

Comprehensive Annual Financial Report For Fiscal Year Ended December 31, 2009

CITY OF MONROE, GEORGIA

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2009

Prepared by Authority of:
City Council, City of Monroe, Georgia
Renee L. Prather, Finance Director

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2009

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Since 1821
THE CITY OF
Monroe

INTRODUCTORY SECTION

Since 1821
THE CITY OF Monroe

Post Office Box 1249 • Monroe, Georgia 30655
Telephone 770-267-7536 • Fax 770-267-2319

Greg Thompson, Mayor
Jerry Smith, Vice Mayor

April 15, 2010

To the Honorable Mayor, Members of the City Council, and Citizens of the
City of Monroe, Georgia:

The Comprehensive Annual Financial Report (CAFR) of the City of Monroe, Georgia for the fiscal year ended December 31, 2009 is hereby submitted as mandated by Official Code of Georgia §36-81-7. The financial statements were prepared in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

City Management assumes full responsibility for the accuracy, completeness and reliability of the presented data. To provide a reasonable basis for making these representations, management of the City of Monroe has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Monroe's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City of Monroe's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Mauldin & Jenkins, LLC, a firm of certified public accountants, issued an unqualified opinion on the City of Monroe's financial statements for the year ended December 31, 2009. The independent auditor's report is located at the front of the financial section of this report.

If the threshold is met, the City of Monroe is required as part of the independent audit of the financial statements, to undergo a federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. Information related to the single audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued single audit report. For fiscal year 2009, a Single Audit was required and a report issued.

GAAP 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. The City of Monroe's MD&A can be found immediately following the report of the independent auditors.

Councilmembers: L. Wayne Adcock • Denise H. Dixon • Nathan Little • Lee P. Malcom
Cliff Peters • Jimmy Richardson • Rita A Scott

Profile of the Government

The City of Monroe incorporated in 1821, is located in Northeast Georgia, approximately 40 miles east of Atlanta. Monroe is the county seat of Walton County. The City encompasses approximately 15 square miles and serves an estimated population of 13,381. The City of Monroe is empowered to levy a property tax on both real and personal property located within its boundaries.

The City operates under a Mayor/Council form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and eight other members. The Mayor is elected at large, two Council Members are elected from super districts and six Council Members are elected by districts. Council members and the Mayor serve four-year staggered terms, with an election held every two years. City elections are conducted by the Walton County Board of Elections.

The City Administrator, who is appointed by the Mayor and Council, is responsible for carrying out the policies and ordinances of the Council and for overseeing the day-to-day operations of the City of Monroe.

The City of Monroe provides a full range of municipal services including police and fire protection, maintenance of streets, solid waste, building and zoning, code enforcement and library facilities. In addition to the usual government services, the City also provides a full range of utility services including electric, gas, water, wastewater, cable, internet and telephone.

A goal of the Mayor and City Council is to maintain the high quality of citizen services while keeping the property tax millage rates at some of the lowest among surrounding areas.

Also included as part of the City's reporting are the City of Monroe Downtown Development Authority (DDA) and the Monroe Area Convention and Visitors Bureau Authority (CVB). While both are legally separate entities, they are included as a component unit in the City of Monroe's financial statements.

The annual budget serves as the foundation for the City of Monroe's financial planning and control. All departments are required to submit budget requests to the City Administrator who compiles the proposed operating and capital budgets. The City Administrator presents this proposed budget to the Council during their annual retreat work session. The final budget is adopted in accordance with state law. Budget to actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted.

Local Economy

The City of Monroe continues to maintain a stable financial environment. Monroe is the county seat of Walton County, which according to the U.S. Census Bureau was ranked 39th among the 100 fastest growing counties in the U.S. from April 1, 2000 to July 1, 2008. Although residential development has been slow, some commercial development continues. The majority of the City's commercial

development lies along the Highway 78/138 corridor and with the construction of an $80 million hospital expected to begin sometime in 2010 the City expects this growth to continue.

During 2009 the City of Monroe's ISO Fire Rating was renewed at the Class 3 level, a rating that is obtained by less than 4% of Fire Departments rated in the United States. This shows the City's commitment to our citizens by providing the necessary manpower to receive and handle alarms and by maintaining the City's fire and water infrastructure. This rating will help to keep property and casualty insurance premiums for residential, commercial and industrial rates from rising.

Long-term Financial Planning

The City is currently in the planning and redeveloping stages of an area just south of the downtown area. Monroe will receive Transportation Enhancement (TE) program funds in the amount of $500,000 for the Broad Street (SR 11) Streetscape. Combined with $250,000 of City funds, this project will improve both sides of Broad Street with sidewalk, retaining walls, pavers, landscaping and lighting from Alcovy Street through the Walker Street intersection. This project is a continuation of a previously funded TE project and will complement on-going efforts within the Broad Street Corridor.

In 2010, the City will start the bid process and construction on a $500,000 Community Development Block Grant (CDBG FY09) sewer improvement project to rehab sewer lines that serve one of our lower income areas.

The City has completed Phase I of the upgrade to our existing water treatment plant and we expect Phase II to begin in 2010. The financing for these improvements is being done with low interest loan funds from the Georgia Environmental Facilities Authority (GEFA). The improvements will ensure continuation of a quality water supply for our citizens and improve the operation of the City's water treatment plant.

Major Initiatives

The City of Monroe is working closely with Georgia DOT and Walton County to improve the area's transportation projects. As mentioned above, the Highway 78/138 area's growth has seen the need to extend Highway 138 to alleviate some of the traffic issues. Charlotte Rowell Boulevard, an extension of Highway 138 north of Highway 78 to Highway 11, remains on schedule to go out for contracts later in 2010 according to Georgia Department of Transportation (DOT). This is one example of the partnership to improve our local transportation network. Another example is the partnership between Monroe and Walton County to complete a truck by-pass around the historic downtown area. Engineering is underway and negotiations continue with Georgia DOT for approval and eventually the construction of this much needed connector.

Awards and Acknowledgements

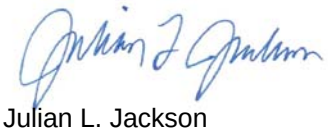
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2008. This was the seventh year that the government has received this prestigious award. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR 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.

In addition, the City received for the fifth year the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its Popular Annual Financial Report for the fiscal year ended December 31, 2008. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government must publish a Popular Annual Report whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Monroe's finances.

Respectfully submitted,



Julian L. Jackson
City Administrator



Renee L. Prather
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Monroe

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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





President



Executive Director

City of Monroe, Georgia
List of Elected and Appointed Officials
December 31, 2009

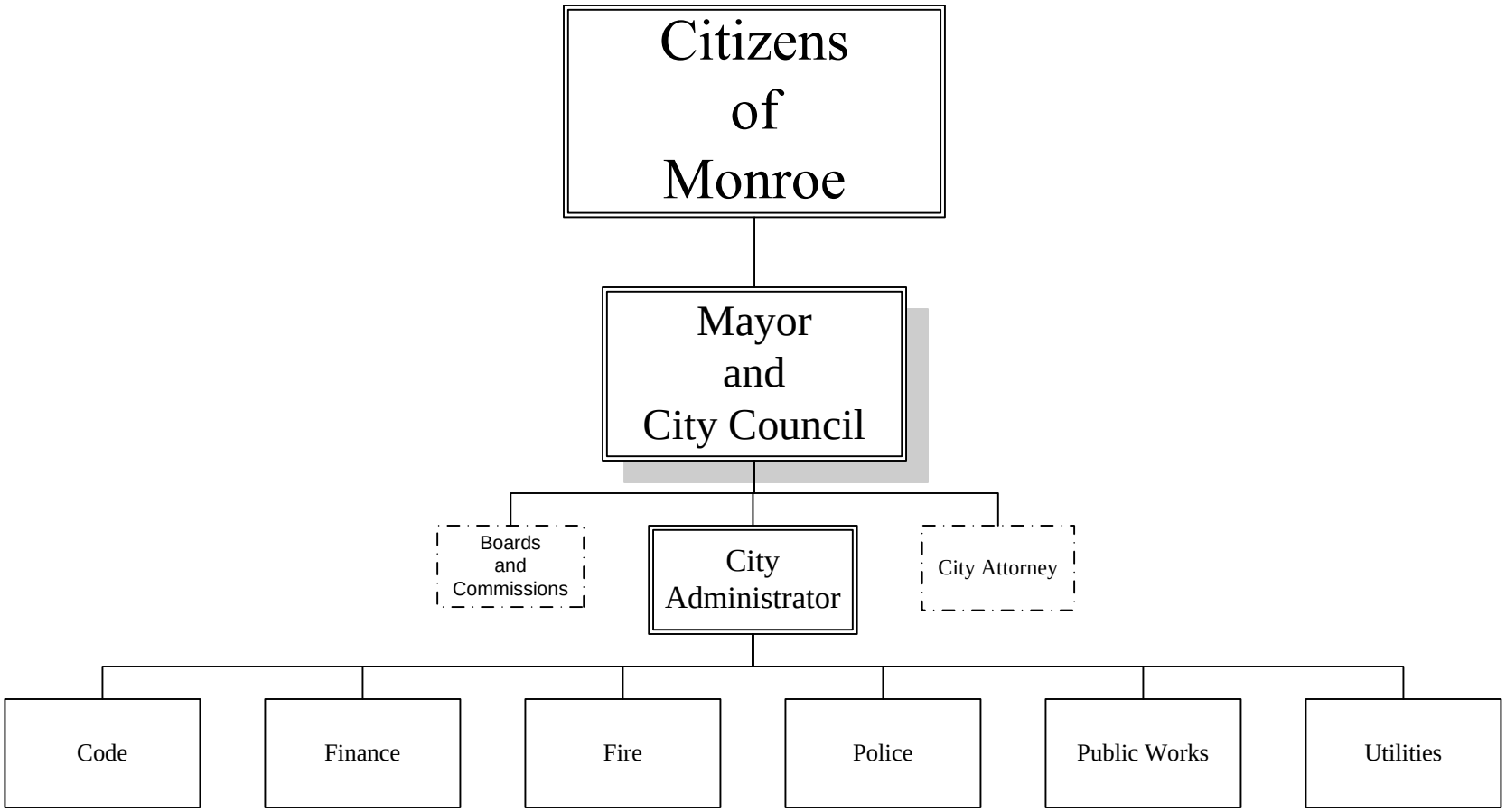
Elected Officials

Mayor	Gregory P. Thompson
Vice Mayor	L. Wayne Adcock
Council Member	Denise H. Dixon
Council Member	C. Nathan Little
Council Member	Lee P. Malcom
Council Member	Clifford K. Peters
Council Member	James D. Richardson
Council Member	Rita A. Scott
Council Member	Jerry L. Smith

Appointed Officials

City Administrator	Julian L. Jackson
Code Enforcement	M. Knox Bell
Electric & Telecommunications Director	Brian K. Thompson
Finance Director	Renee L. Prather
Fire Chief	Wayne H. Chancey
Police Chief	M.Keith Glass
Public Works Director	H. Steve Worley
Water & Gas Director	Rodney W. Middlebrooks

City of Monroe, Georgia
Organizational Chart



Since 1821
THE CITY OF
Monroe

FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members
of City Council
City of Monroe, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the **City of Monroe, Georgia** as of and for the year ended December 31, 2009, which collectively comprise the City of Monroe, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Monroe, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Monroe, Georgia as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the budgetary comparison 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 our report dated May 7, 2010, on our consideration of the City of Monroe, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis and Schedule of Funding Progress on pages 3 - 11 and 47 are not a required part of the basic financial statements, but are 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 City of Monroe, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-21, and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds 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 and statistical sections 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.



