified in the accompanying balance sheet as follows:

Cash and cash equivalents – unrestricted – Development Authority	\$	61,509
Cash and cash equivalents – unrestricted – Board of Health		254,511
Cash and cash equivalents – restricted – Bartram Trail CDC		<u>5,746,934</u>
	\$	<u>6,062,954</u>

Note 4 - Receivables

Property taxes are an enforceable lien on property owned as of January 1. The tax rate is normally set by the end of August, and property taxes may be paid after receipt of the tax bill. Taxes are delinquent sixty-one days after mailing by the Tax Commissioner. Property tax revenues are recognized when they become measurable and available. Available revenues include those property tax receivables expected to be collected within sixty days.

Vehicles become subject to property tax on January 1 following the year of purchase. The tax is due on the registered owner's date of birth. Tax is determined based on the assessed value of the vehicle as of January 1.

Property taxes are recorded as receivables when levied. Property taxes receivable, reduced by an allowance for doubtful accounts and amounts collected within sixty days of the statement date (the amount "available"), is recorded as deferred revenue until collected. Such revenue is deferred because the amount is measurable, although not available.

Property taxes were levied on August 28, 2003. Tax bills were mailed on September 12, 2003 and were due upon receipt. Property taxes were delinquent if not paid by November 16, 2003.

The receivable amounts on the accompanying statements are net of an allowance for doubtful accounts. The allowances are as follows:

Receivable	Fund	Amount
Taxes	General Fund	\$ 15,000
Accounts	Solid Waste Management Fund	184,642

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 5 - Interfund balances and activities

Due From/To Other Funds

The composition of interfund balances as of June 30, 2004 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>						Total
	General	SPLOST 2001- 2005	Water and Sewerage	Solid Waste Authority	Solid Waste Management	Other Nonmajor Funds	
General	\$ -	\$ 114,428	\$ -	\$ -	\$ 138,037	\$ 3,980,142	\$ 4,232,607
Water and Sewerage	13,523	-	-	-	-	-	13,523
Solid Waste Management	-	-	-	135,397	-	-	135,397
Other Nonmajor Funds	6,321,671	-	5,431	-	-	53,525	6,380,626
	<u>\$ 6,335,194</u>	<u>\$ 114,428</u>	<u>\$ 5,431</u>	<u>\$ 135,397</u>	<u>\$ 138,037</u>	<u>\$ 4,033,667</u>	<u>\$ 10,762,154</u>

The County uses Due to / Due From accounts to account for loans between funds for cash management purposes.

Transfers To/From Other Funds

Transfers in (out) for the year ended June 30, 2004 are summarized below:

<u>Transfer out:</u>	<u>Transfer in:</u>		
	General Fund	Nonmajor Governmental Funds	Total
Nonmajor governmental funds	<u>\$ 182,010</u>	<u>\$ 34,353</u>	<u>\$ 216,363</u>
Total transfers	<u>\$ 182,010</u>	<u>\$ 34,353</u>	<u>\$ 216,363</u>

Transfers between the General Fund and other nonmajor governmental funds were primarily to support the operations of the funds.

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COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 6 – Capital assets

A summary of changes in the capital assets is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 6,444,297	\$ 802,541	\$ -	\$ 7,246,838
Infrastructure - Right of way land	18,604,806	91,631	-	18,696,437
Construction in process	4,911,005	4,918,432	-	9,829,437
Total capital assets not being depreciated	29,960,108	5,812,604	-	35,772,712
Capital assets being depreciated:				
Buildings	68,979,618	60,477	-	69,040,095
Improvements other than buildings	2,502,659	-	-	2,502,659
Infrastructure	139,348,801	8,226,013	-	147,574,814
Vehicles, machinery and equipment	10,893,354	1,253,241	(217,546)	11,929,049
Total capital assets being depreciated	221,724,432	9,539,731	(217,546)	231,046,617
Less accumulated depreciation for:				
Buildings	(23,194,849)	(2,445,385)	-	(25,640,234)
Improvements other than buildings	(33,028)	(62,566)	-	(95,594)
Infrastructure	(121,072,735)	(2,315,978)	-	(123,388,713)
Vehicles, machinery and equipment	(7,994,529)	(1,269,510)	216,582	(9,047,457)
Total accumulated depreciation	(152,295,141)	(6,093,439)	216,582	(158,171,998)
Total capital assets being depreciated, net	69,429,291	3,446,292	(964)	72,874,619
Governmental activities capital assets, net	\$ 99,389,399	\$ 9,258,896	\$ (964)	\$ 108,647,331

Depreciation expense was charged to functions as follows:

Governmental activities:

General government	\$ 889,437
Judicial	19,553
Public safety	1,862,318
Public works	2,823,259
Recreation and parks	270,101
Housing and development	69,155
Health and welfare	159,616
	\$ 6,093,439

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 6 – Capital assets (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities:				
Water and Sewerage Fund:				
Capital assets not being depreciated:				
Land	\$ 272,141	\$ 200,000	\$ -	\$ 472,141
Construction in process	15,220,151	16,664,064	(2,242,823)	29,641,392
Total capital assets not being depreciated	<u>15,492,292</u>	<u>16,864,064</u>	<u>(2,242,823)</u>	<u>30,113,533</u>
Capital assets being depreciated:				
Buildings	1,499,805	-	-	1,499,805
Utility plant and distribution systems	87,994,792	2,042,823	-	90,037,615
Donated subdivisions	47,802,676	2,954,986	-	50,757,662
Machinery and equipment	2,692,037	228,183	-	2,920,220
Furniture	19,124	-	-	19,124
Vehicles	1,547,699	60,207	(53,570)	1,554,336
Total capital assets being depreciated	<u>141,556,133</u>	<u>5,286,199</u>	<u>(53,570)</u>	<u>146,788,762</u>
Less accumulated depreciation for:				
Buildings	(379,941)	(49,063)	-	(429,004)
Utility plant and distribution systems	(24,857,765)	(2,117,408)	-	(26,975,173)
Donated subdivisions	(15,868,639)	(1,238,607)	-	(17,107,246)
Machinery and equipment	(1,367,112)	(422,696)	-	(1,789,808)
Furniture	(11,597)	(1,369)	-	(12,966)
Vehicles	(947,932)	(200,262)	53,570	(1,094,624)
Total accumulated depreciation	<u>(43,432,986)</u>	<u>(4,029,405)</u>	<u>53,570</u>	<u>(47,408,821)</u>
Total capital assets being depreciated, net	<u>98,123,147</u>	<u>1,256,794</u>	<u>-</u>	<u>99,379,941</u>
Water and Sewerage Fund capital assets, net	<u>\$ 113,615,439</u>	<u>\$ 18,120,858</u>	<u>\$ (2,242,823)</u>	<u>\$ 129,493,474</u>
Solid Waste Authority Fund				
Capital assets not being depreciated:				
Land	\$ 552,894	\$ -	\$ -	\$ 552,894
Capital assets being depreciated:				
Land improvements	96,101	-	-	96,101
Buildings	34,830	-	-	34,830
Improvements other than buildings	6,350,218	-	-	6,350,218
Machinery and equipment	371,593	-	-	371,593
Total capital assets being depreciated	<u>6,852,742</u>	<u>-</u>	<u>-</u>	<u>6,852,742</u>
Less accumulated depreciation for:				
Land improvements	(96,101)	-	-	(96,101)
Buildings	(28,945)	(4,204)	-	(33,149)
Improvements other than buildings	(4,762,663)	(635,022)	-	(5,397,685)
Machinery and equipment	(371,593)	-	-	(371,593)
Total accumulated depreciation	<u>(5,259,302)</u>	<u>(639,226)</u>	<u>-</u>	<u>(5,898,528)</u>
Total capital assets being depreciated, net	<u>1,593,440</u>	<u>(639,226)</u>	<u>-</u>	<u>954,214</u>
Solid Waste Authority Fund capital assets, net	<u>\$ 2,146,334</u>	<u>\$ (639,226)</u>	<u>\$ -</u>	<u>\$ 1,507,108</u>

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 6 – Capital assets (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Business-type Activities - continued:				
Solid Waste Management Fund:				
Capital assets being depreciated:				
Machinery and equipment	\$ 287,847	\$ -	\$ -	\$ 287,847
Vehicles	544,460	-	-	544,460
Total capital assets being depreciated	<u>832,307</u>	<u>-</u>	<u>-</u>	<u>832,307</u>
Less accumulated depreciation for:				
Machinery and equipment	(28,785)	(57,569)	-	(86,354)
Vehicles	(359,038)	(74,169)	-	(433,207)
Total accumulated depreciation	<u>(387,823)</u>	<u>(131,738)</u>	<u>-</u>	<u>(519,561)</u>
Total capital assets being depreciated, net	444,484	(131,738)	-	312,746
Solid Waste Management Fund capital assets, net	<u>\$ 444,484</u>	<u>\$ (131,738)</u>	<u>\$ -</u>	<u>\$ 312,746</u>
Storm Water Utility Fund, nonmajor				
Capital assets not being depreciated:				
Land	\$ 400,645	\$ -	\$ -	\$ 400,645
Capital assets being depreciated:				
Machinery and equipment	262,451	-	-	262,451
Furniture and fixtures	8,449	-	-	8,449
Storm water systems	7,161,658	1,590,585	-	8,752,243
Total capital assets being depreciated	<u>7,432,558</u>	<u>1,590,585</u>	<u>-</u>	<u>9,023,143</u>
Less accumulated depreciation for:				
Machinery and equipment	(101,743)	(52,490)	-	(154,233)
Furniture and fixtures	(5,915)	(1,690)	-	(7,605)
Storm water systems	(4,052,452)	(368,983)	-	(4,421,435)
Total accumulated depreciation	<u>(4,160,110)</u>	<u>(423,163)</u>	<u>-</u>	<u>(4,583,273)</u>
Total capital assets being depreciated, net	3,272,448	1,167,422	-	4,439,870
Storm Water Utility Fund capital assets, net	<u>\$ 3,673,093</u>	<u>\$ 1,167,422</u>	<u>\$ -</u>	<u>\$ 4,840,515</u>
Business-type activities capital assets, net	<u>\$ 119,879,350</u>	<u>\$ 18,517,316</u>	<u>\$ (2,242,823)</u>	<u>\$ 136,153,843</u>

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 6 – Capital assets (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
Discretely presented component units				
Development Authority				
Capital assets not being depreciated:				
Land	\$ 460,594	\$ -	\$ -	\$ 460,594
Construction in progress	28,600	-	-	28,600
Total capital assets not being depreciated	<u>489,194</u>	<u>-</u>	<u>-</u>	<u>489,194</u>
Capital assets being depreciated:				
Buildings	2,286,429	-	-	2,286,429
Land improvements	98,641	-	-	98,641
Total capital assets being depreciated	<u>2,385,070</u>	<u>-</u>	<u>-</u>	<u>2,385,070</u>
Less accumulated depreciation for:				
Buildings	(411,558)	(91,457)	-	(503,015)
Land improvements	(3,699)	(2,466)	-	(6,165)
Total accumulated depreciation	<u>(415,257)</u>	<u>(93,923)</u>	<u>-</u>	<u>(509,180)</u>
Total capital assets being depreciated, net	1,969,813	(93,923)	-	1,875,890
Development Authority capital assets, net	<u>\$ 2,459,007</u>	<u>\$ (93,923)</u>	<u>\$ -</u>	<u>\$ 2,365,084</u>
Board of Health				
Capital assets being depreciated:				
Machinery and equipment	\$ 258,743	\$ -	\$ -	\$ 258,743
Total capital assets being depreciated	<u>258,743</u>	<u>-</u>	<u>-</u>	<u>258,743</u>
Less accumulated depreciation for:				
Machinery and equipment	(179,560)	(51,749)	-	(231,309)
Total accumulated depreciation	<u>(179,560)</u>	<u>(51,749)</u>	<u>-</u>	<u>(231,309)</u>
Total capital assets being depreciated, net	79,183	(51,749)	-	27,434
Board of Health capital assets, net	<u>\$ 79,183</u>	<u>\$ (51,749)</u>	<u>\$ -</u>	<u>\$ 27,434</u>
Bartram Trail CDC				
Capital assets not being depreciated:				
Land	\$ -	\$ 1,500,000	\$ -	\$ 1,500,000
Construction in progress	-	2,105,810	-	2,105,810
Total capital assets not being depreciated	<u>-</u>	<u>3,605,810</u>	<u>-</u>	<u>3,605,810</u>
Bartram Trail CDC capital assets, net	<u>\$ -</u>	<u>\$ 3,605,810</u>	<u>\$ -</u>	<u>\$ 3,605,810</u>

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations

A. General obligation bonds – serviced by the General Fund

General Obligation Bonds Series 1998

On October 1, 1998, the County issued the \$28,715,000 Columbia County, Georgia, General Obligation Bonds Series 1998.

The Series 1998 Bonds were issued to (a) finance the costs of acquiring, constructing and equipping a new courthouse annex and renovating the existing courthouse, (b) finance the costs of improving the existing County detention center and (c) pay certain costs of issuing the Series 1998 Bonds.

Interest on the General Obligation Bonds, Series 1998 is to be paid semi-annually on February 1 and August 1 of each year and principal is paid February 1 of each year as follows:

Governmental activities				Coupon
June 30,	Principal	Interest	Total	Rate
2005	\$ 495,000	\$ 1,389,550	\$ 1,884,550	3.95
2006	580,000	1,369,998	1,949,998	4.00
2007	655,000	1,346,798	2,001,798	4.05
2008	745,000	1,320,270	2,065,270	4.15
2009	830,000	1,289,352	2,119,352	4.25
2010-2014	5,480,000	5,769,943	11,249,943	5.00-4.80
2015-2019	7,810,000	4,185,916	11,995,916	4.85-5.63
2020-2024	10,875,000	1,738,750	12,613,750	5.63-5.00
	\$ 27,470,000	\$ 18,410,577	\$ 45,880,577	

B. Revenue Bonds – serviced by the Water and Sewerage Fund (the “System”)

The Water and Sewerage Revenue Bond Ordinances provide that certain funds be established and maintained while the bonds are outstanding. The funds required and the purpose of each, are as follows:

1. Revenue Fund - To receive all revenue of the water and sewer operation, and fund the other required funds.
2. Sinking Funds - To provide a means for payment of principal and interest.
3. Renewal and Extension Fund - To make replacements, additions, extensions and improvements to the system, and to pay principal and interest on bonds and any obligations payable from the sinking fund.
4. Operation, Maintenance and Repair Fund - To pay reasonable and necessary costs of operating, maintaining and repairing the system.
5. Arbitrage Rebate Fund - To assure compliance with the provisions of the Internal Revenue Code.

The ordinance specifies the minimum levels of funding required to be maintained in the sinking funds and the Renewal and Extension fund. Each bond is secured by a first lien on and pledge of the net revenues of the System. The following is a schedule of the outstanding revenue bonds in the System:

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

Series 1993

In connection with the refunding of the 1988 Water and Sewerage Refunding Revenue Bonds, the System issued Series 1993 Water and Sewerage Refunding Revenue Bonds in the aggregate principal amount of \$10,735,000.

Principal and interest are to be paid semi-annually on June 1 and December 1 of each year.

Series 1996

On March 1, 1996, the System issued \$14,800,000 Water & Sewerage Revenue Bonds, Series 1996. In connection with the refunding Series 2001A, the System partially refunded Series 1996 in the amount of \$10,395,000.

The Series 1996 Bonds were issued to provide funds, together with other available funds of the System, to (a) finance, in whole or in part, the cost of adding to, improving, extending and equipping the Water and Sewerage System of said County, and (b) pay certain expenses necessary to accomplish the foregoing.

The Series 1996 Bonds are secured by a first lien on and pledge of the net revenues of the Water and Sewerage System on a parity with the Columbia County Water and Sewerage Bonds, Series 1986 and 1988 issued during prior years. Principal and interest on the Series 1996 Bonds is insured by a municipal bond insurance policy issued by AMBAC Indemnity Corporation simultaneously with the delivery of the Series 1996 Bonds.

Interest is to be paid semi-annually on June 1 and December 1 of each year and principal is to be paid annually on June 1 of each year.

Series 1996A

In connection with the refunding of the 1991A Water and Sewerage Revenue Bonds, the System issued Series 1996A Water and Sewerage Refunding Revenue Bonds in the aggregate principal amount of \$6,970,000.

Interest is to be paid semi-annually on June 1 and December 1 of each year and principal is to be paid annually on June 1 of each year.

Series 2000

On March 1, 2000, the System issued \$25,000,000 Water & Sewerage Revenue Bonds Series 2000. In connection with the refunding Series 2001A, the System partially refunded Series 2000 in the amount of \$8,510,000.

The Series 2000 Bonds were issued to provide funds, together with other funds of the County available therefore, to (a) finance, in whole or in part, the cost of adding to, improving, extending and equipping the Water and Sewerage System of said County, and (b) pay certain expenses necessary to accomplish the foregoing.

The Series 2000 Bonds are secured by a first lien on and pledge of the net revenues of the Water and Sewerage System. Payment of the principal and interest on the Series 2000 Bonds is insured by a municipal bond insurance policy which was issued by Financial Guaranty Insurance Company simultaneously with the delivery of the Series 2000 Bonds.

Interest is to be paid semi-annually on June 1 and December 1 of each year and principal is to be paid annually on June 1 of each year.

Series 2001

In connection with the refunding of the 1992 Water and Sewerage Revenue Bonds, the System issued Series 2001 Water and Sewerage Refunding Revenue Bonds in the aggregate principal amount of \$12,155,000.

Interest is to be paid semi-annually on June 1 and December 1 of each year and principal is to be paid annually on June 1 of each year.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

Series 2001A

In connection with the refunding of the 1996 Water and Sewerage Revenue Bonds and 2000 Water and Sewerage Revenue Bonds, the System issued Series 2001A Water and Sewerage Refunding Revenue Bonds in the aggregate principal amount of \$21,020,000.

Interest is to be paid semi-annually on June 1 and December 1 of each year and principal is to be paid annually on June 1 of each year.

C. Revenue Bonds – serviced by the Solid Waste Management Fund

On November 1, 1994, the Solid Waste Management Authority of Columbia County, Georgia, issued \$7,970,000 Landfill Revenue Bonds, Series 1994.

The Series 1994 Bonds were issued to (a) finance the cost of certain improvements to the Landfill Facility, and (b) to pay certain costs of issuing the Series 1994 Bonds.

The Series 1994 Bonds are limited, special obligations of the Authority and are secured and payable from revenues received under an Intergovernmental Agreement for the development, leasing and operation of a solid waste facility between the Authority and Columbia County. The scheduled payment of principal and interest on the Series 1994 Bonds when due is guaranteed under an insurance policy issued with the delivery of the Series 1994 Bonds by Municipal Bond Investors Assurance Corporation.

Interest is to be paid semi-annually on January 1 and July 1 of each year and principal is to be paid annually on July 1 each year.

D. Summary of Revenue Bonds outstanding

A summary of revenue bond indebtedness as of June 30, 2004, is as follows:

Water and Sewerage Refunding Revenue Bonds, Series 1993	\$ 3,955,000
Water and Sewerage Refunding Revenue Bonds, Series 1996	75,000
Water and Sewerage Refunding Revenue Bonds, Series 1996A	5,845,000
Water and Sewerage Refunding Revenue Bonds, Series 2000	15,865,000
Water and Sewerage Refunding Revenue Bonds, Series 2001	10,295,000
Water and Sewerage Refunding Revenue Bonds, Series 2001A	20,600,000
Landfill Revenue Bonds	<u>2,375,000</u>
Total Outstanding Revenue Debt	<u>59,010,000</u>
Bond issue discounts	(48,099)
Deferred loss on refunding	<u>(3,076,497)</u>
	\$ <u>55,885,404</u>

The annual requirements of principal and interest to amortize each of the County's outstanding revenue debt as of June 30, 2004 are as follows:

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

Business-type Activities					
Revenue Bond Debt					
June 30,	Principal	Interest	Total	Coupon	
<u>Water and Sewerage Refunding Revenue Bonds, Series 1993</u>					
2005	\$ 840,000	\$ 195,225	\$ 1,035,225	5.55	
2006	850,000	149,295	999,295	5.55	
2007	925,000	100,039	1,025,039	5.55	
2008	1,035,000	45,648	1,080,648	5.55	
2009	305,000	8,464	313,464	5.55	
	<u>\$ 3,955,000</u>	<u>\$ 498,671</u>	<u>\$ 4,453,671</u>		
<u>Water and Sewerage Unrefunded Revenue Bonds, Series 1996</u>					
2005	\$ 35,000	\$ 3,753	\$ 38,753	4.95	
2006	40,000	2,020	42,020	5.05	
	<u>\$ 75,000</u>	<u>\$ 5,773</u>	<u>\$ 80,773</u>		
<u>Water and Sewerage Refunding Bonds, Series 1996A</u>					
2005	\$ 765,000	\$ 304,200	\$ 1,069,200	4.95	
2006	795,000	266,333	1,061,333	5.05	
2007	840,000	226,185	1,066,185	5.10	
2008	880,000	183,345	1,063,345	5.20	
2009	925,000	137,585	1,062,585	5.30	
2010-2014	1,640,000	124,740	1,764,740	5.40	
	<u>\$ 5,845,000</u>	<u>\$ 1,242,388</u>	<u>\$ 7,087,388</u>		
<u>Water and Sewerage Unrefunded Revenue Bonds, Series 2000</u>					
2005	\$ 300,000	\$ 875,045	\$ 1,175,045	4.87	
2006	400,000	860,435	1,260,435	4.93	
2007	450,000	840,715	1,290,715	4.98	
2008	500,000	818,305	1,318,305	5.02	
2009	550,000	793,205	1,343,205	5.07	
2010-2014	600,000	3,703,720	4,303,720	5.12	
2015-2019	1,555,000	3,673,000	5,228,000	5.12	
2020-2024	9,300,000	2,210,175	11,510,175	5.12	
2025	2,210,000	121,550	2,331,550	5.12	
	<u>\$ 15,865,000</u>	<u>\$ 13,896,150</u>	<u>\$ 29,761,150</u>		
<u>Water and Sewerage Refunding Revenue Bonds, Series 2001</u>					
2005	\$ 735,000	\$ 411,860	\$ 1,146,860	3.25	
2006	800,000	387,973	1,187,973	3.50	
2007	800,000	359,972	1,159,972	3.65	
2008	795,000	330,773	1,125,773	3.80	
2009	1,580,000	300,562	1,880,562	4.00	
2010-2014	5,585,000	448,800	6,033,800	4.25	
	<u>\$ 10,295,000</u>	<u>\$ 2,239,940</u>	<u>\$ 12,534,940</u>		

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

Business-type Activities, continued				
Revenue Bond Debt				
June 30,	Principal	Interest	Total	Rate
<u>Water and Sewerage Refunding Revenue Bonds, Series 2001A</u>				
2005	\$ 150,000	\$ 890,855	\$ 1,040,855	3.00
2006	155,000	886,355	1,041,355	3.13
2007	195,000	881,511	1,076,511	3.38
2008	195,000	874,930	1,069,930	3.60
2009	205,000	867,910	1,072,910	3.70
2010-2014	12,655,000	3,735,925	16,390,925	3.80-4.50
2015-2019	7,045,000	713,540	7,758,540	4.40-4.70
	\$ 20,600,000	\$ 8,851,026	\$ 29,451,026	
<u>Solid Waste Management Authority Revenue Bonds, Series 1994</u>				
2005	\$ 1,140,000	\$ 108,632	\$ 1,248,632	5.95
2006	1,235,000	37,359	1,272,359	6.05
	\$ 2,375,000	\$ 145,991	\$ 2,520,991	

E. Notes Payable

The Water and Sewerage System has entered into agreements with the Georgia Environmental Facilities Authority (GEFA) whereby the System receives a loan for each agreement to assist in various pre-approved construction projects. Notes payable to the Georgia Environmental Facilities Authority are as follows:

The \$226,569 note payable to GEFA, with quarterly payments of \$4,728, including principal and interest at 6.8%.	\$ 118,658
The \$707,006 note payable to GEFA, with quarterly payments of \$15,235, including principal and interest at 6.0%.	227,116
The \$646,607 note payable to GEFA, with quarterly payments of \$13,158, including principal and interest at 5.3%.	229,852
The \$1,000,000 note payable to GEFA, with quarterly payments of \$21,985, including principal and interest at 6.25%.	509,532
The \$1,569,027 note payable to GEFA, under the State of Georgia Revolving Loan Fund Program with quarterly payments of \$23,845, including principal and interest at 2.0%.	743,844
	\$ 1,829,002

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

The annual requirements of principal and interest to amortize each of the County's outstanding notes payable as of June 30, 2004 are as follows:

Year ending June 30,	Notes Payable		
	Principal	Interest	Total
2005	\$ 239,301	\$ 76,500	\$ 315,801
2006	250,585	65,216	315,801
2007	262,493	53,308	315,801
2008	275,064	40,737	315,801
2009	241,944	28,153	270,097
2010 - 2013	559,615	33,536	593,151
	\$ 1,829,002	\$ 297,450	\$ 2,126,452

F. Refunding and Advance Refunding

In 1993, the Water and Sewerage System refunded the Series 1988, Water and Sewerage Refunding Revenue Bonds with the \$10,735,000 Series 1993, Water and Sewerage Refunding Revenue Bonds. As a result, the refunded bonds are no longer a liability of the System.

In 1996, the Water and Sewerage System advance refunded the Series 1991A, Water and Sewerage Revenue Bonds with the \$6,970,000 Series 1996A, Water and Sewerage Refunding Revenue Bonds. The System issued bonds to provide resources to purchase direct obligations of the United States of America which were placed in an irrevocable escrow account with an escrow agent to defease the maturities.

The escrow obligations, together with the earnings thereon, were sufficient to pay the redemption price of the bonds on June 1, 2001. As a result, the refunded bonds are no longer a liability of the System and have no outstanding principal at June 30, 2004.

On September 26, 2001, the County issued Water and Sewerage Refunding Revenue Bonds in the aggregate principal amount of \$12,155,000, with interest rates ranging from 3% - 4.25%, to refund \$11,850,000 of outstanding 1992 Water and Sewerage Revenue Bonds with interest rates ranging from 5.7% to 6.25%. The net proceeds of \$12,022,027 (after payment of \$190,901 of underwriting fees and other issuance costs) plus an additional \$430,053 of the 1992 Series sinking fund monies were used to repay the 1992 Water and Sewerage Revenue Bonds.

The current refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$955,029. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2012 using the straight-line method, which is not significantly different from the effective-interest method. The County completed the refunding to reduce its total debt service payments over the next 11 years by approximately \$1.3 million and to obtain an economic gain (difference between present values of the old and new debt service payments) of approximately \$1.4 million.

On October 17, 2001, the County issued Water and Sewerage Refunding Revenue Bonds in the aggregate principal amount of \$21,020,000 with interest rates ranging from 3% to 4.7%, to advance refund a portion (\$10,395,000) of outstanding 1996 Water and Sewerage Revenue Bonds with interest rates ranging from 5.15% to 5.7%, and to advance refund a portion (\$8,510,000) of outstanding 2000 Water and Sewerage Revenue Bonds with interest rates ranging from 5% to 6.25%. The net proceeds of \$20,629,262 (after payment of \$307,173 of underwriting fees and other issuance costs) plus an additional \$366,112 of the debt service fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for the refunded portions' debt service payments on the 1996 Series bonds and the 2000 Series bonds. As a result, the refunded portions of the 1996 Series bonds and the 2000 Series bonds are considered to be defeased and the liability for those bonds have been reduced by the refunded portions.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

The advance refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$2,512,970. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the year 2018 using the straight-line method, which is not significantly different from the effective-interest method. The advance refunding increased the County's total debt service payments over the next 24 years by approximately \$775,000 and resulted in an economic loss (difference between present values of the old and new debt service payments) of approximately \$2.5 million guaranteed under an insurance policy issued with the delivery of the Series 1994 Bonds by Municipal Bond Investors Assurance Corporation.

G. Capitalized lease obligations

The County has entered into agreements for the lease of certain machinery and equipment. The term of each agreement provides options to purchase the machinery and equipment at any time during the period of the lease. The leases meet the criteria of capital leases as defined by Statements of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee.

The capitalized leases at June 30, 2004 are shown in the financial statements as follows:

	<u>Business-type Activities</u>
Machinery and equipment	\$ <u>323,958</u>

The following is a schedule by year of future lease payments:

<u>Year Ending June 30</u>	<u>Business-type Activities</u>
2005	58,123
2006	<u>122,187</u>
Total minimum lease payments	180,310
Amount representing interest	<u>(12,528)</u>
Present value of minimum lease payments	\$ <u>167,782</u>

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

H. Changes in long-term liabilities

The following is a summary of long-term debt transactions of the year ended June 30, 2004:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
Governmental activities:					
Bonds payable:					
General obligation bonds payable	\$ 27,895,000	\$ -	\$ (425,000)	\$ 27,470,000	\$ 495,000
Other liabilities:					
Compensated absences	1,364,783	950,193	(1,052,036)	1,262,940	1,100,000
Governmental activities long-term liabilities	\$ 29,259,783	\$ 950,193	\$ (1,477,036)	\$ 28,732,940	\$ 1,595,000
Business-type activities:					
Revenue debt:					
Water and Sewerage Refunding Bonds:					
Series 1993	\$ 4,740,000	\$ -	\$ (785,000)	\$ 3,955,000	\$ 840,000
Series 1996	235,000	-	(160,000)	75,000	35,000
Series 1996A	6,455,000	-	(610,000)	5,845,000	765,000
Series 2000	16,140,000	-	(275,000)	15,865,000	300,000
Series 2001	11,010,000	-	(715,000)	10,295,000	735,000
Series 2001A	20,745,000	-	(145,000)	20,600,000	150,000
Less deferred amounts:					
For bond issuance discounts	(54,594)	(4,923)	11,419	(48,098)	-
For deferred loss on refunding	(3,392,998)	-	316,501	(3,076,497)	-
Landfill Revenue Bonds	3,390,000	-	(1,015,000)	2,375,000	1,140,000
Total revenue debt	59,267,408	(4,923)	(3,377,080)	55,885,405	3,965,000
Other liabilities:					
Water and Sewerage Notes Payable to GEFA					
Capital leases	2,057,609	-	(228,607)	1,829,002	239,301
Compensated absences	280,856	-	(113,074)	167,782	47,668
Liability for landfill closure and postclosure care costs	268,399	190,546	(188,276)	270,669	270,669
Total other liabilities	9,688,820	456,005	-	10,144,825	-
Total other liabilities	12,295,684	646,551	(529,957)	12,412,278	557,638
Business-type activities long-term liabilities	\$ 71,563,092	\$ 641,628	\$ (3,907,037)	\$ 68,297,683	\$ 4,522,638

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 - Long-term and short-term obligations (continued)

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$5,467 of internal service funds compensated absences are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by the general fund.

I. Discretely presented component units

Development Authority Taxable Revenue Bonds, Series 1993

During 1986, the Development Authority of Columbia County issued \$1,120,000 Industrial Development Revenue Bonds, Series 1986. During 1992, the Development Authority obtained a loan with a bank which it used to pay off the Series 1986 Bonds. During 1993, the Development Authority issued \$7,515,000 Development Authority of Columbia County, Georgia, Industrial Park Taxable Revenue Bonds, Series 1993. A portion of the proceeds in the amount of \$705,171 was used to pay off the bank loan mentioned above. The remaining proceeds were used for various improvements to the existing industrial park sites. The improvements included the provision of water, sewerage, drainage and similar facilities and transportation, power and communication facilities which are incidental to the use of such land as industrial parks but, except with respect to such facilities, does not include the provision of structures or buildings. The Development Authority has the right to acquire up to 100 acres of additional land contiguous to the 284 acres fronting on Lewiston and Wrightsboro Roads, and to develop such additional land as part of that industrial site.

The Series 1993 Bonds are limited, special obligations of the Authority and are secured by a letter of credit issued by SunTrust, Atlanta, Georgia, and from payments received under an Intergovernmental Agreement for the development and marketing of an industrial park between the Development Authority and Columbia County.

Interest on the Series 1993 Bonds is to be paid monthly. The interest rate is adjusted weekly in connection with the bond market fluctuations. Principal is due on March 1 of each year. At June 30, 2004, the outstanding balance of this Revenue Bond amounted to \$3,895,000.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 – Long-term and short-term obligations (continued)

The annual requirements of principal and interest to amortize the Development Authority's outstanding revenue debt as of June 30, 2004 are as follows:

Development Authority				
Taxable Revenue Bonds,				
Series 1993				
June 30,	Principal	Interest	Total	Interest Rate
2005	\$ 575,000	\$ 82,800	\$ 657,800	14.40
2006	625,000	90,000	715,000	14.40
2007	665,000	95,760	760,760	14.40
2008	715,000	102,960	817,960	14.40
2009	770,000	110,880	880,880	14.40
2010	545,000	78,480	623,480	14.40
	\$ 3,895,000	\$ 560,880	\$ 4,455,880	

Bartram Trail CDC, Inc., Certificates of Participation, Series 2003

During the year ended June 30, 2004, Bartram Trail CDC, Inc. issued \$8,800,000 Certificates of Participation, Series 2003, for the purpose of construction of a golf course facility. The certificates have a stated maturity of July 1, 2032, and are subject to mandatory sinking fund redemption, in order of maturity, in part by lot on July 1, beginning July 1, 2008, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption.

Interest on the Series 2003 is to be paid semi-annually on July 1 and January 1 of each year, beginning after January 1, 2004. For a portion of the certificates ("promissory note one"), in the amount of \$7,920,000, the interest rate will be adjusted periodically to the five-year United States Treasury Note Rate plus 1.75%, in connection with the bond market fluctuations. At June 30, 2004, the outstanding balance of promissory note one was \$7,920,000. For the remaining portion of the certificates ("promissory note two"), in the amount of \$880,000, the interest rate is fixed at 10%. For promissory note one and note two, principal is due on July 1 of each year.