Atlanta, Georgia
May 7, 2010

CITY OF MONROE, GEORGIA
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2009

As management of the City of Monroe, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Monroe for the fiscal year ended December 31, 2009. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the Fiscal Year 2009 are as follows:

- The City of Monroe's combined net assets totaled $77,080,114. Of this amount, unrestricted net assets of $13,422,789 may be used to meet the City's ongoing obligations to citizens and creditors.

- Total net assets increased by $1,612,160 during the most recent fiscal year resulting from governmental and business-type activities.

- As of the close of the fiscal year, the City of Monroe's governmental funds reported combined ending fund balances of $1,752,809, a decrease of $69,165 in comparison with the prior year. Of this amount, approximately 79 percent of these funds are available for spending at the government's discretion (unreserved fund balance).

- The General Fund reported an unreserved fund balance of $1,231,568 or approximately 14.6 percent of the total General Fund expenditures.

- At the close of the fiscal year, the assets in the City of Monroe's Utilities Fund exceeded its liabilities by $56,275,065. Included in these net assets is $11,214,895 of unrestricted net assets available to meet the Utilities' on-going obligations to its customers and creditors.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The statement of net assets presents information on all of the City'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 City is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the fiscal year ended December 31, 2009. All changes in net assets are reported as soon as the underlying event giving rise

to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the City include utilities and solid waste. The final category is the component unit. Although legally separate from the City of Monroe, the City of Monroe Downtown Development Authority and the City of Monroe Convention & Visitors Bureau are important to the City of Monroe because the City of Monroe exercises control over these component units by appointing its members. Financial information for these component units is reported separately from the financial information presented for the primary government.

The government-wide financial statements can be found on pages 12-14 of this report.

Fund financial statements. The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Monroe, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The City of Monroe maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered a major fund. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 48-51 of this report.

The City adopts an annual appropriated budget for its General, Special Revenue and Debt Service Funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget and can be found on page 18 of this report. Budgetary comparisons for Special Revenue and Debt Service Funds can be found on pages 52-54 of this report.

Proprietary funds. The City of Monroe maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility and solid waste operations. They are the same as those functions shown in the business-type activities in the Statement of Net Assets and the Statement of Activities.

The City's proprietary fund financial statements are presented on pages 19-22.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-46 of this report.

Other supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Monroe's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 47 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial condition. In the case of the City of Monroe, assets exceeded liabilities by $77,080,114 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets, $63,657,325 (83%) reflects its investment in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, sidewalks and utility service lines) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF MONROE, GEORGIA
Statement of Net Assets
Fiscal Years 2009 and 2008

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Assets:						
Current and other assets	$ 3,619,521	$ 3,863,729	$ 15,670,158	$ 10,108,754	$ 19,289,679	$ 13,972,483
Capital assets-net	24,162,784	25,177,710	71,568,108	75,103,258	95,730,892	100,280,968
Total assets	27,782,305	29,041,439	87,238,266	85,212,012	115,020,571	114,253,451
Liabilities:						
Long-term liabilities	6,505,013	6,792,536	26,230,877	26,948,222	32,735,890	33,740,758
Other liabilities	1,336,830	1,461,559	3,867,737	3,583,180	5,204,567	5,044,739
Total liabilities	7,841,843	8,254,095	30,098,614	30,531,402	37,940,457	38,785,497
Net Assets:						
Invested in capital assets, net of related debt	18,072,719	18,777,190	45,584,606	48,383,571	63,657,325	67,160,761
Unrestricted	1,867,743	2,010,154	11,555,046	6,297,039	13,422,789	8,307,193
Total net assets	$ 19,940,462	$ 20,787,344	$ 57,139,652	$ 54,680,610	$ 77,080,114	$ 75,467,954

The full amount of unrestricted net assets is $13,422,789 and may be used to meet the government's ongoing obligations to citizens and creditors.

Although the net assets of our business-type activities represent 74% of total net assets, the City generally can only use these resources to finance the continuing operations of the business-type activities.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

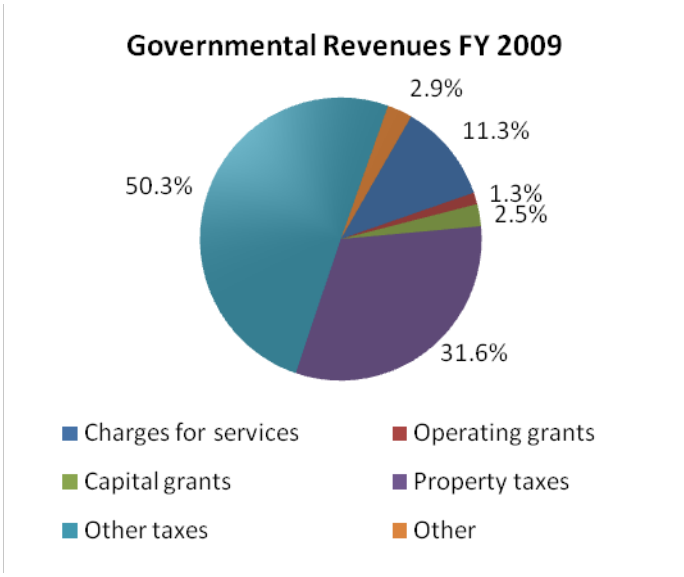
CITY OF MONROE, GEORGIA
Changes in Net Assets
Fiscal Years 2009 and 2008

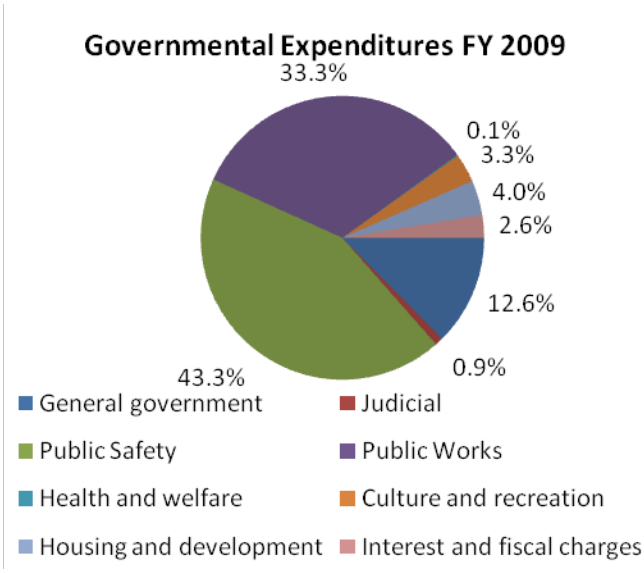
	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Revenues						
Program revenues:						
Charges for services	$ 1,060,763	$ 1,199,491	$ 35,272,373	$ 35,089,196	$ 36,333,136	$ 36,288,687
Operating grants	125,117	108,675	-	-	125,117	108,675
Capital grants	236,642	282,814	481,350	258,931	717,992	541,745
General revenues:						
Property taxes	2,957,251	3,058,767	-	-	2,957,251	3,058,767
Other taxes	4,698,226	4,799,685	-	-	4,698,226	4,799,685
Other	269,280	189,599	690,521	174,392	959,801	363,991
Total revenues	9,347,279	9,639,031	36,444,244	35,522,519	45,791,523	45,161,550
Program expenses						
General government	1,455,946	1,256,230	-	-	1,455,946	1,256,230
Judicial	104,591	86,259	-	-	104,591	86,259
Public Safety	4,996,201	5,149,446	-	-	4,996,201	5,149,446
Public Works	3,843,201	3,903,485	-	-	3,843,201	3,903,485
Health and w elfare	14,904	8,756	-	-	14,904	8,756
Culture and recreation	379,755	364,677	-	-	379,755	364,677
Housing and development	456,953	546,277	-	-	456,953	546,277
Interest and fiscal charges	300,072	313,270	-	-	300,072	313,270
Utilities	-	-	28,256,164	30,977,046	28,256,164	30,977,046
Solid Waste	-	-	4,371,576	3,600,554	4,371,576	3,600,554
Total expenses	11,551,623	11,628,400	32,627,740	34,577,600	44,179,363	46,206,000
Increase (decrease) in net assets before transfers	(2,204,344)	(1,989,369)	3,816,504	944,919	1,612,160	(1,044,450)
Transfers	1,357,462	1,332,717	(1,357,462)	(1,332,717)	-	-
Increase (decrease) in net assets	(846,882)	(656,652)	2,459,042	(387,798)	1,612,160	(1,044,450)
Net assets, beginning	20,787,344	21,443,996	54,680,610	55,068,408	75,467,954	76,512,404
Net assets, ending	$ 19,940,462	$ 20,787,344	$ 57,139,652	$ 54,680,610	$ 77,080,114	$ 75,467,954

Governmental activities. Governmental activities decreased the City of Monroe's net assets by $846,882. Key elements of this decrease are as follows:

- Tax revenues decreased during the year. This decrease is primarily due to continued economic decline.
- Charges for services decreased due to lower than usual court fine collections.
- Capital grants decreased due to funds received the previous year for CDBG grant.
- Total expenses were consistent with prior year.