Bartram Trail CDC, Inc.			
Certificates of Participation			
Series 2003			
Year ending June 30,	Principal	Interest	Total
2005	\$ -	\$ 523,600	\$ 523,600
2006	-	523,600	523,600
2007	-	523,600	523,600
2008	162,000	523,600	685,600
2009	171,000	514,015	685,015
2010 - 2014	1,021,000	2,404,720	3,425,720
2015 - 2019	1,364,000	2,062,350	3,426,350
2020 - 2024	1,820,000	1,605,390	3,425,390
2025 - 2029	2,429,000	995,835	3,424,835
2030 - 2032	1,833,000	222,500	2,055,500
	\$ 8,800,000	\$ 9,899,210	\$ 18,699,210

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 7 – Long-term and short-term obligations (continued)

The following is a summary of long-term debt transactions for the discretely presented component units for the year ended June 30, 2004:

	Beginning Balances	Additions	Reductions	Ending Balances	Current Portion
Development Authority					
Revenue debt:					
Taxable Revenue bonds, Series 1993	\$ 4,445,000	\$ -	\$ (550,000)	\$ 3,895,000	\$ 575,000
Total revenue debt	<u>4,445,000</u>	<u>-</u>	<u>(550,000)</u>	<u>3,895,000</u>	<u>575,000</u>
Development Authority long-term liabilities	<u>\$ 4,445,000</u>	<u>\$ -</u>	<u>\$ (550,000)</u>	<u>\$ 3,895,000</u>	<u>\$ 575,000</u>
Board of Health					
Other liabilities:					
Compensated absences	\$ 85,675	\$ -	\$ (6,580)	\$ 79,095	\$ 79,095
Total other liabilities	<u>85,675</u>	<u>-</u>	<u>(6,580)</u>	<u>79,095</u>	<u>79,095</u>
Board of Health long-term liabilities	<u>\$ 85,675</u>	<u>\$ -</u>	<u>\$ (6,580)</u>	<u>\$ 79,095</u>	<u>\$ 79,095</u>
Bartram Trail CDC					
Revenue debt:					
Series 2003 Certificates of Participation	\$ -	\$ 8,800,000	\$ -	\$ 8,800,000	\$ -
Total revenue debt	<u>-</u>	<u>8,800,000</u>	<u>-</u>	<u>8,800,000</u>	<u>-</u>
Bartram Trail CDC long-term liabilities	<u>\$ -</u>	<u>\$ 8,800,000</u>	<u>\$ -</u>	<u>\$ 8,800,000</u>	<u>\$ -</u>

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 8 – Deferred/unearned revenues

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

	Deferred Revenue	Unearned Revenue
Taxes receivable net of allowance, unavailable - General Fund	\$ 267,101	\$ -
Taxes receivable net of allowance, unavailable - Special Revenue Fund	5,418	-
Taxes receivable net of allowance, unavailable - Debt Service Fund	19,901	-
Grant income received in advance of being earned - Special Revenue Fund	-	209,202
Rent income received in advance of being earned - General Fund	-	297
Rental income received in advance of being earned - Special Revenue Fund	-	46,630
	\$ 292,420	\$ 256,129

Note 9 - Landfill closure and postclosure care cost

State and Federal laws and regulations require that the County place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the County is required to report a portion of these costs as operating expense in each period based on landfill capacity used as of each balance sheet date. After the initial calculation of the current closure and postclosure care costs, these costs are required to be adjusted annually for the effects of inflation or deflation, technology, or applicable laws or regulations.

Closed unlined cell

The estimated liability for landfill closure and postclosure care costs of the cell has a balance of \$1,412,098, which is based on 100% usage (filled) of the cell. The County no longer accepts waste at the cell location.

The County expects that future costs will be paid from earnings in the Solid Waste Management Fund.

D cell

The estimated liability for landfill closure and postclosure care costs of the D cell has a balance of \$8,732,727 as of June 30, 2004, which is based on 93% usage (filled) of the D cell. Estimated total cost of the D cell closure and postclosure care is \$9,390,029 and will be accrued ratably based on the usage over ten years, which is the estimated life of the D cell, beginning with the fiscal year ended June 30, 1996.

Note 10 - Conduit debt obligations

From time to time, the Development Authority of Columbia County has issued tax exempt industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the Development Authority, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2004, there were five series of Development Authority tax exempt industrial revenue bonds outstanding, with an aggregate principal amount of \$58,068,200.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 11 - Risk management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government is a member of a public entity risk pool. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. As of June 30, 2004, the County had recorded no liability for claims.

The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund (ACCG-IRMA) and the ACCG Group Self-Insurance Workers Compensation Fund (ACCG-GSIWCF), a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

As a participant in the ACCG-GSIWCF, which also provides claims administration and loss control services, the County has a \$200,000 loss retention. This program is accounted for in the General Fund. Premiums are paid into the General Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. These interfund premiums are used to reduce the amount of claims expenditure reported in the General Fund.

Changes in the balances of worker's compensation claims during fiscal years 2004 and 2003 are as follows:

	2004	2003
Unpaid claims, beginning of fiscal year	\$ -	\$ -
Incurred claims	118,284	175,991
Claim payments	(118,284)	(175,991)
Unpaid claims, end of year	\$ -	\$ -

During 1994, Columbia County entered into an agreement with the ACCG-IRMA to provide coverages for property, automobile, general liability, law enforcement liability, public officials liability, crime and boiler and machinery exposures. The County has a loss retention of \$50,000 per occurrence. The County separately budgets funds for claims for which no governmental immunity exists, and other claims which the County deems appropriate for payment. This program is accounted for in the Risk Management Fund, an Internal Service Fund.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 11 - Risk management (continued)

Changes in the balances of property and liability claims during fiscal years 2004 and 2003 are as follows:

	2004	2003
Unpaid claims, beginning of fiscal year	\$ 3,686	\$ 25,621
Incurred claims	338,022	335,509
Claim payments	(334,133)	(357,444)
Unpaid claims, end of year	\$ 7,574	\$ 3,686

The County made no reduction in its insurance coverage during the year ended June 30, 2004. During the past three years claims have not exceeded insurance coverage. The County believes that the insurance coverage is adequate.

The County accounts for the financial operations of a self-insured employee group health program in an Internal Service Fund. Specific stop loss coverage in the amount of \$50,000 per covered individual is maintained to reduce the exposure from catastrophic claims. A third party administrator is employed to process claims for the program. Claims "incurred but not reported" are accounted for as accrued expenses in the Internal Service Fund in accordance with FASB Statement No. 5.

Changes in the balances of medical claims during the fiscal years 2004 and 2003 are as follows:

	2004	2003
Unpaid claims, beginning of fiscal year	\$ 182,434	\$ 9,566
Incurred claims	3,080,390	2,610,060
Claim payments	(3,008,432)	(2,437,192)
Unpaid claims, end of year	\$ 254,393	\$ 182,434

Contingent liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's management and counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County.

Note 12 - Pension plans

Defined Contribution Plan

The County and its qualified employees participate in the Columbia County Money Purchase Retirement Plan.

At June 30, 2004, 98% or 723 of the County's 740 employees were participants in the defined contribution plan.

The payroll for all employees for the year ended June 30, 2004, amounted to \$23,911,692. All regular employees who work more than 1,000 hours during the calendar year are eligible to participate in the plan. The payroll for covered employees amounted to \$23,851,826 for the year ended June 30, 2004. During the year ended June 30, 2004 the County contributed \$2,189,679 to the defined contribution plan, or approximately 10% of the covered payroll. The defined contribution plan assets at June 30, 2004, are as follows:

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 12 - Pension plans (continued)

Money Funds	\$	2,568,891
Insurance Contracts		2,014,508
Mutual Funds		<u>7,553,842</u>
Total assets	\$	<u>12,137,241</u>

Plan assets are reported at fair value for financial reporting purposes.

The maximum contribution by the County to an employee's retirement account is 8%, which consists of (a) a base amount equal to 4% of the annual salary of an employee plus (b) a matching contribution equal to one half the amount an employee voluntarily contributes into the deferred compensation plan, up to a maximum of 4% of the employee's annual salary. The vesting schedule for the employer portion of the contribution is as follows:

Year 1	0%
Year 2	25%
Year 3	50%
Year 4	75%
Year 5	100%

Investment options under the plan consist of a fixed annuity option which provides a guaranteed rate of return and a variable annuity option for employees willing to assume increased investment risk in exchange for a potentially higher rate of return. Employees may change the investment option where future deposits will be invested, or move money from one option to another. The plan is administered by Government Employees Benefit Corporation of Georgia.

Deferred Compensation Plan

The County has adopted a deferred compensation plan, the Columbia County Deferred Compensation Plan, in accordance with Section 457 of the Internal Revenue Code. The plan allows any employee participant to voluntarily defer up to 25% of the participant's gross compensation not to exceed \$13,000 per year. All administration costs of the plan are deducted from the participants' accounts. Benefit payments are payable upon termination of employment, unforeseeable emergency, retirement or death. The Custodial Account Agreement requires the County set aside assets and income from the plan in trust for the exclusive benefit of the participants and their beneficiaries. The County is in compliance with the agreement.

The County believes that it has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

Investments are managed by the Plan Administrator under one of three investment options, or a combination thereof. The available options include fixed annuity, variable annuity and universal life insurance. The choice of the investment option(s) is made by the participant.

At June 30, 2004, 83% or 612 of the County's 740 employees were participants in the deferred compensation plan.

The employees of the County contributed \$1,506,549 to the deferred compensation plan during the year ended June 30, 2004.

The County has amended its plan to comply with the requirements of subsection (g) of Internal Revenue Code Section 457 and it has adopted GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. All assets and income of the plan described in subsection (b)(6) are held in trust for the exclusive benefit of the participants and their beneficiaries.

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 13 - Construction commitments

The County has active construction projects as of June 30, 2004. The projects include construction of water and waste water facilities, a County library and office expansion, road improvements, and recreational facilities. At year end the County's commitments with contractors are as follows:

Project	Spent-to-Date	Remaining Commitment
Halali Farm Road Storage Tanks	\$ 3,346,140	\$ 635,260
Little River Waste Water Plant Expansion	6,223,203	717,515
Blanchard Plant Expansion Phase I & II	11,214,951	616,341
Main Library and County Office Additions	2,565,274	6,676,287
Recreational Facilities and Parks	1,420,895	584,344
Road improvement construction	1,761,135	1,924,119
Road paving construction	823,399	1,595,981
Total	<u>\$ 27,354,997</u>	<u>\$ 12,749,847</u>

Note 14 - Hotel/motel lodging tax

Columbia County has levied a 5% lodging tax pursuant to Official Code of Georgia Annotated (O.C.G.A.) 48-13-51. The County has entered into a contract with the Augusta Metropolitan Convention and Visitors Bureau, Inc. (AMCVB) to be the principal provider of convention and tourist promotion services. The County has received an audit report from the AMCVB for expenditure of the lodging tax monies, which were used for the promotion of tourism as required by O.C.G.A. 48-13-51. In prior years, the receipts and disbursements for these monies were accounted for in the General Fund. During the year ended June 30, 2001, a special revenue fund was created to account for the lodging tax monies. A summary of the transactions for the year ended June 30, 2004 follows:

Lodging tax receipts	\$ 316,514
Disbursements for promotion of tourism	<u>(155,130)</u>
Balance of lodging tax funds on hand at end of year	<u>\$ 161,385</u>

Note 15 - Joint venture

Under Georgia law, the County, in conjunction with other cities and counties in the Central Savannah River Area, is a member of the Central Savannah River Area Regional Development Center (RDC) and is required to pay annual dues thereto. During its year ended June 30, 2004, the County paid \$61,039 in such dues. Membership in the RDC is required by the O.C.G.A. Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of the RDC. Separate financial statements may be obtained from:

Central Savannah River Area
Regional Development Center
Augusta, Georgia 30903

COLUMBIA COUNTY, GEORGIA

Notes to Financial Statements - Continued

June 30, 2004

Note 16 – Significant contingencies

Federal and State assisted programs

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

Claims and judgments

The County is a defendant in various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these matters will not have a material adverse effect on the financial condition of the County.

Arbitrage

The County's bond issues are subject to federal arbitrage regulations, and the County has elected to review its potential arbitrage liability annually on the bond issue dates. The arbitrage rebate payments are payable on the fifth anniversary of the bond issue date and every fifth year subsequent to that date. Although the actual amount to be paid is not presently determinable, the County believes that arbitrage payables are not significant.

Note 17 – Prior period adjustment

In the prior year, the County calculated depreciation expense incorrectly for the Water and Sewerage fund, resulting in an overstatement of property, plant and equipment and an overstatement of net assets in the fund of approximately \$1,061,000. An adjustment, which included a net decrease to fund equity of \$1,060,899, as of the beginning of the year, was made to correct this error in the accompanying financial statements.

Note 18 – Subsequent events

Subsequent to June 30, 2004, the County plans to issue general obligation sales tax bonds of \$22,750,000 for the purpose of financing County public safety and recreation projects. The County also plans to issue Water and Sewerage revenue bonds of \$31,490,000 for the purpose of improving its water and sewer system and refunding its Water and Sewerage Revenue Bonds, Series 1993.

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COMBINING AND INDIVIDUAL
FUND STATEMENTS

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GENERAL FUND

COLUMBIA COUNTY, GEORGIA

General Fund by Object

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual**

For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Taxes - property			
Property tax	\$ 14,393,916	\$ 14,548,134	\$ 154,218
Motor vehicle tax and penalties	2,304,309	2,429,801	125,492
Mobile home tax	94,425	77,570	(16,855)
Timber tax	38,882	40,313	1,431
Interest and penalties	150,000	165,096	15,096
	<u>16,981,532</u>	<u>17,260,914</u>	<u>279,382</u>
Taxes - other than property			
Occupation tax	644,000	738,356	94,356
Real estate transfer tax	200,000	371,731	171,731
Alcohol tax	750,000	797,364	47,364
Sales tax	9,980,114	10,597,421	617,307
Recording intangibles	650,000	1,241,311	591,311
Cablevision	350,000	415,555	65,555
Other	-	5,509	5,509
	<u>12,574,114</u>	<u>14,167,247</u>	<u>1,593,133</u>
Licenses and permits			
Alcohol licenses	200,000	254,718	54,718
Land disturbing permit	-	60,772	60,772
Other	13,350	13,197	(153)
	<u>213,350</u>	<u>328,687</u>	<u>115,337</u>
Intergovernmental			
General overhead	1,312,509	1,328,010	15,501
Juvenile Court	25,000	20,501	(4,499)
Emergency Management Agency	10,390	10,390	-
Roads and bridges	644,850	419,497	(225,353)
Public transit	161,753	146,613	(15,140)
	<u>2,154,502</u>	<u>1,925,011</u>	<u>(229,491)</u>
Charges for services			
Commissions	1,150,000	939,666	(210,334)
Sheriff	83,587	165,435	81,848
Recreation	332,500	360,360	27,860
Clerk of Superior Court	375,000	806,348	431,348
Probate Court	100,000	70,000	(30,000)
Magistrate Court	70,000	122,974	52,974
Wildwood Park	62,000	86,980	24,980
Planning and development	282,500	215,004	(67,496)
Other	110,200	197,131	86,931
	<u>2,565,787</u>	<u>2,963,898</u>	<u>398,111</u>
Fines and forfeitures			
Clerk of Superior Court	500,000	463,212	(36,788)
Probate Court	1,200,000	1,037,818	(162,182)
Magistrate Court	150,000	100,685	(49,315)
Other	35,000	36,043	1,043
	<u>1,885,000</u>	<u>1,637,758</u>	<u>(247,242)</u>

COLUMBIA COUNTY, GEORGIA
General Fund by Object - Continued
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual Amount	Variance with Final Budget - Positive (Negative)
Revenues (Continued)			
Investment income			
Interest	\$ 301,200	\$ 151,350	\$ (149,850)
Contributions and donations			
Developer reimbursements	10,000	11,675	1,675
Donations	12,000	1,695	(10,305)
	<u>22,000</u>	<u>13,370</u>	<u>(8,630)</u>
Other			
Rental	197,074	171,073	(26,001)
Other	1,629,000	100,676	(1,528,324)
	<u>1,826,074</u>	<u>271,749</u>	<u>(1,554,325)</u>
Total revenues	\$ 38,523,559	\$ 38,719,984	\$ 196,425
Expenditures			
General government			
Board of Commissioners			
Personal service	\$ 183,712	\$ 183,648	\$ 64
Operating	1,390,793	1,478,645	(87,852)
Capital improvements	318,863	218,863	100,000
	<u>1,893,368</u>	<u>1,881,156</u>	<u>12,212</u>
Finance			
Personal service	372,392	378,984	(6,592)
Operating	80,294	79,031	1,263
Capital Improvements	5,418	-	5,418
	<u>458,104</u>	<u>458,015</u>	<u>89</u>
Human Resources			
Personal service	261,656	261,001	655
Operating	281,372	285,280	(3,908)
Capital improvements	3,457	-	3,457
	<u>546,485</u>	<u>546,281</u>	<u>204</u>
Procurement/Distribution			
Personal service	328,190	324,282	3,908
Operating	63,530	73,926	(10,396)
Capital improvements	18,462	8,000	10,462
	<u>410,182</u>	<u>406,208</u>	<u>3,974</u>
Information technology			
Personal service	858,886	866,521	(7,635)
Operating	1,198,018	1,152,635	45,383
Capital improvements	117,711	35,310	82,401
	<u>2,174,615</u>	<u>2,054,466</u>	<u>120,149</u>
County Administrator			
Personal service	158,287	157,423	864
Operating	19,649	15,351	4,298
	<u>177,936</u>	<u>172,774</u>	<u>5,162</u>

COLUMBIA COUNTY, GEORGIA
General Fund by Object - Continued
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2004

	Final Budget	Actual Amount	Variance with Final Budget - Positive (Negative)
Expenditures (Continued)			
General government (Continued)			
Tax Commissioner			
Personal service	\$ 807,818	\$ 826,751	\$ (18,933)
Operating	220,514	205,818	14,696
Capital improvements	21,187	-	21,187
	<u>1,049,519</u>	<u>1,032,569</u>	<u>16,950</u>
Tax Assessor			
Personal service	657,131	649,485	7,646
Operating	160,630	131,187	29,443
Capital improvements	16,200	16,689	(489)
	<u>833,961</u>	<u>797,361</u>	<u>36,600</u>
Engineering services			
Personal service	637,052	555,746	81,306
Operating	90,707	116,965	(26,258)
Capital improvements	18,380	16,499	1,881
	<u>746,139</u>	<u>689,210</u>	<u>56,929</u>
Board of Elections			
Personal service	119,625	124,123	(4,498)
Operating	157,916	150,611	7,305
Capital improvements	278,806	278,779	27
	<u>556,347</u>	<u>553,513</u>	<u>2,834</u>
Management services			
Personal service	135,902	143,248	(7,346)
Operating	165,033	142,473	22,560
Capital improvements	2,906	-	2,906
	<u>303,841</u>	<u>285,721</u>	<u>18,120</u>
Total general government	<u>9,150,497</u>	<u>8,877,274</u>	<u>273,223</u>
Judicial system			
Superior Court			
Personal service	612,621	603,570	9,051
Operating	488,577	362,358	126,219
Capital improvements	14,729	10,785	3,944
	<u>1,115,927</u>	<u>976,713</u>	<u>139,214</u>
Probate Court			
Personal service	482,413	501,811	(19,398)
Operating	129,195	84,620	44,575
Capital improvements	1,244	-	1,244
	<u>612,852</u>	<u>586,431</u>	<u>26,421</u>
Juvenile Court/Youth			
Personal service	289,064	236,584	52,480
Operating	125,978	141,298	(15,320)
	<u>415,042</u>	<u>377,882</u>	<u>37,160</u>
Magistrate Court			
Personal service	597,991	622,013	(24,022)
Operating	109,503	87,562	21,941
Capital improvements	2,393	-	2,393
	<u>709,887</u>	<u>709,575</u>	<u>312</u>

COLUMBIA COUNTY, GEORGIA
General Fund by Object - Continued
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2004

Expenditures (Continued)	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
District attorney			
Operating	361,000	360,488	512
Total judicial system	<u>3,214,708</u>	<u>3,011,089</u>	<u>203,619</u>
Public safety			
Sheriff			
Personal service	7,507,377	7,702,938	(195,561)
Operating	1,891,122	1,547,349	343,773
Capital improvements	438,837	420,615	18,222
	<u>9,837,336</u>	<u>9,670,902</u>	<u>166,434</u>
Emergency services			
Personal service	169,254	175,203	(5,949)
Operating	114,006	104,691	9,315
Capital improvements	2,200	-	2,200
	<u>285,460</u>	<u>279,894</u>	<u>5,566</u>
Jail			
Personal service	4,455,003	4,293,559	161,444
Operating	1,543,510	1,348,473	195,037
Capital improvements	114,674	105,294	9,380
	<u>6,113,187</u>	<u>5,747,326</u>	<u>365,861</u>
Emergency Medical Service			
Operating	500,000	500,000	-
Animal care and control			
Personal service	378,675	389,040	(10,365)
Operating	93,160	85,052	8,108
Capital improvements	33,302	30,998	2,304
	<u>505,137</u>	<u>505,090</u>	<u>47</u>
Coroner			
Personal service	47,725	50,365	(2,640)
Operating	55,921	42,102	13,819
Capital improvements	19,123	18,648	475
	<u>122,769</u>	<u>111,115</u>	<u>11,654</u>
Total public safety	<u>17,363,889</u>	<u>16,814,327</u>	<u>549,562</u>

COLUMBIA COUNTY, GEORGIA

General Fund by Object - Continued

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual**

For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Expenditures (Continued)			
Public works			
Roads and bridges			
Personal service	\$ 1,628,719	\$ 1,554,819	\$ 73,900
Operating	<u>809,755</u>	<u>754,991</u>	<u>54,764</u>
	<u>2,438,474</u>	<u>2,309,810</u>	<u>128,664</u>
Central shop			
Personal service	423,454	383,387	40,067
Operating	129,166	88,861	40,305
Capital improvements	<u>52,332</u>	<u>-</u>	<u>52,332</u>
	<u>604,952</u>	<u>472,248</u>	<u>132,704</u>
General maintenance			
Personal service	328,359	310,780	17,579
Operating	370,644	252,465	118,179
Capital improvements	<u>47,500</u>	<u>36,608</u>	<u>10,892</u>
	<u>746,503</u>	<u>599,853</u>	<u>146,650</u>
 Total public works	 <u>3,789,929</u>	 <u>3,381,911</u>	 <u>408,018</u>
Health and welfare			
Public health			
Operating	<u>416,228</u>	<u>416,120</u>	<u>108</u>
Family and children services			
Operating	<u>79,552</u>	<u>79,481</u>	<u>71</u>
Senior Center			
Personal service	204,313	208,157	(3,844)
Operating	145,387	151,174	(5,787)
Capital improvements	<u>31,590</u>	<u>21,960</u>	<u>9,630</u>
	<u>381,290</u>	<u>381,291</u>	<u>(1)</u>
Public transit			
Personal service	143,198	148,789	(5,591)
Operating	40,699	35,509	5,190
Capital improvements	<u>36,450</u>	<u>-</u>	<u>36,450</u>
	<u>220,347</u>	<u>184,298</u>	<u>36,049</u>
 Total health and welfare	 <u>1,097,417</u>	 <u>1,061,190</u>	 <u>36,227</u>

COLUMBIA COUNTY, GEORGIA

General Fund by Object - Continued

**Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual**

For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Expenditures (Continued)			
Culture and recreation			
Recreation			
Personal service	\$ 963,486	\$ 991,000	\$ (27,514)
Operating	704,774	652,148	52,626
Capital improvements	30,500	30,998	(498)
	<u>1,698,760</u>	<u>1,674,146</u>	<u>24,614</u>
Wildwood Park			
Personal service	33,585	33,905	(320)
Operating	38,974	38,596	378
	<u>72,559</u>	<u>72,501</u>	<u>58</u>
Library			
Personal service	431,303	428,450	2,853
Operating	369,103	330,110	38,993
	<u>800,406</u>	<u>758,560</u>	<u>41,846</u>
Community services			
Personal service	131,970	139,950	(7,980)
Operating	30,347	18,187	12,160
	<u>162,317</u>	<u>158,137</u>	<u>4,180</u>
Total culture and recreation	<u>2,734,042</u>	<u>2,663,344</u>	<u>70,698</u>
Housing and development			
Extension service			
Personal service	62,641	62,368	273
Operating	64,795	57,604	7,191
Capital improvements	400	-	400
	<u>127,836</u>	<u>119,972</u>	<u>7,864</u>
Forestry			
Operating	8,390	7,873	517
	<u>8,390</u>	<u>7,873</u>	<u>517</u>
Geographic information systems			
Operating	285,498	190,741	94,757
Capital improvements	9,507	10,359	(852)
	<u>295,005</u>	<u>201,100</u>	<u>93,905</u>
Planning and development			
Personal service	536,249	506,014	30,235
Operating	196,281	113,218	83,063
	<u>732,530</u>	<u>619,232</u>	<u>113,298</u>
Economic development			
Operating	959,512	607,832	351,680
Total housing and development	<u>2,123,273</u>	<u>1,556,009</u>	<u>567,264</u>

COLUMBIA COUNTY, GEORGIA
General Fund by Object - Concluded
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amount</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Expenditures (Continued)			
Total expenditures	\$ 39,473,755	\$ 37,365,144	\$ 2,108,611
Excess of revenues over expenditures	<u>(950,196)</u>	<u>1,354,840</u>	<u>2,305,036</u>
Other financing sources (uses)			
Sale of property	103,000	277,940	174,940
Operating transfers in	249,496	182,010	(67,486)
Proceeds from capital leases	<u>597,700</u>	<u>-</u>	<u>(597,700)</u>
Total other financing sources (uses)	<u>950,196</u>	<u>459,950</u>	<u>(490,246)</u>
Excess of revenues and other sources over expenditures and other uses	<u>-</u>	<u>1,814,790</u>	<u>1,814,790</u>
Fund balance at beginning of year		<u>14,781,342</u>	
Fund balance at end of year		\$ <u>16,596,132</u>	

NOTE: Expenditures for capital outlay are included within the appropriate function in the preceding schedule.

NONMAJOR GOVERNMENTAL FUNDS

Columbia County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2004

	Capital Projects Funds			
	Special Revenue Funds	Special Local Option Sales Tax Fund 1996-2000	Capital Road/ Drainage Projects Fund	Airport Authority Fund
Assets				
Cash and cash equivalents	\$ 1,207,883	\$ 2,827,840	\$ -	\$ 350
Investments	681,915	-	-	-
Taxes receivable	6,880	-	-	-
Accounts receivable	205,391	-	341,375	-
Due from other funds	1,833,577	-	4,496,008	-
Prepaid items	5,796	-	4,714	-
Total assets	\$ 3,941,442	\$ 2,827,840	\$ 4,842,097	\$ 350
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 184,096	\$ 199,332	\$ 249,303	\$ -
Accrued payroll	78,450	-	5,498	-
Accrued compensated absences	15,147	-	668	-
Deferred revenue	261,250	-	-	-
Due to other funds	2,628,279	158	-	-
Accrued interest	-	-	-	-
Total liabilities	3,167,222	199,490	255,469	-
Fund balances:				
Reserved for encumbrances	34,436	1,663,004	418,815	-
Reserved for inventories/prepaid items	5,796	-	4,714	-
Reserved for debt service	-	-	-	-
Unreserved, undesignated	733,988	965,346	4,163,099	350
Total fund balances	774,220	2,628,350	4,586,628	350
Total liabilities and fund balances	\$ 3,941,442	\$ 2,827,840	\$ 4,842,097	\$ 350

<u>General Obligation Bonds Projects Fund</u>	<u>Windmill Sewer Project Fund</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 238,516	\$ 26,500	\$ 818,202	\$ 5,119,291
-	-	-	681,915
-	-	24,125	31,005
-	23,515	-	570,281
-	-	26,018	6,355,603
-	-	-	10,510
<u>\$ 238,516</u>	<u>\$ 50,015</u>	<u>\$ 868,345</u>	<u>\$ 12,768,605</u>

\$ 11	\$ 23,515	\$ -	\$ 656,257
-	-	-	83,948
-	-	-	15,815
-	-	19,901	281,151
-	-	-	2,628,437
-	24,433	-	24,433
<u>11</u>	<u>47,948</u>	<u>19,901</u>	<u>3,690,041</u>

19,600	-	-	2,135,855
-	-	-	10,510
-	-	848,444	848,444
<u>218,905</u>	<u>2,067</u>	<u>-</u>	<u>6,083,755</u>
<u>238,505</u>	<u>2,067</u>	<u>848,444</u>	<u>9,078,564</u>
<u>\$ 238,516</u>	<u>\$ 50,015</u>	<u>\$ 868,345</u>	<u>\$ 12,768,605</u>

Columbia County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2004

	<u>Capital Projects Funds</u>			
	<u>Special Revenue Funds</u>	<u>Special Local Option Sales Tax Fund 1996-2000</u>	<u>Capital Road/ Drainage Projects Fund</u>	<u>Airport Authority Fund</u>
Revenues				
Taxes - property	\$ -	\$ -	\$ -	\$ -
Taxes - other than property	316,514	-	3,102,541	-
Licenses and permits	837,070	-	-	-
Intergovernmental	507,308	-	401,754	-
Charges for services	2,711,122	-	-	-
Fines and forfeitures	356,010	-	-	-
Investment income	54,442	34,350	68,696	-
Contributions and donations	49,758	-	-	-
Other	88,360	-	-	-
Total revenues	<u>4,920,584</u>	<u>34,350</u>	<u>3,572,991</u>	<u>-</u>
Expenditures				
Current:				
Judicial system	23,170	-	-	-
Public safety	3,325,694	-	-	-
Public works	1,063,849	-	2,790,165	-
Health and welfare	379,732	-	-	-
Culture and recreation	321,050	-	-	-
Housing and development	869,428	-	-	-
Miscellaneous	6,865	-	-	-
Capital outlay	574,860	1,089,645	100,786	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>6,564,648</u>	<u>1,089,645</u>	<u>2,890,951</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,644,064)</u>	<u>(1,055,295)</u>	<u>682,040</u>	<u>-</u>
Other financing sources (uses)				
Transfers out	(209,353)	-	-	-
Total other financing sources (uses)	<u>(209,353)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,853,417)	(1,055,295)	682,040	-
Fund balances - beginning	<u>2,627,637</u>	<u>3,683,645</u>	<u>3,904,588</u>	<u>350</u>
Fund balances - ending	<u>\$ 774,220</u>	<u>\$ 2,628,350</u>	<u>\$ 4,586,628</u>	<u>\$ 350</u>

<u>General Obligation Bonds Projects Fund</u>	<u>Windmill Sewer Project Fund</u>	<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 1,956,261	\$ 1,956,261
-	-	-	3,419,055
-	-	-	837,070
-	-	-	909,062
-	-	-	2,711,122
-	-	-	356,010
842	84	7,808	166,222
-	-	-	49,758
-	-	-	88,360
<u>842</u>	<u>84</u>	<u>1,964,069</u>	<u>10,492,920</u>
-	-	-	23,170
-	-	-	3,325,694
93,410	-	-	3,947,424
-	-	-	379,732
-	-	-	321,050
-	-	-	869,428
-	-	-	6,865
-	-	-	1,765,291
-	-	425,000	425,000
-	-	1,406,354	1,406,354
<u>93,410</u>	<u>-</u>	<u>1,831,354</u>	<u>12,470,008</u>
<u>(92,568)</u>	<u>84</u>	<u>132,715</u>	<u>(1,977,088)</u>
-	-	-	(209,353)
-	-	-	(209,353)
(92,568)	84	132,715	(2,186,441)
<u>331,073</u>	<u>1,983</u>	<u>715,729</u>	<u>11,265,005</u>
<u>\$ 238,505</u>	<u>\$ 2,067</u>	<u>\$ 848,444</u>	<u>\$ 9,078,564</u>

Columbia County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2004

	Building Standards Fund	Federal Asset Sharing Fund	State Condemnation Fund	Street Lights Fund
Assets				
Cash and cash equivalents	\$ -	\$ 78,159	\$ 915	\$ -
Investments	-	-	-	-
Taxes receivable	-	-	-	6,880
Accounts receivable	-	-	-	-
Due from other funds	575,173	-	-	738,321
Prepaid items	2,391	-	-	-
Total assets	<u>\$ 577,564</u>	<u>\$ 78,159</u>	<u>\$ 915</u>	<u>\$ 745,201</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 4,908	\$ -	\$ -	\$ 68,146
Accrued payroll	33,861	-	-	-
Accrued compensated absences	5,139	-	-	-
Deferred revenue	-	-	-	5,418
Due to other funds	-	-	-	-
Total liabilities	<u>43,908</u>	<u>-</u>	<u>-</u>	<u>73,564</u>
Fund balances:				
Reserved for encumbrances	3,783	-	-	-
Reserved for inventories/prepaid items	2,391	-	-	-
Unreserved, undesignated	527,482	78,159	915	671,637
Total fund balances	<u>533,656</u>	<u>78,159</u>	<u>915</u>	<u>671,637</u>
Total liabilities and fund balances	<u>\$ 577,564</u>	<u>\$ 78,159</u>	<u>\$ 915</u>	<u>\$ 745,201</u>

<u>Recreation Advisory Board Fund</u>	<u>911 Fund</u>	<u>Jail Fund</u>	<u>Drug Abuse Treatment Fund</u>
\$ 15,582	\$ 319,989	\$ 327,472	\$ 50,023
-	-	-	-
-	-	-	-
2,124	151,084	-	-
-	257,382	18,310	7,096
-	2,770	-	-
<u>\$ 17,706</u>	<u>\$ 731,225</u>	<u>\$ 345,782</u>	<u>\$ 57,119</u>
\$ 348	\$ 9,995	\$ -	\$ -
-	39,165	-	-
-	9,501	-	-
-	-	-	-
-	-	25,000	-
<u>348</u>	<u>58,661</u>	<u>25,000</u>	<u>-</u>
18,150	3,718	-	-
-	2,770	-	-
(792)	666,076	320,782	57,119
<u>17,358</u>	<u>672,564</u>	<u>320,782</u>	<u>57,119</u>
<u>\$ 17,706</u>	<u>\$ 731,225</u>	<u>\$ 345,782</u>	<u>\$ 57,119</u>

Continued on the following pages.