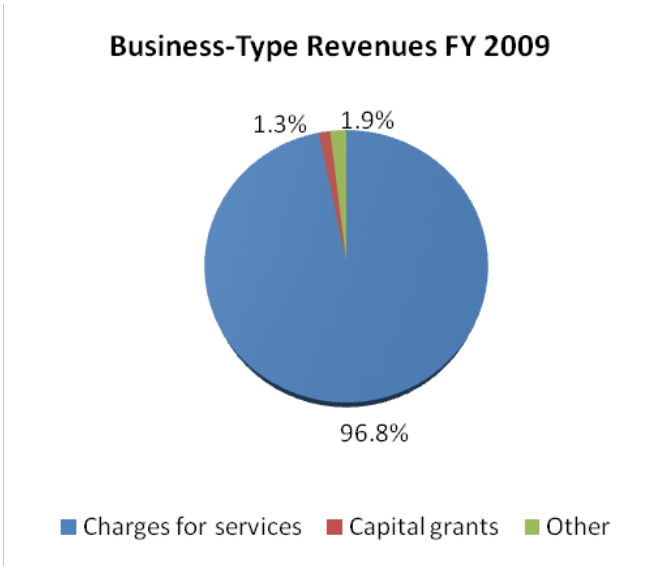
The following graphs show the breakdown by percentage of governmental revenues and expenses.

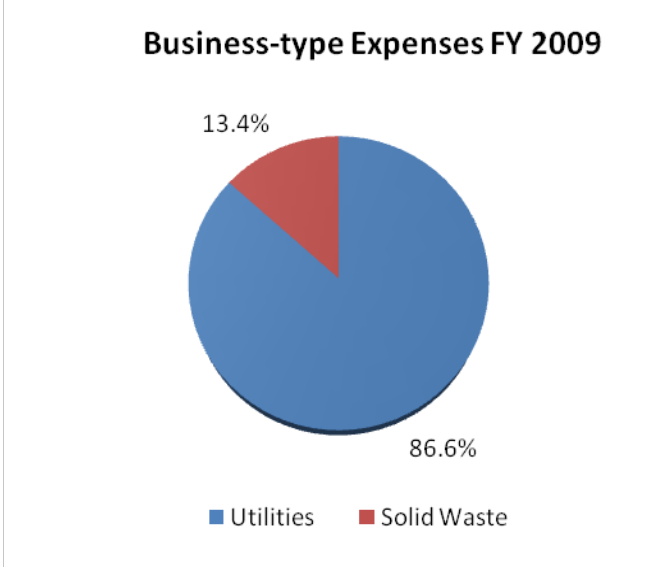




Business-type Activities. Business-type activities increased the City of Monroe's net assets by $2,459,042. The Utilities Fund, largest of the City's two business-type activities, accounted for 86.6% of the operating expenses and approximately 87% of the operating revenues among business-type activities. Key elements are as follows:

- Increase in water and wastewater rates.
- Increase in solid waste rates to keep up with increasing disposal rates.
- Overall effort to keep expenses down.





FINANCIAL ANALYSIS OF CITY OF MONROE'S FUNDS

As noted earlier, the City of Monroe employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $1,752,809, a decrease of $69,165 in comparison with the prior year. Of this amount, 79 percent of this total fund balance amount ($1,392,394) constitutes unreserved fund balance, which is available for spending at the City's discretion. The remainder of fund balance ($360,415) is reserved indicating it is not available for new spending because it has already been committed to the Solid Waste Fund in advances ($308,985), and other reserved purposes ($51,430).

The General Fund is the chief operating fund of the City of Monroe. At the end of the current fiscal year, the unreserved fund balance of the General Fund was $1,231,568, while total fund balance reached $1,591,983. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 14 percent of total General Fund expenditures, while total fund balance represents 18 percent of total General Fund expenditures.

Fund balance of the City of Monroe's General Fund decreased by $159,906 during the current fiscal year. Key factor in this small decrease is the increase in employee health insurance expenditures.

Total fund balance for nonmajor special revenue funds at year-end was $26,032. This total, all of which is unreserved, had a net decrease of $602. Included above are the Forfeited Drug Fund and the Hotel/Motel Tax Fund. In the Forfeited Drug Fund the increase was primarily due to an increase in the number of law enforcement cases forfeited through the court system with funds restricted for law enforcement purposes. The Hotel/Motel Tax Fund showed a decrease resulting from a slow-down in the local economy, this fund accounts for local room taxes collected and are restricted for promotion of trade and tourism in the City.

The debt service fund has a total fund balance of $402, all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was $208. Principal payments made during the year were $310,000 and interest expenditures $304,208.

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

Unrestricted net assets of the Utilities Fund at the end of the year amounted to $11,214,895, and those for the Solid Waste Fund amounted to $340,151. The net increase in net assets for both funds was $2,459,042.

Total net assets of the Utilities Fund increased by $2,144,273. This increase was 599.5 percent higher than the previous year's decrease of $429,224. The total net assets of the Solid Waste Fund increased by $314,769. This increase is 659.8 percent more than the previous year's increase of $41,426. Factors concerning the finances of these two funds have already been addressed in the discussion of the City of Monroe's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City of Monroe's General Fund budget is prepared according to Georgia Law and was amended by Council during the fiscal year. A comparison on General Fund actual expenditures to budget can be found on page 18. Differences between the original budget and the final amended budget for the General Fund are summarized as follows:

- Budgeted revenues increased from $7,370,320 to $7,740,092. Tax and permit revenues accounted for $106,060 of this increase due to the increase in collection of property taxes and the associated penalties. Intergovernmental revenue increased $206,000 due to several grants received after initial budget was adopted.
- Municipal Court Fines and Miscellaneous Revenues increased a net of $58,000.
- $305,000 increase to General Government, Public Safety and Special Facilities for employee health insurance costs.
- General Government $50,060 increase in expenditures for cost of professional fees due to grants received.
- Police department expenditures increased by $40,000 for cost of equipment purchased with grant funds.
- Special Facilities $15,000 increase in expenditures for cost of roof at public library.
- Amended budget for use of Fund Balance of $320,000.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City of Monroe's investment in capital assets for its governmental and business-type activities as of December 31, 2009, amounts to $95,730,892 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure, buildings and improvements, equipment, furniture & vehicles, and construction in progress.

Major capital asset events during the current fiscal year included the following:

Governmental type activities:

- $321 thousand for infrastructure & improvements.
- Purchase of almost $156 thousand in machinery, equipment and vehicles.
- Addition of $54 thousand in land that was turned over to the City as donated assets.
- Construction in progress as of the end of the current fiscal year totaling almost $5 thousand.

Business-type activities:

- Purchase of almost $197 thousand in specialized service installation equipment and vehicles.
- $984 thousand in utility infrastructure & improvements.
- Construction in progress as of the end of the current fiscal year totaling almost $2.5 million for electric, gas, sewer, water and cable upgrades and projects.
- $3.4 million in gas infrastructure sold to Atlanta Gas Light (Oconee County gas system).
- $20 thousand in land sold to Atlanta Gas Light (Oconee County gas system).

CITY OF MONROE, GEORGIA
Capital Assets
(net of depreciation)
Fiscal Years 2009 and 2008

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Land	$ 3,265,554	$ 3,211,104	$ 2,109,443	$ 2,129,713	$ 5,374,997	$ 5,340,817
Infrastructure	10,016,825	11,930,839	36,211,311	39,126,745	46,228,136	51,057,584
Buildings and Improvements	9,161,043	7,973,152	22,328,279	23,063,328	31,489,322	31,036,480
Equipment, furniture & vehicles	1,714,216	1,961,232	8,383,801	9,213,519	10,098,017	11,174,751
Construction in progress	5,146	101,383	2,535,274	1,569,953	2,540,420	1,671,336
Total	$ 24,162,784	$ 25,177,710	$ 71,568,108	$ 75,103,258	$ 95,730,892	$ 100,280,968

Additional information on the capital assets can be found in the Notes to Financial Statements on pages 35-36 of this report.

Long-term debt. As of December 31, 2009, the City of Monroe's total long-term debt outstanding is $31,415,000. Of this amount, $6,140,000 comprises debt backed by the full faith and credit of the government. The remainder of City debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

CITY OF MONROE, GEORGIA
Outstanding Debt
General Obligation and Revenue Bonds
Fiscal Years 2009 and 2008

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
General obligation bonds	$ 6,140,000	$ 6,450,000	$ -	$ -	$ 6,140,000	$ 6,450,000
Revenue bonds	-	-	25,275,000	26,710,000	25,275,000	26,710,000
Total	$ 6,140,000	$ 6,450,000	$ 25,275,000	$ 26,710,000	$ 31,415,000	$ 33,160,000

The City of Monroe's total debt decreased by $1,745,000 during the current fiscal year due to regularly scheduled principal payments made during the year. The City issued no new debt during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the City of Monroe is $34.5 million, which is in excess of the total bonded general obligation debt outstanding of $6.140 million.

The City of Monroe's outstanding governmental activity debt or general obligation (GO) debt enjoys a favorable rating of A from Standard & Poor's Rating Service. The City's outstanding business-type activity debt or utility revenue bond debt is rated A2 by Moody's Investors Service.

Additional information on the City of Monroe's long-term debt can be found in the Notes to Financial Statements on pages 36-39.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The declining economy has adversely affected several of the City of Monroe's main revenue sources. The reduction in revenue for Sales Tax, which includes local option and special local option sales tax, has been the most significant revenue shortfall. This reduction in revenue has resulted in the City's close monitoring of all revenues and expenditures.

The following indicators were taken into account when adopting the General Fund budget for 2010:

- Reductions in assessed value of the overall tax digest of around 7%. The rollback millage rate if adopted will allow for the levy to remain the same. Total tax levy was down just under $40 thousand from 2008 to 2009 with a total tax levy of $2,821,685.
- Decrease in local option sales tax revenue (LOST) and special purpose local option sales tax (SPLOST) revenues due to the economy.
- No additional staffing was approved for fiscal year 2010.