Columbia County, Georgia
Combining Balance Sheet - Continued
Nonmajor Special Revenue Funds
June 30, 2004

	Supple- mental Juvenile Services Fund	Community Center Operations Fund	Community Greenspace Fund	Hotel/ Motel Fund
Assets				
Cash and cash equivalents	\$ 100,308	\$ 50	\$ 218,785	\$ -
Investments	-	-	-	-
Taxes receivable	-	-	-	-
Accounts receivable	-	14,023	-	29,921
Due from other funds	1,670	-	-	234,125
Prepaid items	-	635	-	-
Total assets	<u>\$ 101,978</u>	<u>\$ 14,708</u>	<u>\$ 218,785</u>	<u>\$ 264,046</u>
Liabilities and fund balances				
Liabilities:				
Accounts payable	\$ 695	\$ 24,473	\$ 1,495	\$ -
Accrued payroll	-	5,424	-	-
Accrued compensated absences	-	507	-	-
Deferred revenue	-	46,630	209,202	-
Due to other funds	-	486,468	1,057	-
Total liabilities	<u>695</u>	<u>563,502</u>	<u>211,754</u>	<u>-</u>
Fund balances:				
Reserved for encumbrances	-	8,785	-	-
Reserved for inventories/prepaid items	-	635	-	-
Fund balance	101,283	(558,214)	7,031	264,046
Total fund balances	<u>101,283</u>	<u>(548,794)</u>	<u>7,031</u>	<u>264,046</u>
Total liabilities and fund balances	<u>\$ 101,978</u>	<u>\$ 14,708</u>	<u>\$ 218,785</u>	<u>\$ 264,046</u>

Multiple Grant Fund	Library Board Fund	Clean and Beautiful Memorial Fund	Fire Services Fund	Sheriff's Gifts/Donations Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ 87,287	\$ 1,025	\$ -	\$ 8,288	\$ 1,207,883
-	681,915	-	-	-	681,915
-	-	-	-	-	6,880
-	8,239	-	-	-	205,391
1,500	-	-	-	-	1,833,577
-	-	-	-	-	5,796
<u>\$ 1,500</u>	<u>\$ 777,441</u>	<u>\$ 1,025</u>	<u>\$ -</u>	<u>\$ 8,288</u>	<u>\$ 3,941,442</u>
\$ -	\$ 25,624	\$ -	\$ 48,412	\$ -	\$ 184,096
-	-	-	-	-	78,450
-	-	-	-	-	15,147
-	-	-	-	-	261,250
-	770	-	2,114,984	-	2,628,279
-	26,394	-	2,163,396	-	3,167,222
-	-	-	-	-	34,436
-	-	-	-	-	5,796
1,500	751,047	1,025	(2,163,396)	8,288	733,988
1,500	751,047	1,025	(2,163,396)	8,288	774,220
<u>\$ 1,500</u>	<u>\$ 777,441</u>	<u>\$ 1,025</u>	<u>\$ -</u>	<u>\$ 8,288</u>	<u>\$ 3,941,442</u>

Columbia County, Georgia

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2004**

	<u>Building Standards Fund</u>	<u>Federal Asset Sharing Fund</u>	<u>State Condemnation Fund</u>	<u>Street Lights Fund</u>
Revenues				
Taxes - other than property	\$ -	\$ -	\$ -	\$ -
Licenses and permits	837,070	-	-	-
Intergovernmental	17,711	-	-	-
Charges for services	84,768	-	-	925,305
Fines and forfeitures	-	59,970	29,563	-
Investment income	9,328	298	34	13,670
Contributions and donations	-	-	-	32,465
Other	764	-	-	-
Total revenues	<u>949,641</u>	<u>60,268</u>	<u>29,597</u>	<u>971,440</u>
Expenditures				
Current:				
Judicial system	-	-	-	-
Public safety	-	75,693	52,302	-
Public works	-	-	-	1,063,849
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Housing and development	869,428	-	-	-
Miscellaneous	-	-	-	-
Capital outlay	32,998	18,995	-	-
Total expenditures	<u>902,426</u>	<u>94,688</u>	<u>52,302</u>	<u>1,063,849</u>
Excess (deficiency) of revenues over (under) expenditures	<u>47,215</u>	<u>(34,420)</u>	<u>(22,705)</u>	<u>(92,409)</u>
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	47,215	(34,420)	(22,705)	(92,409)
Fund balances - beginning	<u>486,441</u>	<u>112,579</u>	<u>23,620</u>	<u>764,046</u>
Fund balances - ending	<u>\$ 533,656</u>	<u>\$ 78,159</u>	<u>\$ 915</u>	<u>\$ 671,637</u>

Recreation Advisory Board Fund	911 Fund	Jail Fund	Drug Abuse Treatment Fund
\$ -	\$ -	\$ -	\$ -
-	63,350	-	-
16,870	1,423,178	-	-
-	-	170,642	54,779
68	2,662	1,068	122
-	-	-	-
30,329	-	-	-
<u>47,267</u>	<u>1,489,190</u>	<u>171,710</u>	<u>54,901</u>
-	-	-	-
-	1,153,395	-	-
-	-	-	-
39,480	-	-	-
-	-	-	-
-	-	-	-
<u>39,480</u>	<u>1,153,395</u>	<u>-</u>	<u>-</u>
-	-	-	-
<u>7,787</u>	<u>335,795</u>	<u>171,710</u>	<u>54,901</u>
-	-	(150,000)	(25,000)
-	-	(150,000)	(25,000)
7,787	335,795	21,710	29,901
<u>9,571</u>	<u>336,769</u>	<u>299,072</u>	<u>27,218</u>
<u>\$ 17,358</u>	<u>\$ 672,564</u>	<u>\$ 320,782</u>	<u>\$ 57,119</u>

Continued on the following pages.

Columbia County, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Continued
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2004

	Supple- mental Juvenile Services Fund	Community Center Operations Fund	Community Greenspace Fund	Hotel/ Motel Fund
Revenues				
Taxes - other than property	\$ -	\$ -	\$ -	\$ 316,514
Licenses and permits	-	-	-	-
Intergovernmental	-	-	424,747	-
Charges for services	26,789	234,212	-	-
Fines and forfeitures	-	-	-	-
Investment income	383	-	7,094	2,602
Contributions and donations	-	5,600	-	2,090
Other	-	52,555	-	-
Total revenues	<u>27,172</u>	<u>292,367</u>	<u>431,841</u>	<u>321,206</u>
Expenditures				
Current:				
Judicial system	23,170	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	379,732	-	-
Culture and recreation	-	-	21,287	194,749
Housing and development	-	-	-	-
Miscellaneous	6,865	-	-	-
Capital outlay	-	-	403,460	-
Total expenditures	<u>30,035</u>	<u>379,732</u>	<u>424,747</u>	<u>194,749</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,863)</u>	<u>(87,365)</u>	<u>7,094</u>	<u>126,457</u>
Other financing sources (uses)				
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(2,863)</u>	<u>(87,365)</u>	<u>7,094</u>	<u>126,457</u>
Fund balances - beginning	<u>104,146</u>	<u>(461,429)</u>	<u>(63)</u>	<u>137,589</u>
Fund balances - ending	<u>\$ 101,283</u>	<u>\$ (548,794)</u>	<u>\$ 7,031</u>	<u>\$ 264,046</u>

Multiple Grant Fund	Library Board Fund	Clean and Beautiful Memorial Fund	Fire Services Fund	Sheriff's Gifts/ Donations Fund	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 316,514
-	-	-	-	-	837,070
1,500	-	-	-	-	507,308
-	-	-	-	-	2,711,122
-	41,056	-	-	-	356,010
-	17,113	-	-	-	54,442
-	1,000	-	-	8,603	49,758
-	4,712	-	-	-	88,360
<u>1,500</u>	<u>63,881</u>	<u>-</u>	<u>-</u>	<u>8,603</u>	<u>4,920,584</u>
-	-	-	-	-	23,170
-	-	-	2,043,989	315	3,325,694
-	-	-	-	-	1,063,849
-	-	-	-	-	379,732
-	65,534	-	-	-	321,050
-	-	-	-	-	869,428
-	-	-	-	-	6,865
-	-	-	119,407	-	574,860
<u>-</u>	<u>65,534</u>	<u>-</u>	<u>2,163,396</u>	<u>315</u>	<u>6,564,648</u>
<u>1,500</u>	<u>(1,653)</u>	<u>-</u>	<u>(2,163,396)</u>	<u>8,288</u>	<u>(1,644,064)</u>
-	(34,353)	-	-	-	(209,353)
-	(34,353)	-	-	-	(209,353)
1,500	(36,006)	-	(2,163,396)	8,288	(1,853,417)
-	787,053	1,025	-	-	2,627,637
<u>\$ 1,500</u>	<u>\$ 751,047</u>	<u>\$ 1,025</u>	<u>\$ (2,163,396)</u>	<u>\$ 8,288</u>	<u>\$ 774,220</u>

Columbia County, Georgia
Building Standards Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Licenses and permits	\$ 757,206	\$ 837,070	\$ 79,864
Intergovernmental	20,000	17,711	(2,289)
Charges for services	125,000	84,768	(40,232)
Investment income	25,000	9,328	(15,672)
Other	500	764	264
Total revenues	<u>927,706</u>	<u>949,641</u>	<u>21,935</u>
Expenditures			
Current:			
Housing and development	844,609	869,428	(24,819)
Capital outlay	83,097	32,998	50,099
Total expenditures	<u>927,706</u>	<u>902,426</u>	<u>25,280</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	47,215	<u>\$ 47,215</u>
Fund balance - beginning		<u>486,441</u>	
Fund balance - ending		<u>\$ 533,656</u>	

**Columbia County, Georgia
Federal Asset Sharing Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Fines and forfeitures	\$ 60,000	\$ 59,970	\$ (30)
Investment income	-	298	298
Other	35,000	-	(35,000)
Total revenues	<u>95,000</u>	<u>60,268</u>	<u>(34,732)</u>
Expenditures			
Current:			
Public safety	95,000	75,693	19,307
Capital outlay	-	18,995	(18,995)
Total expenditures	<u>95,000</u>	<u>94,688</u>	<u>312</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(34,420)</u>	<u>\$ (34,420)</u>
Fund balance - beginning		<u>112,579</u>	
Fund balance - ending		<u>\$ 78,159</u>	

Columbia County, Georgia
State Condemnation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Fines and forfeitures	\$ 52,302	\$ 29,563	\$ (22,739)
Investment income	-	34	34
Total revenues	<u>52,302</u>	<u>29,597</u>	<u>(22,705)</u>
Expenditures			
Current:			
Public safety	<u>52,302</u>	<u>52,302</u>	-
Total expenditures	<u>52,302</u>	<u>52,302</u>	-
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(22,705)</u>	<u>\$ (22,705)</u>
Fund balance - beginning		<u>23,620</u>	
Fund balance - ending		<u>\$ 915</u>	

Columbia County, Georgia
Street Lights Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Charges for services	\$ 932,876	\$ 925,305	\$ (7,571)
Investment income	28,565	13,670	(14,895)
Contributions and donations	10,000	32,465	22,465
Other	92,409	-	(92,409)
Total revenues	<u>1,063,850</u>	<u>971,440</u>	<u>(92,410)</u>
Expenditures			
Current:			
Public works	<u>1,063,850</u>	<u>1,063,849</u>	<u>1</u>
Total expenditures	<u>1,063,850</u>	<u>1,063,849</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(92,409)</u>	<u>\$ (92,409)</u>
Fund balance - beginning		<u>764,046</u>	
Fund balance - ending		<u>\$ 671,637</u>	

**Columbia County, Georgia
 Recreation Advisory Board Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 2004**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Charges for services	\$ -	\$ 16,870	\$ 16,870
Investment income	-	68	68
Other	55,000	30,329	(24,671)
Total revenues	<u>55,000</u>	<u>47,267</u>	<u>(7,733)</u>
Expenditures			
Current:			
Culture and recreation	55,000	39,480	15,520
Total expenditures	<u>55,000</u>	<u>39,480</u>	<u>15,520</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>7,787</u>	<u>\$ 7,787</u>
Fund balance - beginning		<u>9,571</u>	
Fund balance - ending		<u>\$ 17,358</u>	

Columbia County, Georgia
 911 Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual
 For the Year Ended June 30, 2004

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	\$ -	\$ 63,350	\$ 63,350
Charges for services	1,206,338	1,423,178	216,840
Investment income	-	2,662	2,662
Total revenues	<u>1,206,338</u>	<u>1,489,190</u>	<u>282,852</u>
Expenditures			
Current:			
Public safety	1,206,338	1,153,395	52,943
Total expenditures	<u>1,206,338</u>	<u>1,153,395</u>	<u>52,943</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	335,795	<u>\$ 335,795</u>
Fund balance - beginning		<u>336,769</u>	
Fund balance - ending		<u>\$ 672,564</u>	

Columbia County, Georgia
Jail Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Fines and forfeitures	\$ 150,000	\$ 170,642	\$ 20,642
Investment income	-	1,068	1,068
Total revenues	<u>150,000</u>	<u>171,710</u>	<u>21,710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>150,000</u>	<u>171,710</u>	<u>21,710</u>
Other financing sources (uses)			
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>21,710</u>	<u>\$ 21,710</u>
Fund balance - beginning		<u>299,072</u>	
Fund balance - ending		<u>\$ 320,782</u>	

Columbia County, Georgia
Drug Abuse Treatment Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Fines and forfeitures	\$ 25,000	\$ 54,779	\$ 29,779
Investment income	-	122	122
Total revenues	<u>25,000</u>	<u>54,901</u>	<u>29,901</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,000</u>	<u>54,901</u>	<u>29,901</u>
Other financing sources (uses)			
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	-
Total other financing sources (uses)	<u>(25,000)</u>	<u>(25,000)</u>	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	29,901	<u>\$ 29,901</u>
Fund balance - beginning		<u>27,218</u>	
Fund balance - ending		<u>\$ 57,119</u>	

Columbia County, Georgia
Supplemental Juvenile Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Charges for services	\$ 30,000	\$ 26,789	\$ (3,211)
Investment income	300	383	83
Total revenues	<u>30,300</u>	<u>27,172</u>	<u>(3,128)</u>
Expenditures			
Current:			
Judicial system	17,715	23,170	(5,455)
Miscellaneous	7,000	6,865	135
Capital outlay	5,585	-	5,585
Total expenditures	<u>30,300</u>	<u>30,035</u>	<u>265</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(2,863)</u>	<u>\$ (2,863)</u>
Fund balance - beginning		<u>104,146</u>	
Fund balance - ending		<u>\$ 101,283</u>	

Columbia County, Georgia
Community Center Operations Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Charges for services	\$ 324,458	\$ 234,212	\$ (90,246)
Contributions and donations	-	5,600	5,600
Other	75,000	52,555	(22,445)
Total revenues	<u>399,458</u>	<u>292,367</u>	<u>(107,091)</u>
Expenditures			
Current:			
Health and welfare	399,458	379,732	19,726
Total expenditures	<u>399,458</u>	<u>379,732</u>	<u>19,726</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>(87,365)</u>	<u>\$ (87,365)</u>
Fund balance - beginning		<u>(461,429)</u>	
Fund balance - ending		<u>\$ (548,794)</u>	

**Columbia County, Georgia
Community Greenspace Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004**

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Intergovernmental	\$ -	\$ 424,747	\$ 424,747
Investment income	-	7,094	7,094
Other	<u>546,767</u>	-	<u>(546,767)</u>
Total revenues	<u>546,767</u>	<u>431,841</u>	<u>(114,926)</u>
Expenditures			
Current:			
Culture and recreation	-	21,287	(21,287)
Capital outlay	<u>546,767</u>	<u>403,460</u>	<u>143,307</u>
Total expenditures	<u>546,767</u>	<u>424,747</u>	<u>122,020</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>7,094</u>	<u>\$ 7,094</u>
Fund balance - beginning		<u>(63)</u>	
Fund balance - ending		<u>\$ 7,031</u>	

Columbia County, Georgia
Hotel / Motel Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Taxes - other than property	\$ 213,631	\$ 316,514	\$ 102,883
Investment income	-	2,602	2,602
Contributions and donations	-	2,090	2,090
Total revenues	<u>213,631</u>	<u>321,206</u>	<u>107,575</u>
Expenditures			
Current:			
Culture and recreation	213,631	194,749	18,882
Total expenditures	<u>213,631</u>	<u>194,749</u>	<u>18,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	126,457	<u>\$ 126,457</u>
Fund balance - beginning		<u>137,589</u>	
Fund balance - ending		<u>\$ 264,046</u>	

Columbia County, Georgia
Multiple Grants Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 10,000	\$ 1,500	\$ (8,500)
Total revenues	<u>10,000</u>	<u>1,500</u>	<u>(8,500)</u>
Expenditures			
Current:			
General government	10,000	-	10,000
Total expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	1,500	<u>\$ 1,500</u>
Net change in fund balances		\$ 1,500	
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ 1,500</u>	

Columbia County, Georgia
Library Board Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Fines and forfeitures	\$ 56,382	\$ 41,056	\$ (15,326)
Investment income	4,500	17,113	12,613
Contributions and donations	-	1,000	1,000
Other	39,005	4,712	(34,293)
Total revenues	<u>99,887</u>	<u>63,881</u>	<u>(36,006)</u>
Expenditures			
Current:			
Culture and recreation	<u>65,534</u>	<u>65,534</u>	-
Total expenditures	<u>65,534</u>	<u>65,534</u>	-
Excess (deficiency) of revenues over (under) expenditures	<u>34,353</u>	<u>(1,653)</u>	<u>(36,006)</u>
Other financing sources (uses)			
Transfers out	<u>(34,353)</u>	<u>(34,353)</u>	-
Total other financing sources (uses)	<u>(34,353)</u>	<u>(34,353)</u>	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>(36,006)</u>	<u>\$ (36,006)</u>
Fund balance - beginning		<u>787,053</u>	
Fund balance - ending		<u>\$ 751,047</u>	

Columbia County, Georgia
Clean and Beautiful Memorial Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Taxes - property	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning		<u>1,025</u>	
Fund balance - ending		<u>\$ 1,025</u>	

Columbia County, Georgia
Fire Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes - property	\$ 2,163,397	\$ -	\$ (2,163,397)
Total revenues	<u>2,163,397</u>	<u>-</u>	<u>(2,163,397)</u>
Expenditures			
Current:			
Public safety	2,043,990	2,043,989	1
Capital outlay	119,407	119,407	-
Total expenditures	<u>2,163,397</u>	<u>2,163,396</u>	<u>1</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	(2,163,396)	<u>\$ (2,163,396)</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ (2,163,396)</u>	

Columbia County, Georgia
Sheriff's Gifts/Donations Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues			
Contributions and donations	\$ 9,000	\$ 8,603	\$ (397)
Total revenues	<u>9,000</u>	<u>8,603</u>	<u>(397)</u>
Expenditures			
Current:			
Public safety	9,000	315	8,685
Total expenditures	<u>9,000</u>	<u>315</u>	<u>8,685</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	8,288	<u>\$ 8,288</u>
Fund balance - beginning		<u>-</u>	
Fund balance - ending		<u>\$ 8,288</u>	

Columbia County, Georgia
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2004

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Taxes - property	\$ 1,832,913	\$ 1,956,261	\$ 123,348
Investment income	-	7,808	7,808
Total revenues	<u>1,832,913</u>	<u>1,964,069</u>	<u>131,156</u>
Expenditures			
Debt service:			
Principal	425,000	425,000	-
Interest	<u>1,407,913</u>	<u>1,406,354</u>	1,559
Total expenditures	<u>1,832,913</u>	<u>1,831,354</u>	<u>1,559</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>132,715</u>	<u>132,715</u>
Net change in fund balances	<u>\$ -</u>	<u>132,715</u>	<u>\$ 132,715</u>
Fund balance - beginning		<u>715,729</u>	
Fund balance - ending		<u>\$ 848,444</u>	

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INTERNAL SERVICE FUNDS

Columbia County, Georgia
Combining Statement of Net Assets
Internal Service Funds
June 30, 2004