Anticipated revenues in the General Fund budget are $9.19 million, down $240 thousand from the amended 2009 budget. The 2010 budget was developed and adopted before 2009 fiscal year-end and reflects conservative revenue figures. No decrease in fund balance of General Fund is budgeted for fiscal year 2010.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of City of Monroe's finances for all those with an interest in our government's finances. Questions concerning this report or requests for additional information may be addressed to:

Finance Director
City of Monroe
P.O. Box 1249
Monroe, GA 30655
770-267-7536

Since 1821
THE CITY OF
Monroe

BASIC FINANCIAL STATEMENTS

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Convention & Visitors Bureau
ASSETS					
Cash and cash equivalents	$ 2,043,511	$ 2,001,113	$ 4,044,624	$ 72,604	$ 7,644
Accounts receivable, net of allowances	37,515	4,617,649	4,655,164	-	-
Taxes receivable	692,374	-	692,374	-	-
Internal balances	440,170	(440,170)	-	-	-
Due from other governments	281,887	25,655	307,542	44,537	-
Inventories and prepaid items	51,430	927,582	979,012	-	-
Deferred charges, unamortized balance	72,634	446,354	518,988	-	-
Restricted assets:					
Cash and cash equivalents	-	6,399,745	6,399,745	-	-
Investments	-	1,692,230	1,692,230	-	-
Capital assets:					
Non-depreciable	3,270,700	4,644,717	7,915,417	-	-
Depreciable, net of accumulated depreciation	20,892,084	66,923,391	87,815,475	-	-
Total assets	27,782,305	87,238,266	115,020,571	117,141	7,644
LIABILITIES					
Accounts payable	854,392	1,575,696	2,430,088	5,369	4,788
Accrued liabilities	467,985	2,292,041	2,760,026	-	-
Unearned revenue	14,453	-	14,453	-	-
Long-term liabilities:					
Portion due or payable within one year:					
Bonds and notes payable	355,000	1,580,443	1,935,443	-	-
Compensated absences	414,948	247,375	662,323	-	-
Portion due or payable in more than one year:					
Bonds and notes payable, net	5,735,065	24,403,059	30,138,124	-	-
Total liabilities	7,841,843	30,098,614	37,940,457	5,369	4,788
NET ASSETS					
Invested in capital assets, net of related debt	18,072,719	45,584,606	63,657,325	-	-
Unrestricted	1,867,743	11,555,046	13,422,789	111,772	2,856
Total net assets	$ 19,940,462	$ 57,139,652	$ 77,080,114	$ 111,772	$ 2,856

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 1,455,946	$ 524,931	$ -	$ -
Judicial	104,591	464,820	-	-
Public safety	4,996,201	58,667	125,117	-
Public works	3,843,201	11,470	-	215,984
Health and welfare	14,904	-	-	-
Culture and recreation	379,755	875	-	-
Housing and development	456,953	-	-	20,658
Interest on long-term debt	300,072	-	-	-
Total governmental activities	11,551,623	1,060,763	125,117	236,642
Business-type activities:				
Utilities	28,256,164	30,583,031	-	481,350
Solid waste	4,371,576	4,689,342	-	-
Total business-type activities	32,627,740	35,272,373	-	481,350
Total primary government	$ 44,179,363	$ 36,333,136	$ 125,117	$ 717,992
Component units:				
Downtown Development Authority	$ 258,458	$ 12,852	$ 47,877	$ -
Convention & Visitors Bureau	37,253	-	2,414	-
Total component units	$ 295,711	$ 12,852	$ 50,291	$ -

General revenues:	
Property taxes	
Sales taxes	
Franchise taxes	
Business taxes	
Unrestricted investment earnings	
Gain on sale of capital assets	
Miscellaneous	
Transfers	
Total general revenues and transfers	
Change in net assets	
Net assets, beginning of year	
Net assets, end of year	

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Assets					
Primary Government				Component Units	
Governmental Activities	Business-type Activities	Total		Downtown Development Authority	Convention & Visitors Bureau
$ (931,015)	$ -	$ (931,015)		$ -	$ -
360,229	-	360,229		-	-
(4,812,417)	-	(4,812,417)		-	-
(3,615,747)	-	(3,615,747)		-	-
(14,904)	-	(14,904)		-	-
(378,880)	-	(378,880)		-	-
(436,295)	-	(436,295)		-	-
(300,072)	-	(300,072)		-	-
(10,129,101)	-	(10,129,101)		-	-
-	2,808,217	2,808,217		-	-
-	317,766	317,766		-	-
-	3,125,983	3,125,983		-	-
$ (10,129,101)	$ 3,125,983	$ (7,003,118)		$ -	$ -
$ -	$ -	$ -		$ (197,729)	$ -
-	-	-		-	(34,839)
$ -	$ -	$ -		$ (197,729)	$ (34,839)
$ 2,957,251	$ -	$ 2,957,251		$ -	$ -
3,714,049	-	3,714,049		106,500	39,000
224,043	-	224,043		-	-
760,134	-	760,134		-	-
5,913	87,161	93,074		788	-
7,709	603,360	611,069		-	-
255,658	-	255,658		108,963	-
1,357,462	(1,357,462)	-		-	-
9,282,219	(666,941)	8,615,278		216,251	39,000
(846,882)	2,459,042	1,612,160		18,522	4,161
20,787,344	54,680,610	75,467,954		93,250	(1,305)
$ 19,940,462	$ 57,139,652	$ 77,080,114		$ 111,772	$ 2,856

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009

ASSETS	General Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 1,867,642	$ 175,869	$ 2,043,511
Taxes receivable	598,091	94,283	692,374
Accounts receivable	37,515	-	37,515
Due from other governments	281,887	-	281,887
Due from other funds	136,711	1,293	138,004
Advances to other funds	308,985	-	308,985
Prepaid expenditures	51,430	-	51,430
Total assets	$ 3,282,261	$ 271,445	$ 3,553,706
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 749,299	$ 105,093	$ 854,392
Accrued liabilities	395,614	-	395,614
Deferred revenues	544,072	-	544,072
Due to other funds	1,293	5,526	6,819
Total liabilities	1,690,278	110,619	1,800,897
FUND BALANCES			
Fund balances:			
Reserved for:			
Prepaid items	51,430	-	51,430
Advances	308,985	-	308,985
Unreserved, reported in:			
General fund	1,231,568	-	1,231,568
Special revenue funds	-	26,032	26,032
Debt service funds	-	402	402
Capital projects funds	-	134,392	134,392
Total fund balances	1,591,983	160,826	1,752,809
Total liabilities and fund balances	$ 3,282,261	$ 271,445	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	24,162,784
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	529,619
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(6,504,750)
Net assets of governmental activities	$ 19,940,462

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2009

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 6,029,747	$ 1,669,949	$ 7,699,696
Licenses and permits	115,645	-	115,645
Intergovernmental	305,434	1,875	307,309
Fines and forfeitures	464,820	40,054	504,874
Charges for services	437,664	-	437,664
Interest income	773	5,140	5,913
Miscellaneous	258,238	-	258,238
Total revenues	7,612,321	1,717,018	9,329,339
Expenditures			
Current:			
General government	1,201,703	-	1,201,703
Judicial	104,591	-	104,591
Public safety	4,873,156	43,803	4,916,959
Public works	1,560,545	1,430,128	2,990,673
Health and welfare	11,624	3,280	14,904
Culture and recreation	348,115	-	348,115
Housing and development	298,824	155,352	454,176
Capital outlay	-	118,346	118,346
Debt service:			
Principal retirements	-	310,000	310,000
Interest and issuance costs	-	304,208	304,208
Total expenditures	8,398,558	2,365,117	10,763,675
Deficiency of revenues under expenditures	(786,237)	(648,099)	(1,434,336)
Other financing sources (uses):			
Proceeds from sale of capital assets	7,709	-	7,709
Transfers in	1,357,462	739,659	2,097,121
Transfers out	(738,840)	(819)	(739,659)
Total other financing sources (uses)	626,331	738,840	1,365,171
Net change in fund balances	(159,906)	90,741	(69,165)
Fund balances, beginning of year	1,751,889	70,085	1,821,974
Fund balances, end of year	$ 1,591,983	$ 160,826	$ 1,752,809

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, 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 DECEMBER 31, 2009

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

Net change in fund balances - total governmental funds	$	(69,165)
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 depreciation exceeded capital outlay in the current period.		(1,069,376)
The net effect of various miscellaneous transactions involving capital assets (i.e., donations) is to increase net assets.		54,450
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(44,219)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This transaction, however, has no effect on net assets.		310,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(28,572)
Change in net assets - governmental activities	$	(846,882)

The accompanying notes are an integral part of these financial statements.

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 6,007,000	$ 6,093,060	$ 6,029,747	$ (63,313)
Licenses and permits	125,000	145,000	115,645	(29,355)
Fines and forfeitures	525,000	465,000	464,820	(180)
Interest	15,000	15,000	773	(14,227)
Charges for services	419,250	439,250	437,664	(1,586)
Intergovernmental	117,944	323,944	305,434	(18,510)
Miscellaneous	160,838	258,838	258,238	(600)
Total revenues	7,370,032	7,740,092	7,612,321	(127,771)
Expenditures				
Current:				
General government:				
Legislative	243,272	263,272	199,948	63,324
Executive	456,701	521,701	515,414	6,287
Board of elections	12,000	12,000	11,617	383
Financial administration	421,006	421,006	390,733	30,273
Law	65,000	65,000	60,066	4,934
Internal audit	32,000	32,000	23,925	8,075
General administration fees	4,800	4,800	-	4,800
Total general government	1,234,779	1,319,779	1,201,703	118,076
Judicial:				
Municipal court	94,950	109,950	104,591	5,359
Total judicial	94,950	109,950	104,591	5,359
Public safety:				
Police	3,187,205	3,437,205	3,396,118	41,087
Fire	1,469,839	1,499,839	1,477,038	22,801
Total public safety	4,657,044	4,937,044	4,873,156	63,888
Public works:				
Highways and streets administration	1,634,060	1,634,060	1,560,545	73,515
Total public works	1,634,060	1,634,060	1,560,545	73,515
Health and welfare:				
Community center	13,000	13,000	11,624	1,376
Total health and welfare	13,000	13,000	11,624	1,376
Culture and recreation:				
Special facilities	200,724	230,724	221,856	8,868
Library	122,000	122,000	126,259	(4,259)
Total culture and recreation	322,724	352,724	348,115	4,609
Housing and development:				
Protective inspection administration	305,509	305,509	293,980	11,529
Planning and zoning	4,844	4,904	4,844	60
Total housing and development	310,353	310,413	298,824	11,589
Total expenditures	8,266,910	8,676,970	8,398,558	278,412
Deficiency of revenues under expenditures	(896,878)	(936,878)	(786,237)	150,641
Other financing sources (uses)				
Proceeds from sale of capital assets	-	20,000	7,709	(12,291)
Transfers in	1,656,586	1,356,586	1,357,462	876
Transfers out	(759,708)	(759,708)	(738,840)	20,868
Total other financing sources (uses)	896,878	616,878	626,331	9,453
Net change in fund balances	-	(320,000)	(159,906)	160,094
Fund balance, beginning of year	1,751,889	1,751,889	1,751,889	-
Fund balance, end of year	$ 1,751,889	$ 1,431,889	$ 1,591,983	$ 160,094