	Employee Medical Fund	Risk Management Fund	Customer Service Information Center	Total
Assets				
Current assets				
Cash and cash equivalents	\$ 284,613	\$ -	\$ -	\$ 284,613
Accounts receivable	-	1,059	-	1,059
Due from other funds	-	11,516	8,076	19,592
Prepaid items	-	284	21	305
Total current assets	<u>284,613</u>	<u>12,859</u>	<u>8,097</u>	<u>305,569</u>
Total assets	<u>284,613</u>	<u>12,859</u>	<u>8,097</u>	<u>305,569</u>
Liabilities				
Current liabilities				
Accounts payable	254,393	7,574	291	262,258
Accrued payroll	-	4,220	3,404	7,624
Accrued compensated absences	-	1,065	4,402	5,467
Due to other funds	685,758	-	-	685,758
Total current liabilities	<u>940,151</u>	<u>12,859</u>	<u>8,097</u>	<u>961,107</u>
Total liabilities	<u>940,151</u>	<u>12,859</u>	<u>8,097</u>	<u>961,107</u>
Net assets				
Unrestricted net assets	(655,538)	-	-	(655,538)
Total net assets	<u>\$ (655,538)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (655,538)</u>

Columbia County, Georgia

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds
For the Year Ended June 30, 2004

	Employee Medical Fund	Risk Management Fund	Customer Service Information Center	Total
Operating revenues				
Charges for services	\$ 3,195,010	\$ -	\$ -	\$ 3,195,010
Intergovernmental	-	738,683	76,215	814,898
Other	19,102	-	-	19,102
Total operating revenues	<u>3,214,112</u>	<u>738,683</u>	<u>76,215</u>	<u>4,029,010</u>
Operating expenses				
Personal services	-	77,306	67,543	144,849
Purchased/contracted services	3,686,118	650,836	4,072	4,341,026
Supplies and materials	-	10,541	4,120	14,661
Interfund/Interdepartmental charges	47,150	-	-	47,150
Other costs	-	-	480	480
Total operating expenses	<u>3,733,268</u>	<u>738,683</u>	<u>76,215</u>	<u>4,548,166</u>
Operating income (loss)	<u>(519,156)</u>	<u>-</u>	<u>-</u>	<u>(519,156)</u>
Nonoperating revenue (expense)				
Interest earned	3,513	-	-	3,513
Total nonoperating revenue (expense)	<u>3,513</u>	<u>-</u>	<u>-</u>	<u>3,513</u>
Change in net assets	<u>(515,643)</u>	<u>-</u>	<u>-</u>	<u>(515,643)</u>
Total net assets - beginning	<u>(139,895)</u>	<u>-</u>	<u>-</u>	<u>(139,895)</u>
Total net assets - ending	<u>\$ (655,538)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (655,538)</u>

Columbia County, Georgia

**Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2004**

	Employee Medical Fund	Risk Management Fund	Customer Service Information Center	Total
Operating activities				
Cash received from customers	\$ 3,214,448	\$ 737,624	\$ 76,215	\$ 4,028,287
Cash paid to suppliers and others	(3,018,529)	(659,879)	(16,478)	(3,694,886)
Cash paid to employees	-	(77,745)	(59,737)	(137,482)
Net cash provided by (used in) operating activities	<u>195,919</u>	<u>-</u>	<u>-</u>	<u>195,919</u>
Investing activities				
Interest on investments	3,513	-	-	3,513
Net cash provided (used) in investing activities	<u>3,513</u>	<u>-</u>	<u>-</u>	<u>3,513</u>
Net decrease in cash and cash equivalents/investments	<u>199,432</u>	<u>-</u>	<u>-</u>	<u>199,432</u>
Cash and cash equivalents				
Beginning of year	<u>85,181</u>	<u>-</u>	<u>-</u>	<u>85,181</u>
End of year	<u>\$ 284,613</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 284,613</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities				
Operating income (loss)	<u>\$ (519,156)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (519,156)</u>
Change in assets and liabilities				
Accounts receivable	336	(1,059)	-	(723)
Deferred charges / prepaid expense	-	(42)	(21)	(63)
Due from other funds	-	14,527	(8,076)	6,451
Accounts payable	71,959	3,888	291	76,138
Accrued liabilities	-	(439)	7,806	7,367
Due to other funds	642,780	(16,875)	-	625,905
Total adjustments	<u>715,075</u>	<u>-</u>	<u>-</u>	<u>715,075</u>
Net cash provided by (used in) operating activities	<u>\$ 195,919</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 195,919</u>

AGENCY FUNDS

Columbia County, Georgia

Combining Statement of Changes in Fiduciary Assets and Liabilities

Agency Funds

For the Year Ended June 30, 2004

	<u>July 1, 2003</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2004</u>
<u>Clerk of Superior Court</u>				
Assets				
Cash and cash equivalents	\$ 1,507,666	\$ 5,373,906	\$ 5,989,662	\$ 891,910
Total assets	<u>\$ 1,507,666</u>	<u>\$ 5,373,906</u>	<u>\$ 5,989,662</u>	<u>\$ 891,910</u>
Liabilities				
Due to other funds	\$ 262,572	\$ 3,024,927	\$ 2,980,621	\$ 306,878
Due to others	1,245,093	2,348,979	3,009,041	585,031
Total liabilities	<u>\$ 1,507,665</u>	<u>\$ 5,373,906</u>	<u>\$ 5,989,662</u>	<u>\$ 891,909</u>
<u>Probate Court</u>				
Assets				
Cash and cash equivalents	\$ 294,544	\$ 1,818,920	\$ 1,803,624	\$ 309,840
Total assets	<u>\$ 294,544</u>	<u>\$ 1,818,920</u>	<u>\$ 1,803,624</u>	<u>\$ 309,840</u>
Liabilities				
Due to other funds	\$ 111,210	\$ 1,171,379	\$ 1,137,218	\$ 145,371
Due to others	183,333	647,541	666,406	164,468
Total liabilities	<u>\$ 294,543</u>	<u>\$ 1,818,920</u>	<u>\$ 1,803,624</u>	<u>\$ 309,839</u>
<u>Magistrate Court</u>				
Assets				
Cash and cash equivalents	\$ 125,714	\$ 584,220	\$ 585,017	\$ 124,917
Total assets	<u>\$ 125,714</u>	<u>\$ 584,220</u>	<u>\$ 585,017</u>	<u>\$ 124,917</u>
Liabilities				
Due to other funds	\$ 60,675	\$ 231,288	\$ 231,804	\$ 60,159
Due to others	65,039	352,932	353,213	64,758
Total liabilities	<u>\$ 125,714</u>	<u>\$ 584,220</u>	<u>\$ 585,017</u>	<u>\$ 124,917</u>
<u>Sheriff's Office</u>				
Assets				
Cash and cash equivalents	\$ 242,404	\$ 579,106	\$ 488,482	\$ 333,028
Total assets	<u>\$ 242,404</u>	<u>\$ 579,106</u>	<u>\$ 488,482</u>	<u>\$ 333,028</u>
Liabilities				
Due to other funds	\$ 8,829	\$ 192,067	\$ 193,723	\$ 7,173
Due to others	233,575	387,039	294,759	325,855
Total liabilities	<u>\$ 242,404</u>	<u>\$ 579,106</u>	<u>\$ 488,482</u>	<u>\$ 333,028</u>

Tax Commissioner**Assets**

Cash and cash equivalents	\$ 205,888	\$ 65,877,953	\$ 65,358,620	\$ 725,221
Total assets	<u>\$ 205,888</u>	<u>\$ 65,877,953</u>	<u>\$ 65,358,620</u>	<u>\$ 725,221</u>

Liabilities

Due to other funds	\$ 120,697	\$ 21,014,675	\$ 20,953,871	\$ 181,501
Due to others	85,191	44,863,278	44,404,749	543,720
Total liabilities	<u>\$ 205,888</u>	<u>\$ 65,877,953</u>	<u>\$ 65,358,620</u>	<u>\$ 725,221</u>

General Trust and Agency**Assets**

Cash and cash equivalents	\$ 96,034	\$ 290	\$ -	\$ 96,324
Total assets	<u>\$ 96,034</u>	<u>\$ 290</u>	<u>\$ -</u>	<u>\$ 96,324</u>

Liabilities

Due to others	\$ 96,034	\$ 290	\$ -	\$ 96,324
Total liabilities	<u>\$ 96,034</u>	<u>\$ 290</u>	<u>\$ -</u>	<u>\$ 96,324</u>

Total Agency Funds**Assets**

Cash and cash equivalents	\$ 2,472,250	\$ 74,234,395	\$ 74,225,405	\$ 2,481,240
Total assets	<u>\$ 2,472,250</u>	<u>\$ 74,234,395</u>	<u>\$ 74,225,405</u>	<u>\$ 2,481,240</u>

Liabilities

Due to other funds	\$ 563,984	\$ 25,634,336	\$ 25,497,237	\$ 701,083
Due to others	1,908,266	48,600,059	48,728,168	1,780,157
Total liabilities	<u>\$ 2,472,250</u>	<u>\$ 74,234,395</u>	<u>\$ 74,225,405</u>	<u>\$ 2,481,240</u>

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

Columbia County, Georgia
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules By Source
June 30, 2004 and 2003

	2004	2003
Governmental funds capital assets:		
Land	\$ 25,943,275	\$ 25,049,103
Buildings	69,040,095	68,979,618
Improvements other than buildings	2,502,659	2,502,659
Infrastructure	147,574,814	139,348,801
Vehicles, machinery and equipment	11,929,049	10,893,354
Construction in progress	9,829,437	4,911,005
Total governmental funds capital assets	\$ 266,819,329	\$ 251,684,540
Investments in governmental funds capital assets by source:		
General fund	\$ 23,575,490	\$ 22,532,638
Special revenue fund	1,026,103	451,743
Capital projects fund	242,217,736	228,700,159
Total governmental funds capital assets	\$ 266,819,329	\$ 251,684,540

Columbia County, Georgia
Capital Assets Used in the Operation of Governmental Funds
 Schedule By Function and Activity
 June 30, 2004

Function and Activity	Land	Buildings	Improvements other than Buildings	Infrastructure	Vehicles, Machinery and Equipment	Construction in Progress	Total
General Government:							
Legislative	\$ 3,549,185	\$ 653,865	\$ -	\$ -	\$ 1,669,198	\$ -	\$ 5,872,248
Judicial	-	16,927,976	-	-	131,539	-	17,059,515
Executive and Administrative	20,024	5,658,061	-	-	-	3,788,184	9,466,269
Public Safety	-	32,364,984	8,448	-	4,361,947	982,869	37,718,248
Public Works	18,756,663	3,401,790	389,434	147,574,814	4,764,841	-	174,887,542
Culture and Recreation	3,388,921	6,196,059	2,104,777	-	448,561	3,919,986	16,058,304
Health and Welfare	-	3,408,464	-	-	234,514	1,138,398	4,781,376
Housing and Development	228,482	428,896	-	-	318,449	-	975,827
Total governmental funds capital assets	\$ 25,943,275	\$ 69,040,095	\$ 2,502,659	\$ 147,574,814	\$ 11,929,049	\$ 9,829,437	\$ 266,819,329

Columbia County, Georgia
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes By Function and Activity
For the fiscal year ended June 30, 2004

Function and Activity	Governmental Funds Capital Assets July 1, 2003	Additions	Deductions	Governmental Funds Capital Assets June 30, 2004
General Government:				
Legislative	\$ 4,013,724	\$ 1,858,524	\$ -	\$ 5,872,248
Judicial	16,954,532	104,983	-	17,059,515
Executive and Administrative	8,332,214	1,134,055	-	9,466,269
Public Safety	36,721,658	1,166,412	169,822	37,718,248
Public Works	166,905,295	8,029,971	47,724	174,887,542
Culture and Recreation	13,450,135	2,608,169	-	16,058,304
Health and Welfare	4,065,370	716,006	-	4,781,376
Housing and Development	1,241,612	-	265,785	975,827
Total governmental funds capital assets	\$ 251,684,540	\$ 15,618,120	\$ 483,331	\$ 266,819,329

STATISTICAL SECTION

- *Statistical Table*
- *Revenue Bonds Disclosure*
- *General Obligation Bonds Disclosure*

**Statistical
Tables**

Table 1

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	General Government	Judicial System	Public Safety	Public Works	Health & Welfare	Housing & Development	Culture & Recreation	Debt Service	Other (2)	Total
1995	\$ 6,588,247	\$ 1,300,391	\$ 9,170,784	\$ 2,939,162	\$ 719,944	\$ 109,162	\$ 1,853,121	\$ 225,902	\$	\$ 22,906,713
1996	6,284,902	1,460,714	9,208,051	2,811,392	760,116	134,861	1,891,957	232,300		22,784,293
1997	5,914,344	1,656,768	11,211,087	3,137,791	862,363	141,076	1,908,705	227,869		25,060,003
1998	6,284,392	1,730,907	10,747,009	3,523,993	1,018,211	139,108	1,885,993	227,697		25,557,310
1999	6,173,098	2,068,061	11,686,168	3,546,658	893,004	1,100,017	2,288,844	597,489		28,353,339
2000	6,380,124	2,016,575	12,745,804	4,000,708	922,078	1,404,108	2,556,605	1,664,420		31,690,422
2001	6,694,384	2,335,273	14,161,894	3,770,180	1,033,054	1,660,079	2,548,726	1,831,978		34,035,568
2002	7,246,260	2,332,561	15,231,798	4,001,920	574,293	1,519,680	2,515,717	1,699,356		35,121,585
2003	7,890,440	2,743,410	15,528,366	4,182,603	934,025	2,474,174	2,696,304	1,769,499	2,010,863	40,229,684
2004	8,303,134	3,023,474	19,564,466	4,409,152	1,418,962	2,415,078	2,953,396	1,831,354	1,842,130	45,761,146

NOTES:

(1) Includes General, Special Revenue and Debt Service Funds of Primary Government.

(2) Includes capital outlay, which, prior to 2003, was included in the individual functions of the general government.

Table 2

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1)

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Taxes -	Fines and Forfeitures	Charges for	Inter-	Licenses and Permits	Investment	Other	Total
	Property and Other		Services	governmental		Income		
1995	\$ 17,287,867	\$ 1,703,978	\$ 1,261,738	\$ 510,934	\$ 754,468	\$ 113,543	\$ 387,050	\$ 22,019,578
1996	18,738,566	1,851,117	1,301,629	502,515	779,603	209,120	360,188	23,742,738
1997	19,485,613	2,424,420	1,287,194	875,916	829,900	205,596	293,737	25,402,376
1998	20,220,101	2,617,466	830,545	1,315,943	876,708	271,888	704,942	26,837,593
1999	24,432,264	2,682,118	1,896,152	1,345,062	466,314	385,418	963,558	32,170,886
2000	26,416,860	1,818,968	2,736,060	1,624,097	552,333	554,120	618,397	34,320,835
2001	28,054,324	1,645,981	2,579,899	2,264,892	478,022	600,630	485,530	36,109,278
2002	29,957,262	1,665,627	3,178,470	1,516,275	674,380	296,461	1,064,032	38,352,507
2003	30,389,503	2,243,567	4,935,923	2,851,214	1,023,026	322,260	507,407	42,272,900
2004	33,700,936	1,993,768	5,675,020	2,432,319	1,165,757	213,600	423,237	45,604,637

NOTES:

(1) Includes General, Special Revenue and Debt Service Funds of Primary Government.

Table 3

**PROPERTY TAX LEVIES AND COLLECTIONS (1)
BY TAX YEAR**

LAST TEN YEARS

Calendar Year of Levy	Total Tax		Percent		Delinquent		Percent Delinquent
	Levy (4)	Collections (2)	Collected	Taxes (3)	Delinquent Taxes (3)	Percent Delinquent	
1995	\$ 33,670,995	\$ 33,670,995	100.00%	\$ -	-	0.00%	
1996	35,343,923	35,342,110	99.99%	1,813	1,813	0.01%	
1997	36,215,224	36,213,151	99.99%	2,073	2,073	0.01%	
1998	39,815,179	39,811,539	99.99%	3,640	3,640	0.01%	
1999	40,855,933	40,847,981	99.98%	7,952	7,952	0.02%	
2000	43,108,513	43,076,769	99.93%	31,744	31,744	0.07%	
2001	45,088,003	45,040,968	99.90%	47,035	47,035	0.10%	
2002	46,895,492	46,751,536	99.69%	143,956	143,956	0.31%	
2003	50,411,046	50,146,072	99.47%	264,974	264,974	0.53%	
2004	58,983,093	52,436,659	88.90%	6,546,434	6,546,434	11.10%	

SOURCE: Tax Commissioner's Office

NOTES:

(1) Above amounts include taxes levied and collected for the Columbia County Board of Commissioners, the Columbia County Board of Education, State of Georgia, and other municipalities within Columbia County.

(2) Total Tax Collections are as of November 16, 2004.

(3) 2004 property taxes are due November 15, 2004.

(4) Total tax levy includes all adjustments made to original approved digest as of November 15, 2004

ASSESSED AND ESTIMATED ACTUAL VALUE OF PROPERTY

LAST TEN YEARS

Calendar Year of Levy	Assessed Value (1):		Personal Property	Motor Vehicle	Mobile Homes	Public Utilities	Total Assessed Value of Property	Less: M & O Exemptions	Total: Net Assessed Value	Total Estimated Actual Value	Ratio of Net Assessed Value to Total Estimated Actual Value
	Real Property (2)										
1995	\$1,259,733,837	\$120,249,501		\$170,607,218	\$7,039,371	\$43,390,852	\$1,601,020,779	(\$125,563,861)	\$1,475,456,918	\$4,002,551,948	36.86%
1996	1,319,171,555	139,935,691		177,620,544	7,411,689	44,689,861	1,688,829,340	(146,404,217)	1,542,425,123	4,222,073,350	36.53%
1997	1,381,370,723	147,173,343		201,935,533	9,287,109	45,018,373	1,784,785,081	(155,915,032)	1,628,870,049	4,461,962,703	36.51%
1998	1,462,125,538	157,798,551		202,267,930	9,362,105	46,648,199	1,878,202,323	(165,293,687)	1,712,908,636	4,691,431,243	36.51%
1999	1,560,709,822	170,516,511		210,452,787	13,596,286	46,672,921	2,001,948,327	(183,557,192)	1,818,391,135	5,004,870,817	36.33%
2000	1,698,045,665	191,960,824		232,554,654	13,605,887	46,656,796	2,182,823,826	(203,197,278)	1,979,626,548	5,457,059,565	36.28%
2001	1,856,724,006	228,476,830		260,114,310	13,505,383	46,110,040	2,404,930,569	(233,029,706)	2,171,900,863	6,012,326,423	36.12%
2002	1,922,410,017	233,705,404		264,703,966	12,789,471	46,343,527	2,479,952,385	(247,371,998)	2,232,580,387	6,199,880,963	36.01%
2003	2,067,487,973	234,157,580		267,976,520	11,959,826	47,691,780	2,629,273,679	(251,887,437)	2,377,386,242	6,573,184,198	36.17%
2004	2,263,819,288	229,529,099		273,784,980	11,294,070	49,646,249	2,828,073,686	(237,776,088)	2,590,297,598	7,070,184,215	36.64%

SOURCE: Tax Commissioner's Office

NOTES:

(1) Under Georgia law, property, other than timber, is assessed for taxes at 40% of fair market value.

(2) Includes assessed value of timber.

Table 5

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)**

LAST TEN YEARS

Calendar Year	State of Georgia	COUNTY GOVERNMENT		COUNTY SCHOOL DISTRICT			Total Unincorporated Area	Total Incorporated Area		
		Gross County M & O	County LOST Reduction (1)	County Net M & O	County Fire (2)	County Debt Service			School M & O	School Debt Service
1995	0.25	9.97	(3.34)	6.63		0.07	14.76	3.75	25.46	25.46
1996	0.25	9.88	(3.33)	6.55		0.15	14.76	3.75	25.46	25.46
1997	0.25	10.25	(3.68)	6.57		0.13	17.51	0.50	24.96	24.96
1998	0.25	9.92	(3.36)	6.56		1.14	17.51	0.50	25.96	25.96
1999	0.25	10.27	(3.71)	6.56		1.14	17.51	0.00	25.46	25.46
2000	0.25	10.26	(3.70)	6.56		1.14	17.18	0.00	25.13	25.13
2001	0.25	11.05	(3.70)	7.35		0.35	17.18	0.00	25.13	25.13
2002	0.25	10.65	(3.60)	7.05		0.65	17.18	0.00	25.13	25.13
2003	0.25	10.62	(3.69)	6.93		0.77	17.18	0.00	25.13	25.13
2004	0.25	10.63	(3.70)	6.93	1.68	0.77	17.18	0.00	26.81	25.13

SOURCE: Tax Commissioner's Office

NOTES:

- (1) Rollback of property taxes based on the receipt of sales tax revenues as required by Georgia Law.
- (2) Fire tax applies to unincorporated areas only.

(Continued)

Table 5

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUE)**

LAST TEN YEARS

Calendar Year	CITY OF HARLEM				CITY OF GROVETOWN			
	City of Harlem		City of Harlem		City of Grovetown		City of Grovetown	
	Gross	LOST Reduction (1)	Net M & O	Total Harlem & County	Gross	LOST Reduction (1)	Net M & O	Total Grovetown & County
1995	20.62	(15.12)	5.50	30.96	24.34	(19.64)	4.70	30.16
1996	21.65	(16.15)	5.50	30.96	22.66	(17.96)	4.70	30.16
1997	19.01	(13.51)	5.50	30.46	22.45	(17.75)	4.70	29.66
1998	22.55	(17.05)	5.50	31.46	21.27	(16.57)	4.70	30.66
1999	24.90	(19.40)	5.50	30.96	20.35	(15.65)	4.70	30.16
2000	24.91	(19.41)	5.50	30.63	21.08	(16.38)	4.70	29.83
2001	26.74	(21.24)	5.50	30.63	20.25	(15.55)	4.70	29.83
2002	26.62	(21.12)	5.50	30.63	19.58	(14.94)	4.64	29.77
2003	27.25	(21.83)	5.42	30.55	17.56	(12.92)	4.64	29.77
2004	24.08	(18.66)	5.42	30.55	17.38	(12.74)	4.64	29.77

SOURCE:

NOTES:

(1) Rollback of property taxes based on the receipt of sales tax revenues as required by Georgia Law.

(Concluded)

PRINCIPAL TAXPAYERS
December 31, 2004

TAXPAYER	ACTIVITY	2004 ASSESSED VALUATION	PERCENTAGE OF TOTAL ASSESSED VALUATION	COUNTY TAXES LEVIED (1)(2)	PERCENTAGE OF TOTAL COUNTY TAXES LEVIED
Georgia Power	Electric Power Utility	\$ 24,422,002	0.94%	\$ 188,049	1.05%
Quebecor World Inc	Catalog Printing	23,233,637	0.90%	175,938	0.98%
John Deere Commercial Products	Small Tractor Assembly	20,008,809	0.77%	154,068	0.86%
Club Car Inc	Utility/Golf Carts	16,070,153	0.62%	123,740	0.69%
Bell South Telecommunications	Telephone Utility	12,481,472	0.48%	96,107	0.54%
Wal-Mart Real Estate Business	Retail	11,232,724	0.43%	86,492	0.48%
Pollard Land Company	Timber Processing	11,177,778	0.43%	85,885	0.48%
Greenfield Industries	Tool Manufacturing	7,839,009	0.30%	60,360	0.34%
Atlanta Gas Light Company	Natural Gas Utility	6,370,765	0.25%	49,055	0.27%
Georgia Iron Works	Pump Manufacturing	6,075,142	0.23%	46,779	0.26%
Total principal taxpayers		\$ 138,911,491	5.36%	\$ 1,066,473	5.94%
Net assessed value/taxes levied (2004)		\$ 2,590,297,598		\$ 17,950,762	

SOURCE: Tax Commissioner's Office

Notes:

- (1) Includes taxes levied for Columbia County Board of Commissioners only.
- (2) Does not include taxes levied in Special Districts for fire services in unincorporated areas.

Columbia County, Georgia

Table 7

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS

LAST TEN FISCAL YEARS

Columbia County has not incurred any Special Assessment Debt

Table 8

COMPUTATION OF LEGAL DEBT MARGIN

June 30, 2004

	<u>Bond Digest</u>	<u>Maintenance and Operations Digest</u>
Net Assessed Value:		
Assessed Value	\$2,828,073,686	\$2,828,073,686
Less Applicable Exemptions	(203,164,088)	(237,776,088)
Net Assessed Value	<u>\$2,624,909,598</u>	<u>\$2,590,297,598</u>
Legal Debt Margin:		
Debt Limitation - 10% of net assessed value	\$262,490,960	<u>\$259,029,760</u>
General Obligation Bonds applicable to debt limitation	<u>(27,470,000)</u>	
Legal Debt Margin	<u>\$235,020,960</u>	
Debt Guaranteed by General Fund Revenues:		
Development Authority Revenue Bonds		\$3,895,000
Solid Waste Management Authority Revenue Bonds		2,375,000
Debt Guaranteed by General Fund Revenues		<u>\$6,270,000</u>

Table 9

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT
TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA**

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Population (1)	Net Assessed Value (2)	Gross Bonded Debt (3)	Less Debt Service Fund (4)	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt per Capita
1995	81,491	\$ 1,475,456,918	\$ 1,125,000	\$ 200,460	\$ 924,540	0.06%	\$ 11
1996	83,077	1,542,425,123	955,000	40,945	914,055	0.06%	11
1997	85,106	1,628,870,049	780,000	25,714	754,286	0.05%	9
1998	86,675	1,712,908,636	595,000	1,669	593,331	0.03%	7
1999	88,280	1,818,391,135	29,115,000	1,350,715	27,764,285	1.53%	315
2000	89,826	1,979,626,548	28,905,000	1,984,204	26,920,796	1.36%	300
2001	91,944	2,171,900,863	28,515,000	2,628,666	25,886,334	1.19%	282
2002	94,958	2,232,580,387	28,245,000	3,355,234	24,889,766	1.11%	262
2003	97,220	2,377,386,242	27,895,000	715,729	27,179,271	1.14%	280
2004	99,985	2,590,297,598	27,470,000	848,444	26,621,556	1.03%	266

NOTES:

(1) Source: The Georgia County Guide and the Columbia County Planning Department.

(2) From Table 4.

(3) Amount does not include revenue bonds.

(4) Amount available for repayment of general obligation bonds.

Table 10
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED
 DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES(1)**

Fiscal Year Ended June 30,	<u>LAST TEN FISCAL YEARS</u>			Total Debt Service	Total General Governmental Expenditures (3)	Ratio of Debt Service to General Governmental Expenditures
	Principal	Interest (2)				
1995	\$ 155,000	\$ 69,988	\$ 224,988	\$ 22,906,713	0.98%	
1996	170,000	61,488	231,488	22,784,293	1.02%	
1997	175,000	52,128	227,128	25,060,003	0.91%	
1998	185,000	41,950	226,950	25,557,310	0.89%	
1999	195,000	401,700	596,700	28,353,339	2.10%	
2000	210,000	1,454,420	1,664,420	31,690,422	5.25%	
2001	390,000	1,441,978	1,831,978	34,035,568	5.38%	
2002	270,000	1,428,892	1,698,892	35,121,585	4.84%	
2003	350,000	1,419,499	1,769,499	40,229,684	4.40%	
2004	425,000	1,406,354	1,831,354	45,761,146	4.00%	

NOTES:

- (1) Includes General, Special Revenue and Debt Service Funds of Primary Government.
- (2) Excludes bond issuance and other costs.
- (3) From Table 1.

**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
GENERAL OBLIGATION BONDS**

June 30, 2004

	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Columbia County	Amount Applicable to Columbia County
Direct General Obligation Debt: Columbia County	\$27,470,000	100.00%	\$27,470,000
Overlapping General Obligation Debt: Columbia County Board of Education (1)	<u>45,245,000</u>	100.00%	<u>45,245,000</u>
Total Direct and Overlapping General Obligation Debt	<u>\$72,715,000</u>		<u>\$72,715,000</u>

NOTES:

(1) Per the Columbia County Board of Education

Table 12

**REVENUE BOND COVERAGE
WATER AND SEWERAGE DEPARTMENT**

LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt service Requirements (3)		Coverage
				Principal	Interest (4)	
1995	\$ 8,629,763	\$ 4,384,649	\$ 4,245,114	\$ 1,260,000	\$ 2,074,816	1.27
1996	13,342,239	4,417,286	8,924,953	4,976,177	2,263,099	1.23
1997	10,158,778	4,316,241	5,842,537	2,055,762	2,179,984	1.38
1998	11,462,003	4,607,053	6,854,950	1,630,001	2,275,220	1.76
1999	13,229,156	5,305,150	7,924,006	1,710,000	2,307,334	1.97
2000	14,916,472	5,783,695	9,132,777	1,780,000	2,305,079	2.24
2001	14,695,694	6,170,639	8,525,055	1,875,000	3,211,108	1.68
2002	15,334,220	7,187,774	8,146,446	2,115,000	2,000,840	1.98
2003	16,375,630	7,518,751	8,856,879	2,540,000	2,002,424	1.95
2004	16,898,021	9,202,214	7,695,807	2,690,000	1,956,590	1.66
				Total		
				\$ 3,334,816		
				7,239,276		
				4,235,746		
				3,905,221		
				4,017,334		
				4,085,079		
				5,086,108		
				4,115,840		
				4,542,424		
				4,646,590		

NOTES:

- (1) Total revenues excluding interest income on construction fund.
- (2) Total operating expenses exclusive of depreciation and amortization.
- (3) Includes principal and interest of revenue bonds only. It does not include debt defeasance transactions.
- (4) Excludes capitalized interest.

DEMOGRAPHIC STATISTICS

LAST TEN YEARS

Year	Population(1)	Per Capita Income	Median Age	School Enrollment (2)	Number of Business Establishments (3)(4)	Taxable Sales in Thousands	Unemployment Rate(5)
1995	81,491	\$ 19,429	31.2	16,528	2,540	577,872	4.20%
1996	83,077	21,017	31.2	17,100	2,658	643,106	4.10%
1997	85,106	22,014	31.2	17,979	2,731	692,144	3.90%
1998	86,675	23,346	31.2	18,582	2,845	748,055	3.30%
1999	88,280	24,142	31.2	18,664	2,936	N/A	3.10%
2000	89,826	25,707	31.2	18,690	2,933	832,828	2.90%
2001	91,944	26,487	35.4	18,775	3,065	870,927	2.60%
2002	94,958	30,345	35.4	19,042	3,662	935,398	3.40%
2003	97,220	N/A	35.4	19,633	3,960	N/A	2.90%
2004	99,985	N/A	35.4	20,167	4,039	N/A	2.50%

SOURCE: Georgia County Guide, University of Georgia

NOTES: N/A = Not Available

(1) Years 1992 - 1999 are Census Bureau Estimates as of July 1 of each year. Year 2000 was an actual Decennial Census Year.

(2) Per Columbia County Board of Education. Enrollment figures are as of November 4, 2004.

(3) Per Columbia County Planning and Development Services as of September 28, 2004.

(4) As of January 1, 1995, the Occupational Tax law and the requirements for business licenses changed.

(5) Per the Georgia Department of Labor for year 2000.

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS

LAST TEN YEARS

Year	Property Value (1)		Construction (2)		Total Value*	Bank Deposits *
	Commercial (3)	Residential	Commercial/Industrial Number of Units	Residential Number of Units		
1995	\$ 769,177,475	\$ 3,233,374,473	56	874	117,424	\$ 341,411
1996	863,617,485	3,358,455,865	31	811	101,092	357,818
1997	1,296,610,540	3,165,352,163	66	868	108,424	494,388
1998	1,734,508,143	2,956,923,100	68	1,272	137,665	575,212
1999	1,855,214,320	3,149,656,498	106	1,184	146,354	593,152
2000	2,025,983,450	3,431,076,115	100	943	149,633	632,732
2001	2,379,195,248	3,633,131,175	70	1,059	175,897	709,156
2002	2,350,907,935	3,848,973,028	68	1,489	204,726	808,763
2003	2,436,750,450	4,136,433,748	53	1,148	243,865	889,000
2004	2,559,082,590	4,511,101,625	49	1,180	214,818	N/A

SOURCE: Columbia County Tax Commissioner
Columbia County Engineering Services
The Georgia County Guide

NOTES: N/A = Not Available

* Amounts expressed in thousands

(1) Total Estimated Actual Value of Property from Table 4.

(2) 2003 construction measures are as of November 1, 2003.

(3) Includes all property not classified as residential.

MISCELLANEOUS STATISTICS

June 30, 2004

Date of Incorporation	1790
Form of Government	Five Member Board of Commissioners
Number of Employees:	
Police	308
Other	435
Area in square miles	290
Columbia County Facilities and Services:	
Miles of County maintained roads	638
Culture and Recreation:	
Gym Complex Center	1
Community Centers	3
Parks	10
Libraries	3
Miles of lake shoreline	1,200
Police Protection:	
Number of Personnel	308
Number of calls for service	52,333
Number of prisoners processed	3,154
Civil & criminal cases processed	8,012
Court System:	
Number of traffic cases	9,662
Number of marriage licenses	284
Number of gun permits	584
Fish & Game cases	169
Sewer System:	
Number of treatment plants	4
Maximum daily capacity of treatment plant in gallons	9,050,000
Number of Accounts	25,170
Water System:	
Daily water treatment production capacity in gallons	39,000,000
Number of Accounts	31,240
Facilities and Services not included in the reporting entity:	
Education:	
Number of elementary schools	15
Number of middle schools	7
Number of high schools	4
Number of alternative schools	1
Fire Protection:	
Number of fire stations	17
Medical Facilities in the Metro Augusta area:	
Number of hospitals	7
Number of patient beds	3,000

**Revenue Bonds
Disclosure**

COLUMBIA COUNTY, GEORGIA
Water and Sewerage Revenue Bonds
Continuing Disclosure

Water and Sewer Rates

The following water and sewerage rates became effective in April 2004.

Residential

<u>Water Tap Size</u>	<u>Amount</u>	<u>Water</u>		<u>Sewer</u>	
		<u>Base</u>	<u>Per 1,000 gallons</u>	<u>Base</u>	<u>Per 1,000 gallons</u>
1" and Smaller	<10,000 gallons	\$7.55	\$1.55	\$8.87	\$1.74
	>10,000 gallons and	7.55	2.15		
	>30,000 gallons	7.55	3.12		
	>50,000 gallons	7.55	4.23		

Levelized Winter Billing

Commercial

<u>Water Tap Size</u>	<u>Water</u>		<u>Sewer</u>	
	<u>Base</u>	<u>Per 1,000 gallons</u>	<u>Base</u>	<u>Per 1,000 gallons</u>
1.0"	\$13.39	\$1.56	\$15.81	\$1.74
1.5"	30.13	1.56	35.57	1.74
2.0"	53.44	1.56	63.22	1.74
3.0"	120.52	1.56	142.25	1.74
4.0"	214.27	1.56	252.92	1.74
6.0"	481.58	1.56	572.22	1.74

Source: Columbia County Water and Sewer Services Division.