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2009

ASSETS	Utilities Fund	Solid Waste Fund	Totals
CURRENT ASSETS			
Cash and cash equivalents	$ 1,996,167	$ 4,946	$ 2,001,113
Accounts receivable	4,154,591	463,058	4,617,649
Due from other governments	25,655	-	25,655
Due from other funds	-	209,426	209,426
Prepaid items	45,032	3,457	48,489
Inventories	879,093	-	879,093
	7,100,538	680,887	7,781,425
RESTRICTED ASSETS			
Cash and cash equivalents	6,399,745	-	6,399,745
Investments	1,692,230	-	1,692,230
	8,091,975	-	8,091,975
Total current assets	15,192,513	680,887	15,873,400
CAPITAL ASSETS			
Non-depreciable	4,644,717	-	4,644,717
Depreciable, net of accumulated depreciation	66,398,955	524,436	66,923,391
	71,043,672	524,436	71,568,108
OTHER NONCURRENT ASSETS	446,354	-	446,354
Total noncurrent assets	71,490,026	524,436	72,014,462
Total assets	86,682,539	1,205,323	87,887,862
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	1,575,696	-	1,575,696
Accrued liabilities	143,805	-	143,805
Customer deposits	2,054,723	-	2,054,723
Compensated absences payable	215,624	31,751	247,375
Due to other funds	340,611	-	340,611
	4,330,459	31,751	4,362,210
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Revenue bonds payable - current	1,490,000	-	1,490,000
Notes payable - current	90,443	-	90,443
Accrued interest	93,513	-	93,513
	1,673,956	-	1,673,956
Total current liabilities	6,004,415	31,751	6,036,166
NONCURRENT LIABILITIES			
Revenue bonds payable	23,465,928	-	23,465,928
Notes payable	937,131	-	937,131
Advances from other funds	-	308,985	308,985
Total noncurrent liabilities	24,403,059	308,985	24,712,044
Total liabilities	30,407,474	340,736	30,748,210
NET ASSETS			
Invested in capital assets, net of related debt	45,060,170	524,436	45,584,606
Unrestricted	11,214,895	340,151	11,555,046
Total net assets	$ 56,275,065	$ 864,587	$ 57,139,652

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2009

	Utilities Fund	Solid Waste Fund	Totals
OPERATING REVENUES			
Charges for sales and services	$ 30,583,031	$ 4,689,342	$ 35,272,373
Total operating revenues	30,583,031	4,689,342	35,272,373
OPERATING EXPENSES			
Cost of sales and services	13,264,758	2,815,246	16,080,004
General operating expenses	10,988,997	1,486,541	12,475,538
Depreciation and amortization	2,829,971	69,789	2,899,760
Total operating expenses	27,083,726	4,371,576	31,455,302
Operating income	3,499,305	317,766	3,817,071
NON-OPERATING REVENUES (EXPENSES)			
Interest income	87,158	3	87,161
Intergovernmental	481,350	-	481,350
Interest expense	(1,172,438)	-	(1,172,438)
Gain on disposal of capital assets	603,360	-	603,360
Total non-operating revenue (expenses)	(570)	3	(567)
Income before transfers	3,498,735	317,769	3,816,504
Transfers out	(1,354,462)	(3,000)	(1,357,462)
Change in net assets	2,144,273	314,769	2,459,042
Net assets, beginning of year	54,130,792	549,818	54,680,610
Net assets, end of year	$ 56,275,065	$ 864,587	$ 57,139,652

The accompanying notes are an integral part of these financial statements.

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Utilities Fund	Solid Waste Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 30,334,424	$ 4,559,646	$ 34,894,070
Payments to suppliers	(17,667,266)	(3,226,201)	(20,893,467)
Payments to employees	(6,227,766)	(1,081,550)	(7,309,316)
Net cash provided by operating activities	6,439,392	251,895	6,691,287
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out to other funds	(1,354,462)	(3,000)	(1,357,462)
Repayment of advances	-	(248,895)	(248,895)
Net cash used in non-capital financing activities	(1,354,462)	(251,895)	(1,606,357)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(2,250,168)	-	(2,250,168)
Proceeds from sale of capital assets	3,559,238	-	3,559,238
Principal payments on bonds	(1,435,000)	-	(1,435,000)
Principal payments on note payable	(88,656)	-	(88,656)
Interest paid	(1,177,007)	-	(1,177,007)
Proceeds from notes payable	472,250	-	472,250
Issuance cost payments	(13,333)	-	(13,333)
Intergovernmental receipts	481,350	-	481,350
Net cash used in capital and related financing activities	(451,326)	-	(451,326)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	84,258	3	84,261
Purchases of investments	(537,023)	-	(537,023)
Net cash provided by (used in) investing activities	(452,765)	3	(452,762)
Net increase in cash and cash equivalents	4,180,839	3	4,180,842
Cash and cash equivalents, beginning of year	4,215,073	4,943	4,220,016
Cash and cash equivalents, end of year	$ 8,395,912	$ 4,946	$ 8,400,858
Classified as:			
Cash and cash equivalents	$ 1,996,167	$ 4,946	$ 2,001,113
Restricted cash and cash equivalents	6,399,745	-	6,399,745
	$ 8,395,912	$ 4,946	$ 8,400,858

(Continued)

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Utilities Fund	Solid Waste Fund	Totals
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	$ 3,499,305	$ 317,766	$ 3,817,071
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	2,829,971	69,789	2,899,760
Change in assets and liabilities:			
Increase in accounts receivable	(349,263)	(129,696)	(478,959)
Decrease in due from other funds	13,026	1,422	14,448
Decrease in due from other governments	87,630	-	87,630
(Increase) decrease in prepaid items	(20,339)	661	(19,678)
Decrease in inventories	131,651	-	131,651
Decrease in accounts payable	(48,908)	-	(48,908)
Decrease in accrued liabilities	(25,136)	-	(25,136)
Increase in customer deposits	336,502	-	336,502
Increase (decrease) in compensated absences payable	20,268	(1,428)	18,840
Decrease in due to other funds	(35,315)	(6,619)	(41,934)
Net cash provided by operating activities	$ 6,439,392	$ 251,895	$ 6,691,287
NONCASH INVESTING ACTIVITIES			
Appreciation of investments	$ 2,900	$ -	$ 2,900

The accompanying notes are an integral part of these financial statements.

Since 1821
THE CITY OF
Monroe

NOTES TO FINANCIAL STATEMENTS

Since 1821
THE CITY OF
Monroe

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Monroe, Georgia (the "City") 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 more significant of the City's accounting policies are described below.

A. Reporting Entity

Incorporated in 1821, under the laws of the State of Georgia, the City of Monroe is governed by a nine member Mayor/Council form of government. The mayor is elected to a four-year term, and council members are elected to staggered four-year terms. The Mayor serves as the Chief Executive Officer and the other eight council members serve on a part-time basis. The Mayor is assisted by a city administrator to handle the daily operations of the City.

The City's major operations include public safety, fire protection, public works maintenance, utility services and general administrative services. In addition, the City exercises sufficient control over other governmental authorities that are included as part of the City's reporting entity.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable and can impose its will. The discretely presented component units are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the City.

The Downtown Development Authority was activated by resolution in 1985 to promote and further develop trade, commerce, industry and employment opportunities within the City of Monroe, Georgia. It operates under an eight member board, one of which is a member of the City Council, appointed by the City. The City has the ability to impose its will on the Authority. The Authority does not issue separate financial statements and is included as a discretely presented component unit in the City's financial report.

The Monroe Area Convention and Visitors Bureau Authority was activated by resolution in 2008 to promote and further develop trade and tourism opportunities within the City of Monroe, Georgia. It operates under an eight member board, one of which is a member of the City Council, appointed by the City. The City has the ability to impose its will on the Convention and Visitors Bureau. The Convention and Visitors Bureau does not issue separate financial statements and is included as a discretely presented component unit in the City's financial report.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable. The statement of net assets will include non-current assets and non-current liabilities. In addition, the government-wide statement of activities reflects depreciation expense on the City's capital assets.

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes received up to sixty days after year end, sales taxes, franchise taxes, licenses, intergovernmental grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

In accordance with GASB Statement No. 33, “Accounting and Financial Reporting for Non-exchange Transactions,” the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

The City reports the following major governmental fund:

The **General Fund** is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The City reports the following major proprietary funds:

The **Utilities Fund** accounts for the operation and maintenance of the City's water and sewer, gas, electric, and cable utility services.

The **Solid Waste Fund** accounts for the operation and maintenance of the City's transfer station and solid waste disposal.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Budgets

Annual appropriated budgets are adopted for all governmental funds, with the exception of capital projects funds for which project length budgets are adopted. Budgets are adopted on a modified accrual basis, which is consistent with generally accepted accounting principles for governmental funds. All appropriations lapse at fiscal year end. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is used in the City's general fund. Encumbrances outstanding at year end are reported as a reservation of fund balance since they do not constitute expenditures or liabilities. There were no outstanding encumbrances at December 31, 2009.

E. Deposits and Investments

Georgia statutes authorize the City to invest in the following: (1) obligations of Georgia or any other state; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. Investments are reported at fair value as determined by quoted market prices.

F. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds is reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Receivables and Payables (Continued)

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

G. Inventories

The costs of governmental fund type inventories (which are not significant to the City) are recorded as expenditures when purchased rather than when consumed (purchase method). Inventories of the proprietary funds are valued at cost using the first-in/first-out (FIFO) method.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2009, are recorded as prepaid items in both government-wide and fund financial statements.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure (e.g., roads, bridges, sidewalks, and similar items) prior to January 1, 2003 has been reported.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets (Continued)

Capital assets of the City are depreciated using the straight line method over the following estimated useful lives:

Asset Class	Estimated Useful Life
Infrastructure	15-50
Buildings and improvements	20-50
Vehicles	5
Furniture and fixtures	10
Machinery and equipment	5-15

J. Restricted Assets

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. The “revenue bond construction” account is used to report those proceeds that are restricted for use in construction. The “revenue bond current debt service” account is used to segregate resources accumulated for debt service payments over the next twelve months.

K. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the City does not have a policy to pay any amounts when employees separate from service with the City. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. 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 term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Issuance costs are reported as deferred charges.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Long-Term Obligations (Continued)

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

M. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

N. Management 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 amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $6,504,750 difference are as follows:

Bonds payable	$	(6,140,000)
Bond issuance costs		72,634
Bond premium		(174,079)
Deferred charges on refunding		224,014
Accrued interest payable		(72,371)
Compensated absences		(414,948)
Net adjustment to reduce *fund balance- total governmental funds* to arrive at *net assets - governmental activities*	$	(6,504,750)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this $1,069,376 difference are as follows:

Capital outlay	$	381,537
Depreciation expense		(1,450,913)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(1,069,376)

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation explains that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $28,572 difference are as follows:

Compensated absences	$	(22,932)
Accrued interest		3,681
Amortization of issuance costs		(9,776)
Amortization of deferred charges on refunding		(22,976)
Amortization of bond premiums		23,431
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(28,572)

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The City of Monroe, Georgia employs the following procedures in establishing its annual budget:

1. Prior to January 1, the City Administrator submits to the Mayor and City Council a proposed operating budget for the fiscal year commencing on January 1. The operating budget includes proposed expenditures and the means for financing them.
2. The City Council holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of the City of Monroe, Georgia.
3. The budget is then revised and adopted or amended by the City Council at a subsequent regular meeting in the year to which it applies and within forty-five days following January 1.
4. The adopted budget may be revised during the year only by formal action of the City Council in a regular meeting and no increase shall be made therein without provision also being made for financing same, for anything above the legal level of budgetary control, which is the department level. However, transfers within a department may be made within any fund without council approval. The final budget amounts shown in these financial statements reflect amendments approved by the City Council.

NOTE 3. LEGAL COMPLIANCE – BUDGETS (CONTINUED)

B. Excess Expenditures over Appropriations

For the year ended December 31, 2009 expenditures exceeded the budget in the General Fund department as follows:

Fund/Department	Excess
General Fund - Library	$ 4,259

The excess of expenditures over budget that are noted above were primarily funded by available fund balance.

NOTE 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2009 are summarized as follows:

Amounts as presented on the entity wide statement of net assets:	
Cash and cash equivalents	$ 4,044,624
Restricted cash and cash equivalents	6,399,745
Restricted investments	1,692,230
Total	$ 12,136,599
Cash deposited with financial institutions	$ 10,444,369
Investments in the Municipal Competitive Trust	1,692,230
	$ 12,136,599

Credit risk. State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of December 31, 2009, the City's investment in the Municipal Competitive Trust were rated AAA.

At December 31, 2009, the City had the following investments:

Investment	Maturities (in years)	Fair Value
Municipal Competitive Trust - Short-term	Less than 1	$ 1,692,230
Total		$ 1,692,230

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest rate risk: The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – Deposits: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. As of December 31, 2009, the City and its component units did not have any deposits that were uninsured or under collateralized as defined by GASB pronouncements and State of Georgia statutes.

NOTE 5. RECEIVABLES

Property taxes are levied on property values assessed as of January 1. The City bills and collects its own property taxes. The taxes are levied by October 20 based on the assessed value of property as listed on the previous January 1 and are due on December 20 of each year.

Property taxes are recorded as receivables and deferred revenues when assessed. Revenues are recognized when available.

Receivables at December 31, 2009, for the City's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Utilities	Solid Waste	Nonmajor Governmental Funds
Receivables:				
Taxes	$ 598,091	$ -	$ -	$ 94,283
Accounts	37,515	4,209,238	463,058	-
Due from other governments	281,887	-	-	-
Less allowance for uncollectible	-	54,647	-	-
Net total receivable	$ 917,493	$ 4,154,591	$ 463,058	$ 94,283

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2009 is as follows:

	Beginning Balance	Increases	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 3,211,104	$ 54,450	$ -	$ 3,265,554
Construction in progress	101,383	210,192	(306,429)	5,146
Total	3,312,487	264,642	(306,429)	3,270,700
Capital assets, being depreciated:				
Infrastructure	24,991,263	-	(1,306,956)	23,684,307
Buildings and improvements	10,060,377	15,378	1,613,385	11,689,140
Equipment, furniture & vehicles	4,713,508	155,967	(31,190)	4,838,285
Total	39,765,148	171,345	275,239	40,211,732
Less accumulated depreciation for:				
Infrastructure	(13,060,424)	(607,058)	-	(13,667,482)
Buildings and improvements	(2,087,225)	(440,872)	-	(2,528,097)
Equipment, furniture & vehicles	(2,752,276)	(402,983)	31,190	(3,124,069)
Total	(17,899,925)	(1,450,913)	31,190	(19,319,648)
Total capital assets, being depreciated, net	21,865,223	(1,279,568)	306,429	20,892,084
Governmental activities capital assets, net	$ 25,177,710	$ (1,014,926)	$ -	$ 24,162,784
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 2,129,713	$ -	$ (20,270)	$ 2,109,443
Construction in progress	1,569,953	2,053,577	(1,088,256)	2,535,274
Total	3,699,666	2,053,577	(1,108,526)	4,644,717
Capital assets, being depreciated:				
Infrastructure	52,858,425	-	(2,429,020)	50,429,405
Buildings and improvements	31,252,844	-	60,869	31,313,713
Equipment, furniture & vehicles	17,905,105	196,591	(101,330)	18,000,366
Total	102,016,374	196,591	(2,469,481)	99,743,484
Less accumulated depreciation for:				
Infrastructure	(13,731,680)	(1,007,213)	520,799	(14,218,094)
Buildings and improvements	(8,189,516)	(795,918)	-	(8,985,434)
Equipment, furniture & vehicles	(8,691,586)	(1,026,309)	101,330	(9,616,565)
Total	(30,612,782)	(2,829,440)	622,129	(32,820,093)
Total capital assets, being depreciated, net	71,403,592	(2,632,849)	(1,847,352)	66,923,391
Business-type activities capital assets, net	$ 75,103,258	$ (579,272)	$ (2,955,878)	$ 71,568,108

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	$ 242,227
Public safety	207,255
Public works	955,240
Culture and recreation	46,191
Total depreciation expense - governmental activities	$ 1,450,913
Business-type activities:	
Utilities	$ 2,759,651
Solid waste	69,789
Total depreciation expense - business-type activities	$ 2,829,440

NOTE 7. LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 6,450,000	$ -	$ (310,000)	$ 6,140,000	$ 355,000
Less: Deferred charges, net	(49,480)	-	(455)	(49,935)	
Total general obligation bonds	6,400,520	-	(310,455)	6,090,065	355,000
Compensated absences	392,016	475,125	(452,193)	414,948	414,948
Governmental activity Long-term liabilities	$ 6,792,536	$ 475,125	$ (762,648)	$ 6,505,013	$ 769,948
Business-type activities:					
Revenue bonds payable	$ 26,710,000	$ -	$ (1,435,000)	$ 25,275,000	$ 1,490,000
Less: Deferred charges, net	(332,093)	-	13,021	(319,072)	
Total revenue bonds	26,377,907	-	(1,421,979)	24,955,928	1,490,000
Note payable	341,780	774,450	(88,656)	1,027,574	90,443
Compensated absences	228,535	491,619	(472,779)	247,375	247,375
Business-type activity Long-term liabilities	$ 26,948,222	$ 1,266,069	$ (1,983,414)	$ 26,230,877	$ 1,827,818

NOTE 7. LONG-TERM DEBT (CONTINUED)

For governmental funds, compensated absences are liquidated by the General Fund.

General Obligation Bonds. In November 2000, the City issued General Obligation Bonds (Series 2000) to finance various construction and capital acquisition projects. These bonds were issued for an original amount of $7,195,000 bearing interest of 5.275% per annum payable semi-annually on April 1 and October 1 and maturing in 2013.

In October 2006, the City issued General Obligation Refunding Bonds (Series 2006) to provide funds to advance refund $4,270,000 in aggregate principal amount of the City's Series 2000 General Obligation Bonds. These bonds were issued for an original amount of $4,430,000 bearing interest from 3.625% to 5.00% per annum payable semi-annually on April 1 and October 1 and maturing in 2019.

The debt service to maturity on the general obligation bonds is as follows:

	Series 2006		Series 2000		
Year Ending December 31,	Principal	Interest	Principal	Interest	Total
2010	$ -	$ 204,462	$ 355,000	$ 85,020	$ 644,482
2011	10,000	204,462	400,000	67,802	682,264
2012	20,000	204,100	450,000	48,002	722,102
2013	20,000	203,376	505,000	25,502	753,878
2014	585,000	202,650	-	-	787,650
2015-2019	3,795,000	531,450	-	-	4,326,450
Total	$ 4,430,000	$ 1,550,500	$ 1,710,000	$ 226,326	$ 7,916,826

Revenue Bonds. The City issued the following revenue bonds in order to finance construction and system extension:

In February 2001, the City issued the Combined Utility Revenue Bonds (Series 2001) in the original amount of $20,555,000 bearing interest at an average rate of 4.95% payable each June 1 and December 1 beginning 2003 until 2014.

In July 2003, the City issued the Combined Utility Revenue Bonds (Series 2003) in the original amount of $13,275,000 bearing interest at an average rate of 3.06% payable each June 1 and December 1 beginning 2003 until 2018.

NOTE 7. LONG-TERM DEBT (CONTINUED)

The debt service to maturity on the Series 2003 and 2001 revenue bonds is as follows:

Year Ending December 31,	Series 2003 Principal	Series 2003 Interest	Series 2001 Principal	Series 2001 Interest	Total
2010	$ 655,000	$ 206,268	$ 835,000	$ 203,652	$ 1,899,920
2011	675,000	186,618	870,000	168,135	1,899,753
2012	695,000	164,680	905,000	129,015	1,893,695
2013	720,000	141,050	950,000	88,290	1,899,340
2014	700,000	115,850	990,000	45,540	1,851,390
2015-2018	2,240,000	216,400	-	-	2,456,400
Total	$ 5,685,000	$ 1,030,866	$ 4,550,000	$ 634,632	$ 11,900,498

In October 2006, the City issued the Combined Utility Revenue Refunding Bonds (Series 2006) to advance refund $14,720,000 in aggregate principal amount of the Series 2001 Revenue Bonds. These bonds were issued for an original amount of $15,040,000 bearing interest from 4.00% to 5.00% payable each June 1 and December 1 and maturing in 2025.

The debt service to maturity on the Series 2006 revenue bonds is as follows:

Year Ending December 31,	Principal	Interest	Total
2010	$ -	$ 707,163	$ 707,163
2011	-	707,163	707,163
2012	-	707,163	707,163
2013	-	707,163	707,163
2014	-	707,163	707,163
2015-2019	5,865,000	2,978,063	8,843,063
2020-2024	7,475,000	1,372,511	8,847,511
2025	1,700,000	70,125	1,770,125
Total	$ 15,040,000	$ 7,956,514	$ 22,996,514

As part of the refundings mentioned above, the City has defeased certain outstanding general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On December 31, 2009, the outstanding amount of bonds considered defeased is as follows:

Series 2000 General Obligation Bonds	$ 4,270,000
Series 2001 Revenue Bonds	14,720,000

NOTE 7. LONG-TERM DEBT (CONTINUED)

Note Payable. The City has also incurred debt to the Georgia Environmental Facilities Authority (GEFA) for construction of various water and sewer system projects. The notes payable to GEFA, including their original balances, are as follows at December 31, 2009.

Interest Rate	Term	Due Date	Original Balance
2.00%	20 years	2012	$ 1,560,000
3.89%	N/A	N/A	774,450
			$ 2,334,450

The above table includes GEFA loan 2009L05WS for $774,540 that is still in the draw down phase as of December 31, 2009, and the repayment terms will be determined upon completion of the projects and the final draw being made. Interest accrues at 3.89%.

The debt service requirements to maturity on the note payable are as follows:

	Principal	Interest	Total
Year Ending December 31,			
2010	$ 90,443	$ 4,387	$ 94,830
2011	92,265	2,565	94,830
2012	70,416	705	71,121
Total	$ 253,124	$ 7,657	$ 260,781

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2009 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Utilities Fund	$ 131,185
General Fund	Nonmajor governmental funds	5,526
Nonmajor governmental funds	General Fund	1,293
Solid Waste Fund	Utilities Fund	209,426
		$ 347,430

The outstanding balances between funds result mainly from the time lag between the dates that transactions are recorded in the accounting system, and payments between funds are made.

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Advances to/from other funds are as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Solid Waste Fund	$ 308,985

The amount payable from the Solid Waste Fund is for long-term financing provided to the Solid Waste Fund by the General Fund and is expected to be repaid in periods beyond December 31, 2009.

Interfund transfers:

Transfers In	Transfers Out	Amount
Nonmajor governmental funds	General Fund	$ 738,840
Nonmajor governmental funds	Nonmajor governmental funds	819
		$ 739,659
General Fund	Utilities Fund	$ 1,354,462
General Fund	Solid Waste Fund	3,000
		$ 1,357,462

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. PENSION PLAN

Plan Description

The City, as authorized by the City Council, has established a defined benefit pension plan (The City of Monroe Retirement Plan) covering all full-time employees. The City's pension plan is affiliated with the Georgia Municipal Employee Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association. Contributions made by the City are commingled with contributions made by other members of GMEBS for investment purposes. The City does not own any securities on its own. Investment income from the securities is allocated on a pro rata basis. The Georgia Municipal Association issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS. That report may be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, NW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

As provided by state law, benefit provisions for participants in GMEBS are established by the respective employers. As authorized by City Council, the plan provides pension benefits and death and disability benefits for plan members and beneficiaries. All employees, excluding elected officials, who work thirty hours or more per week, are eligible to participate after one year. Benefits vest after five years of service. A City employee who retires at age 65 with five years of service is entitled to benefits of 2.0% of final average earnings in excess of covered compensation. An employee may elect early retirement at age 55 provided he has a minimum of 25 years total credited service to receive full benefits, otherwise early retirement may be elected after only 10 years of service for reduced benefits. Elected officials are entitled to $30 for each year of service after reaching normal retirement age.

At October 1, 2009, the date of the most recent actuarial valuation, there were 309 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	55
Terminated vested participants not yet receiving benefits	32
Active employees - vested	150
Active employees - nonvested	72
Total	309

NOTE 9. PENSION PLAN (CONTINUED)

Funding Policy

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The board of Trustees of GMEBS has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the plan is to contribute an amount equal to or greater than the recommended contribution described below. For 2009, the actuarially determined contribution rate was 11.74% of covered payroll.

For 2009, the City's recommended contribution was $964,278. Actual contributions totaled $964,278. The recommended contribution was determined as part of the November 1, 2008 actuarial valuation using the projected unit credit actuarial cost method. Actuarial assumptions include an 8.0% rate of return on investments and projected salary increases of 5.5% (5.0% due to inflation and .5% due to merit or seniority increases). The period, and related method, for amortizing the initial unfunded actuarial accrued liability is 30 years from 1981 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, 20 years for plan provision and 30 years for actuarial assumptions and cost methods as a level dollar amount. These amortization periods are closed for this plan year. The actuarial value of the plan assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a ten year period.

Employer Contributions

Fiscal Year Ended December 31,	Annual Pension Cost (APC)	Actual Pension Contribution	Percentage of APC Contributed	Net Pension Obligation
2009	$ 964,278	$ 964,278	100.0 %	$ -
2008	882,118	882,118	100.0	-
2007	807,003	1,685,638	208.9	-

NOTE 9. PENSION PLAN (CONTINUED)

The following is a schedule of funding progress, using the actuarial cost method:

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c)] UAAL as a Percentage of Covered Payroll
10/1/09	$ 9,044,142	$ 14,120,044	$ 5,075,902	64.05 %	$ 8,507,450	59.66 %

See required supplementary information for a history of funding progress.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of October 1, 2009.

NOTE 10. JOINT VENTURE

Under Georgia law, the City, in conjunction with other cities and counties in the 12 county Northeast Georgia area, is a member of the Northeast Georgia Regional Development Center (RDC). Dues to the RDC are assessed at the County level and are, accordingly, paid by Walton County. Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and various municipalities of the area. OCGA 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 the RDC's administrative office at 305 Research Drive, Athens, Georgia 30610.

NOTE 11. RELATED ORGANIZATIONS

The City's council is responsible for appointing a majority of the board members of the City of Monroe, Georgia Housing Authority. However, the City has no further accountability for the Authority.

NOTE 12. RISK MANAGEMENT

The City is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the City carries commercial insurance. Settlements have not exceeded coverage for the past three years. The City is self-insured for both employee group health insurance and workers' compensation claims. The City maintains specific stop loss coverage in the amount of $300,000 per claim for workers' compensation and $40,000 per covered individual for employee group health insurance. A liability for employee group health insurance and workers' compensation claims is recognized in the General Fund when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liability includes an estimate for claims that have been incurred but not reported.

Changes in the balances of claims liabilities during the past two years are as follows:

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2009	$ 283,333	$ 1,980,346	$ 1,999,563	$ 264,116
2008	$ 205,598	$ 1,836,375	$ 1,758,640	$ 283,333

NOTE 13. COMMITMENTS AND CONTINGENCIES

Grant Contingencies:

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

Contractual Commitments:

For the fiscal year ended December 31, 2009, contractual commitments on uncompleted contracts totaled $446,250.

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Electric Authority of Georgia:

The Municipal Electric Authority of Georgia (MEAG) is a public corporation and an instrumentality of the State of Georgia created to supply electricity to local government electric distribution systems. As provided by State law, MEAG establishes rates and charges so as to produce revenues sufficient to cover its costs, including debt service, but it may not operate any of its projects for profit unless any such profits inure to the benefit of the public.

As of December 31, 2009, the City is an electric utility participant in MEAG and obligated to purchase all of its bulk power supply requirements from MEAG for a period not to exceed 50 years. The City has agreed to purchase all of its future power and energy requirements in excess of that received by the City through the Southeastern Power Administration at prices intended to cover the operating costs of the systems and to retire any debt incurred by the Authority. In the event that revenues are insufficient to cover all costs and retire the outstanding debt, each participating City has guaranteed a portion of the unpaid debt based on its individual entitlement shares of the output and services of generating units acquired or constructed by MEAG. In addition, in the event of discontinued service to a participant in default, the City would be obligated to purchase additional power subject to contractual limitations. Payments to MEAG are made monthly based on KWH usage. The total payments under these contracts amounted to $8,302,000 in 2009.

At December 31, 2009, the outstanding debt of MEAG was approximately $4.03 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately $59.7 million at December 31, 2009.

Agreements with the Municipal Gas Authority of Georgia:

The City has also entered into a contract for wholesale natural gas purchases with the Municipal Gas Authority of Georgia (MGAG) that requires the City to purchase all of its natural gas from MGAG. The gas supply contract with MGAG authorizes MGAG to establish rates and charges so as to produce revenues sufficient to cover its operating costs and retire its bonds issued to acquire long-term gas supplies for sale to its members, including the City. In the event that revenues are insufficient to cover all costs and retire the bonds issued by MGAG, the City is obligated to pay its “obligation share” of the costs of the gas supply and related services MGAG provides to the City, which costs includes amounts equal to principal and interest on MGAG’s bonds. These obligations, which extend through the year 2016, are general obligations of the City to which the City’s full faith, credit and taxing powers are pledged. The City’s obligation to MGAG for gas supply costs are based on MGAG’s costs to provide such supply, including bonds issued to purchase long-term rights to bulk supply. Payments to MGAG are made monthly based on actual usage. The total payments under these contracts amounted to $2,555,646 in 2009.

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

Agreements with the Municipal Gas Authority of Georgia (Continued):

At December 31, 2009, the outstanding debt of MGAG was approximately $285.5 million. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately $3.3 million at December 31, 2009.

NOTE 14. HOTEL/MOTEL LODGING TAX

The City imposes a 5% hotel/motel tax on lodging facilities within the City. Revenues were $28,684 for the year ended December 31, 2009. Of this amount, 100%, or $28,684, was expended for the promotion of tourism.