Tap and Connection Charges

All water and sewer tap-in fees are based on three different conditions that exist in the System. These conditions are as follows:

(A) Applicant applies for a tap inside a developed area in which the developer has furnished water and/or sewer mains, taps, and meter boxes.

(B) Applicant applies for a tap inside a developed area in which the developer has furnished only the water and/or sewer mains.

(C) Applicant lives adjacent to a water and/or sewer main installed by the System.

Residential Water Tap-in Fees.

- (1) Cost of 5/8" residential service tap:
 - (A) \$308
 - (B) 616
 - (C) 924
- (2) Cost of 1" residential service tap:
 - (A) \$424
 - (B) 693
 - (C) 1,040

- (3) Cost of 1 1/2" residential service tap:
 (A) \$ 539
 (B) 924
 (C) 1,156

Residential Sewer Tap-in Fees.

- (1) Cost for residential sewer tap:
 (A) \$616
 (B) 769
 (C) 924

Commercial Water and Sewer Tap-In Fees.

- (1) Cost for 1" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$308	\$ 769
(B)	769	1,077
(C)	1,155	1,284

- (2) Cost for 1 1/2" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$769	\$ 924
(B)	1,000	1,194
(C)	1,385	1,455

- (3) Cost for 2" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$1,001	\$3,983
(B)	1,300	4,773
(C)	1,800	5,389

- (4) Cost for 3" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$2,080	\$6,467
(B)	2,617	7,237
(C)	3,080	8,007

- (5) Cost for 4" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$3,388	\$11,548
(B)	4,157	12,219
(C)	4,620	13,088

Top Ten Customers

The following table shows the ten largest users of the System and the revenues derived from such customers for the fiscal year ended June 30, 2004.

<u>User</u>	<u>Business</u>	<u>Total Revenues</u>	<u>Percentage of Total Operating Revenues</u>
City of Grovetown	Local Government	\$263,397	1.57%
Quebecor	Manufacturer	170,526	1.01
City Hall (Harlem)	Local Government	106,851	0.63
Columbia County Board of Education	Local Government	51,041	0.30
Brandon Wilde	Retirement Community	48,652	0.29
Walden Glen Apartments	Apartment Complex	46,917	0.28
Wedgewood Apartments	Apartment Complex	36,882	0.22
Jensens Inc. (Wymberly)	Retirement Community	34,507	0.21
Perisseuma Bus Group	Apartment Complex	31,308	0.19
Shenandoah Ridge Assoc	Apartment Complex	<u>29,776</u>	<u>0.18</u>
Total		<u>\$819,857</u>	<u>4.88%</u>

Source: Columbia County Water and Sewer Services Division.

(6) Cost for 6" service for commercial use:

	<u>Water</u>	<u>Sewer</u>
(A)	\$6,775	\$23,098
(B)	7,545	25,407
(C)	8,469	26,947

Source: Columbia County Water and Sewer Services Division.

Total Customers

The following table presents the number of customers of the System for the last ten years.

Water and Sewerage Customers

<u>Year</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
1995	21,306	15,824	37,130
1996	22,235	16,911	39,146
1997	23,197	17,919	41,116
1998	24,009	18,833	42,842
1999	25,069	19,739	44,808
2000	26,001	20,536	46,537
2001	26,919	21,281	48,200
2002	28,054	22,332	50,386
2003	29,853	23,882	53,735
2004	31,240	25,170	56,410

Source: Columbia County Water and Sewer Services Division.

Historical Water and Wastewater Demand

Set forth below are water demand statistics for the past five fiscal years.

<u>Plant</u>		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Blanchard 3.17 MGD	Avg. Flow MGD	10.14	9.91	10.10	9.67	11.64
	Max. Flow MGD	22.48	16.86	20.84	14.94	23.26
Clark's Hill 8.0 MGD	Avg. Flow MGD	1.54	1.72	1.73	1.90	2.70
	Max. Flow MGD	2.50	3.01	3.51	3.82	3.98
Total	Avg. Flow MGD	11.68	11.63	11.83	11.57	14.34
	Max. Flow MGD	24.98	19.87	24.35	18.76	27.24

Source: Columbia County Water and Sewer Services Division.

Set forth below are wastewater demand statistics for the past five fiscal years.

<u>Plant</u>		<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
Reed Creek 4.55 MGD	Avg. Flow MGD	3.11	3.22	3.07	3.32	3.31
	Max. Flow MGD	4.80	4.65	4.08	5.50	4.46
Crawford Creek 1.5 MGD	Avg. Flow MGD	0.91	0.98	0.91	1.06	0.88
	Max. Flow MGD	1.34	1.39	1.24	1.90	1.98
Little River 3.0/6.0 MGD	Avg. Flow MGD	1.72	1.79	2.00	2.39	2.42
	Max. Flow MGD	3.14	2.59	2.71	3.62	2.99

Source: Columbia County Water and Sewer Services Division.

Three Year Operating History

Set forth below is a historical, comparative summary of the operating revenues of the System for the past three fiscal years. For more detailed information regarding the financial results and condition of the System, see the audited financial statements of the System for the fiscal years ended June 30, 2004, included in the financial section of the Comprehensive Annual Financial Report. The information in the following table has been extracted from the audited financial statements of the County for the fiscal years ended June 30, 2002 through 2004.

COLUMBIA COUNTY WATER AND SEWERAGE SYSTEM Summary of Operating Results Fiscal Years Ended June 30

	<u>2002</u>	<u>2003</u>	<u>2004</u>
Operating Revenue			
Charges for Services	\$14,619,971	\$14,818,766	\$15,450,547
Tap Fees	<u>863,564</u>	<u>1,278,702</u>	<u>1,340,324</u>
Total Operating Revenue	<u>15,483,535</u>	<u>16,097,468</u>	<u>16,790,871</u>
Operating Expenses			
Operating Expenses	7,187,774	7,518,751	9,202,214
Depreciation and Amortization	<u>3,778,252</u>	<u>4,305,952</u>	<u>4,449,845</u>
Total Operating Expenses	<u>10,966,026</u>	<u>11,824,703</u>	<u>13,652,059</u>
Operating Income	<u>4,517,509</u>	<u>4,272,765</u>	<u>3,138,812</u>
Non-Operating Revenues and (Expenses)			
Interest Income	918,302	290,766	161,438
Interest Expense	(2,107,218)	(2,099,158)	(2,043,152)
Other	<u>344,837</u>	<u>0</u>	<u>0</u>
Total Non-Operating Revenue (Expenses)	<u>(844,079)</u>	<u>(1,808,392)</u>	<u>(1,881,714)</u>
Income before Contributions/Transfers	<u>3,673,430</u>	<u>2,464,373</u>	<u>1,257,098</u>
Contributions/Transfers			
Capital Contributions	2,297,201	2,129,501	2,954,986
Transfers	<u>(628,569)</u>	<u>0</u>	<u>0</u>
Total Contributions/Transfers	<u>1,668,632</u>	<u>2,129,501</u>	<u>2,954,986</u>
Net Income/Change in Net Assets	<u>\$5,342,062</u>	<u>\$4,593,874</u>	<u>\$4,212,084</u>

Historical Debt Service Coverage

The following table shows the historical debt service coverage of the System for the past three fiscal years.

	Fiscal Year Ended June 30		
	<u>2002</u>	<u>2003</u>	<u>2004</u>
Net Income/Change in Net Assets	\$5,342,062	\$4,593,874	\$4,212,084
Plus:			
Interest Expense	2,107,218	2,099,158	2,043,152
Depreciation and Amortization	<u>3,778,252</u>	<u>4,305,952</u>	<u>4,449,845</u>
	\$5,885,470	\$6,405,110	\$6,492,997
Less:			
Interest Income on Construction			
Fund and Investment Account	\$ 439,048	\$ 12,604	\$ 54,288
Capital Contributions	2,297,201	2,129,501	2,954,986
Other Nonrecurring Revenue	<u>344,837</u>	<u>0</u>	<u>0</u>
	<u>\$3,081,086</u>	<u>\$2,142,105</u>	<u>\$3,009,274</u>
Net Income Available for Debt Service	<u>\$8,146,446</u>	<u>\$8,856,879</u>	<u>\$7,695,807</u>
Total Annual Debt Service ⁽¹⁾	<u>\$4,115,840</u>	<u>\$4,542,424</u>	<u>\$4,646,590</u>
Historical Debt Service Coverage	1.98x	1.95x	1.66x

⁽¹⁾ Total annual debt service includes principal and interest of outstanding revenue bonds only, excludes GEFA Loans.

**General Obligation
Bonds
Disclosure**

COLUMBIA COUNTY, GEORGIA
General Obligation Bonds
Continuing Disclosure

Tax Collection

The Columbia County Tax Commissioner collects taxes which have been levied by the State of Georgia, the County, the Columbia County School District and the Cities of Grovetown and Harlem. Tax bills are normally mailed in September and may be paid without interest or penalty through November 15th of each year. However, whenever the tax bills are mailed a taxpayer has 60 days to pay. After the due date, interest at the rate of 1% per month (or any portion thereof) and a penalty fee of 10% per annum (after 90 days) are added.

Calendar Year of Levy	Total Levy ⁽¹⁾	Total Tax Collections ⁽²⁾	% of Total Levy Collected	Outstanding Delinquent Taxes
2000	43,108,513	43,076,769	99.93	31,744
2001	45,088,003	45,040,968	99.90	47,035
2002	46,895,492	46,751,536	99.69	143,956
2003	50,411,046	50,146,072	99.47	264,974
2004	58,983,093	52,436,659	88.90	6,546,434

⁽¹⁾ Includes all taxes levied by the County, the Columbia County School District, the State of Georgia and the municipalities located within the County.

⁽²⁾ As of November 15, 2004.

Source: Columbia County Tax Commissioner.

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Historical Property Tax Data

The following table presents the assessed value (40% of fair market value, except timber which is 100% of fair market value) of taxable property within the County for the last five calendar years.

	Assessed Values										Estimated Actual Value
	Real and Personal Property ⁽³⁾	Motor Vehicles	Mobile Homes	Public Utilities	Gross Tax Digest	Bond Exemptions	General Obligation Bond Tax Digest ⁽¹⁾	Maintenance & Operations Exemptions	Maintenance & Operations Tax Digest ⁽²⁾		
2000	1,890,006,489	232,554,654	13,605,887	46,656,796	2,182,823,826	(171,698,589)	2,011,125,237	(203,197,278)	1,979,626,548	5,457,059,565	
2001	2,085,200,836	260,114,310	13,505,383	46,110,040	2,404,930,569	(201,181,313)	2,203,749,256	(233,029,706)	2,171,900,863	6,012,326,423	
2002	2,156,115,421	264,703,966	12,789,471	46,343,527	2,479,952,385	(213,562,493)	2,266,389,892	(247,371,998)	2,232,580,387	6,199,880,963	
2003	2,301,645,553	267,976,520	11,959,826	47,691,780	2,629,273,679	(217,793,437)	2,411,480,242	(251,887,437)	2,377,386,242	6,573,184,198	
2004	2,493,348,387	273,784,980	11,294,070	49,646,249	2,828,073,686	(203,164,088)	2,624,909,598	(237,776,088)	2,590,297,598	7,070,184,215	

⁽¹⁾Total assessed value, after deducting exemptions, for purposes of levying tax for County's general obligation bonds.

⁽²⁾Total assessed value, after deducting exemptions, for purposes of levying tax for the support and maintenance of the County.

⁽³⁾Includes assessed value of timber.

Source: Columbia County Tax Commissioner.

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Tax Rates - Mills

Set forth below is information concerning the rate of levy of property taxes per \$1,000 of assessed value (millage rates) of the County for the past five calendar years.

Calendar Year	County			School District	State of Georgia	Totals	
	Net M&O	Debt Service	Fire(1)			Unincorporated Area	Incorporated Area
2000	6.56	1.14		17.18	0.25	25.13	25.13
2001	7.35	0.35		17.18	0.25	25.13	25.13
2002	7.05	0.65		17.18	0.25	25.13	25.13
2003	6.93	0.77		17.18	0.25	25.13	25.13
2004	6.93	0.77	1.68	17.18	0.25	26.81	25.13

(1) Fire Tax applies to unincorporated areas only.

Source: Columbia County Tax Commissioner.

Principal Taxpayers

Set forth below are the ten largest taxpayers of the County in 2004. No independent investigation has been made of, and consequently no representation can be made as to, the financial condition of any of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the County.

	Taxpayer	Assessed Valuation	Taxes Levied
1.	Georgia Power	\$24,422,022	\$188,049
2.	Quebecor World Inc.	23,233,637	175,938
3.	John Deere Commercial Products	20,008,809	154,068
4.	Club Car Inc.	16,070,153	123,740
5.	Bell South Telecommunications	12,481,472	96,107
6.	Walmart Real Estate Business	11,232,724	86,492
7.	Pollard Land Company	11,177,778	85,885
8.	Greenfield Industries	7,839,009	60,360
9.	Atlanta Gas Light Company	6,370,765	49,055
10.	Georgia Iron Works	6,075,142	46,779
		<u>\$138,911,491</u>	<u>\$1,066,473</u>

Source: Columbia County Tax Commissioner.

SINGLE AUDIT

Baird & Company CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS
Augusta, Georgia Office

Thomson, Georgia Office

John P. Gillion, Jr., CPA, PFS, CFS, CVA, CFP®
J.T. Cosnahan, CPA, CFE, CGFM, DABFA
Robert D. Huntley, Jr., CPA
Rep. E. Whiddon, CPA, CVA
Brenda F. Carroll, CPA, CIA, CFE

Benjamin B. Barmore, CPA, MCP, CITP
W. Lee Hammond, CPA

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

To the Board of Commissioners
Columbia County, Georgia
Evans, Georgia

We have audited the basic financial statements of Columbia County, Georgia as of and for the year ended June 30, 2004, and have issued our report thereon dated October 15, 2004. 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.

Compliance

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

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Columbia County, Georgia's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

To the Board of Commissioners
Columbia County, Georgia
Page 2

We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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

Baird & Company, CPAs, LLC

Baird & Company, CPAs, LLC
Certified Public Accountants

October 15, 2004
Augusta, Georgia

Baird & Company, CPAs, LLC

CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

Augusta, Georgia Office

Thomson, Georgia Office

John P. Gillion, Jr., CPA, CFP, PFS, CFS, CVA

J.T. Cosnahan, CPA, CFE, CGFM, DABFA

Robert D. Huntley, Jr., CPA

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W. Lee Hammond, CPA

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

To the Board of Commissioners
Columbia County, Georgia
Evans, Georgia

Compliance

We have audited the compliance of Columbia County, Georgia, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. Columbia County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Columbia County, Georgia's management. Our responsibility is to express an opinion on Columbia County Georgia's compliance based on our audit.

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

In our opinion, Columbia County, Georgia, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004.

Internal Control Over Compliance

The management of Columbia County, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Columbia County, Georgia's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

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



Baird & Company, CPAs, LLC
CERTIFIED PUBLIC ACCOUNTANTS

October 15, 2004
Augusta, Georgia

COLUMBIA COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2004

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U.S. Department of Justice</u>			
Juvenile Accountability Block Grant	16.523	02B-ST-0002	\$ 6,279
Juvenile Accountability Block Grant	16.523	02B-ST-0002	12,113
Federal Govt Partnership Grant - Bulletproof Vest	16.607		1,230
Local Law Enforcement Block Grant	16.592	2002-LB-BX-1932	543
			<u>20,164</u>
<u>Federal Emergency Management Agency</u>			
Hazard Mitigation	83.516	HMGP 1033-0128 (1)	130,472
Hazard Mitigation	83.548	HMGP 1033-0125 (2)	117,375
HMGP-Local Government Plan	83.557	HMGP 1311-0009	14,295
Local All Hazards Emergency Operations Planning Agreement	83.562		3,185
Community Emergency Response Team	83.564		3,210
			<u>268,536</u>
<u>U.S. Department of Transportation</u>			
Transit Oper Assistance	20.507	GA-18-9022	49,594
Transit Oper Assistance	20.507	GA-18-9023	51,154
Trans Enhancement	20.205	STP-000E(107)	753,600
			<u>854,348</u>
<u>U.S. Department of Natural Resources</u>			
GA Dept of Natural Resources	15.916	13-00809	14,025
			<u>\$ 1,157,073</u>

COLUMBIA COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2004

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Columbia County, Georgia and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 2 – Non-cash Awards

Columbia County, Georgia, did not receive any non-cash federal awards during the year ended June 30, 2004.

COLUMBIA COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2004

I. Summary of Auditor's Results

- A. An unqualified opinion was issued on the financial statements of Columbia County, Georgia.
- B. Our audit of the financial statements disclosed no material weaknesses in internal controls over financial reporting.
- C. Our audit of the financial statements disclosed no instances of noncompliance with laws, regulations and the provisions of contracts and grant agreements that are material to the general purpose financial statements.
- D. Our audit of compliance with the types of compliance requirements applicable to the County's major programs disclosed no material weaknesses in internal controls over compliance.
- E. An unqualified opinion was issued on Columbia County, Georgia's compliance with the types of compliance requirements applicable to its major federal programs.
- F. Our audit disclosed no audit findings which relate to the federal and state awards which are required to be reported.
- G. Major federal program for Columbia County, Georgia for the fiscal year ended June 30, 2004 is:

<u>Program Name</u>	<u>CFDA#</u>
Trans-Enhancement – Canal Headgates	20.205

- H. The threshold for determining Type A programs for Columbia County, Georgia is \$300,000.

II. Findings Related to the audit of the Basic Financial Statements of Columbia County, Georgia

There were no findings noted for the year ended June 30, 2004 which are required to be reported in accordance with *Government Auditing Standards*.

III. Findings and Questioned Costs Related to the Audit of Federal and State Awards.

There were no findings noted for the year ended June 30, 2004 which are required to be reported under OMB Circular A-133 criteria.