REQUIRED SUPPLEMENTARY INFORMATION

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT PLAN
SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
10/1/09	$ 9,044,142	$ 14,120,044	$ 5,075,902	64.1%	$ 8,507,450	59.7%
11/1/08	8,569,985	12,326,661	3,756,676	69.5%	8,216,415	45.7%
11/1/07	7,679,938	11,274,452	3,594,514	68.1%	7,241,557	49.6%
11/1/06	6,808,604	10,191,920	3,383,316	66.8%	7,164,234	47.2%
11/1/05	4,458,241	8,271,665	3,813,424	53.9%	6,710,595	56.8%
11/1/04	3,967,193	7,408,610	3,441,417	53.5%	6,016,378	57.2%

Note: See assumptions used for the Schedule of Funding Progress in Note 9 to the financial statements.

Since 1821
THE CITY OF
Monroe

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULE

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are restricted to expenditure for specified purposes.

Forfeited Drug Fund – This fund is used to account for the City's share of monies that have been forfeited through the court system that are restricted for law enforcement purposes.

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel taxes collected that are restricted for promotion of trade and tourism in the City.

DEBT SERVICE FUND

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund – To account for the accumulation of resources for, and payment of, principal and interest on the City's general obligation bonds.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

GO Bond Fund – This fund is used to account for various improvement and construction projects financed by the City's general obligation bonds.

Capital Projects Fund – This fund is used to account for the receipts and disbursements of grant money used to fund various capital outlay projects of the City.

SPLOST Fund – This fund is used to account for the one percent Special Purpose Local Option Tax (SPLOST) funds collected by Walton County and disbursed to the City. The funds are used for specific capital projects as approved by voter referendum.

CITY OF MONROE, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	Special Revenue Funds		
ASSETS	Forfeited Drug Fund	Hotel/Motel Tax Fund	Debt Service Fund
Cash and cash equivalents	$ 38,796	$ 2,277	$ 402
Taxes receivable	-	1,846	-
Due from other funds	1,293	-	-
Total assets	$ 40,089	$ 4,123	$ 402
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 18,180	$ -	$ -
Due to other funds	-	-	-
Total liabilities	18,180	-	-
FUND BALANCES			
Unreserved	21,909	4,123	402
Total liabilities and fund balances	$ 40,089	$ 4,123	$ 402

Capital Projects Funds			Total
GO Bond Fund	Capital Projects Fund	SPLOST Fund	Nonmajor Governmental Funds
$ 128,378	$ 2,738	$ 3,278	$ 175,869
-	-	92,437	94,283
-	-	-	1,293
$ 128,378	$ 2,738	$ 95,715	$ 271,445
$ -	$ 310	$ 86,603	$ 105,093
-	-	5,526	5,526
-	310	92,129	110,619
128,378	2,428	3,586	160,826
$ 128,378	$ 2,738	$ 95,715	$ 271,445

CITY OF MONROE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Special Revenue Funds		
	Forfeited Drug Fund	Hotel/Motel Tax Fund	Debt Service Fund
REVENUES			
Taxes	$ -	$ 28,684	$ -
Intergovernmental	-	-	-
Fines and forfeitures	40,054	-	-
Interest	4,972	3	-
Total revenues	45,026	28,687	-
EXPENDITURES			
Current			
Public safety	43,803	-	-
Public works	-	-	-
Health and welfare	-	-	-
Housing and development	-	155,352	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	310,000
Interest and issuance costs	-	-	304,208
Total expenditures	43,803	155,352	614,208
Excess (deficiency) of revenues over (under) expenditures	1,223	(126,665)	(614,208)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	124,840	614,000
Transfers out	-	-	-
Total other financing sources (uses)	-	124,840	614,000
Net change in fund balances	1,223	(1,825)	(208)
FUND BALANCES (DEFICIT), beginning of year	20,686	5,948	610
FUND BALANCES, end of year	$ 21,909	$ 4,123	$ 402

Capital Projects Funds			Total
GO Bond Fund	Capital Projects Fund	SPLOST Fund	Nonmajor Governmental Funds
$ -	$ -	$ 1,641,265	$ 1,669,949
-	1,875	-	1,875
-	-	-	40,054
140	-	25	5,140
140	1,875	1,641,290	1,717,018
-	-	-	43,803
-	-	1,430,128	1,430,128
3,280	-	-	3,280
-	-	-	155,352
-	1,129	117,217	118,346
-	-	-	310,000
-	-	-	304,208
3,280	1,129	1,547,345	2,365,117
(3,140)	746	93,945	(648,099)
-	819	-	739,659
-	-	(819)	(819)
-	819	(819)	738,840
(3,140)	1,565	93,126	90,741
131,518	863	(89,540)	70,085
$ 128,378	$ 2,428	$ 3,586	$ 160,826

CITY OF MONROE, GEORGIA
FORFEITED DRUG FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2009

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines & forfeitures	$ 30,000	$ 45,000	$ 40,054	$ (4,946)
Interest	-	-	4,972	4,972
Total revenues	30,000	45,000	45,026	26
EXPENDITURES				
Public safety	30,000	45,000	43,803	1,197
Net change in fund balances	-	-	1,223	1,223
FUND BALANCES, beginning of year	20,686	20,686	20,686	-
FUND BALANCES, end of year	$ 20,686	$ 20,686	$ 21,909	$ 1,223

CITY OF MONROE, GEORGIA
HOTEL/MOTEL TAX FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2009

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 40,000	$ 40,000	$ 28,684	$ (11,316)
Interest	-	-	3	3
Total revenues	40,000	40,000	28,687	(11,313)
EXPENDITURES				
Housing and development	149,500	159,500	155,352	4,148
Total expenditures	149,500	159,500	155,352	4,148
Deficiency of revenues under expenditures	(109,500)	(119,500)	(126,665)	(7,165)
OTHER FINANCING SOURCES				
Transfers in	109,500	119,500	124,840	5,340
Net change in fund balances	-	-	(1,825)	(1,825)
FUND BALANCES, beginning of year	5,948	5,948	5,948	-
FUND BALANCES, end of year	$ 5,948	$ 5,948	$ 4,123	$ (1,825)

CITY OF MONROE, GEORGIA
DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2009

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES				
Debt service				
Principal retirements	$ 310,000	$ 310,000	$ 310,000	$ -
Interest and issuance costs	304,208	304,208	304,208	-
Total expenditures	614,208	614,208	614,208	-
Deficiency of revenues over expenditures	(614,208)	(614,208)	(614,208)	-
OTHER FINANCING SOURCES				
Transfers in	614,208	614,208	614,000	(208)
Total other financing sources	614,208	614,208	614,000	(208)
Net change in fund balances	-	-	(208)	(208)
FUND BALANCES, beginning of year	610	610	610	-
FUND BALANCES, end of year	$ 610	$ 610	$ 402	$ (208)

CITY OF MONROE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX FOR THE YEAR ENDED DECEMBER 31, 2009

Project	Original and Current Estimated Cost	Prior Year	Current Year		Total
Transportation, drainage and sidewalks	$ 9,136,000	$ 2,900,390	$ 891,296	(1)	$ 3,791,686
Public safety	2,500,000	-	-		-
Solid waste	1,500,000	-	-		-
Water & sewer	4,060,000	-	-		-
Airport	1,500,000	-	-		-
Electric, CATV & Fiber	1,500,000	-	-		-
	$ 20,196,000	$ 2,900,390	$ 891,296		$ 3,791,686

(1) The difference between the current year SPLOST expenditures and the total expenditures of the SPLOST fund is $656,868. These expenditures related to a bypass project which the City of Monroe is performing on behalf of Walton County. Expenditures related to the project are reimbursed by the County and do not represent expenditures of the City's SPLOST funds.

Since 1821
THE CITY OF
Monroe

COMPONENT UNITS

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$	32,435
Payments to suppliers		(255,273)
Net cash used in operating activities		(222,838)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Tax receipts		106,500
Donations received		3,340
Other nonoperating income		108,963
Net cash provided by non-capital financing activities		218,803
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received		788
Net cash provided by investing activities		788
Net decrease in cash		(3,247)
Cash, beginning of year		75,851
Cash, end of year	$	72,604
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	$	(245,606)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Change in assets and liabilities:		
Decrease in accounts receivable		19,583
Increase in accounts payable		3,185
Net cash used in operating activities	$	(222,838)

CITY OF MONROE, GEORGIA

BALANCE SHEET
COMPONENT UNIT - CONVENTION & VISITORS BUREAU
DECEMBER 31, 2009

ASSETS	
Cash	$ 7,644
Total assets	$ 7,644
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts payable	$ 4,788
Total liabilities	4,788
FUND BALANCE	
Unreserved	2,856
Total liabilities and fund balance	$ 7,644

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
COMPONENT UNIT - CONVENTION & VISITORS BUREAU
FOR THE YEAR ENDED DECEMBER 31, 2009

REVENUES	
Taxes	$ 39,000
Contributions	2,414
Total revenues	41,414
EXPENDITURES	
Tourism	37,253
Total expenditures	37,253
Net change in fund balance	4,161
FUND BALANCE (DEFICIT), beginning of year	(1,305)
FUND BALANCE, end of year	$ 2,856

Since 1821
THE CITY OF
Monroe

STATISTICAL SECTION

STATISTICAL SECTION

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

Page

Financial Trends **59**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity **66**

These schedules contain information to help the reader assess the City's most significant local revenue sources, property taxes and utility charges.

Debt Capacity **80**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information **85**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information **88**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

NET ASSETS BY COMPONENT
LAST SEVEN YEARS
(accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003
Governmental activities							
Invested in capital assets, net of related debt	**$ 18,072,719**	$ 18,777,190	$ 18,830,133	$ 17,937,677	$ 3,271,486	$ 2,685,278	$ 1,726,425
Restricted	**-**	-	-	-	113,454	2,697,316	3,693,156
Unrestricted	**1,867,743**	2,010,154	2,613,863	2,385,954	7,293,962	2,506,632	1,439,477
Total governmental activities net assets	**$ 19,940,462**	$ 20,787,344	$ 21,443,996	$ 20,323,631	$ 10,678,902	$ 7,889,226	$ 6,859,058
Business-type activities							
Invested in capital assets, net of related debt	**$ 45,584,606**	$ 48,383,571	$ 48,532,376	$ 47,035,378	$ 46,638,687	$ 40,778,483	$ 39,380,191
Unrestricted	**11,555,046**	6,297,039	6,536,032	5,361,388	4,212,532	6,294,103	6,068,795
Total business-type activities net assets	**$ 57,139,652**	$ 54,680,610	$ 55,068,408	$ 52,396,766	$ 50,851,219	$ 47,072,586	$ 45,448,986
Primary government							
Invested in capital assets, net of related debt	**$ 63,657,325**	$ 67,160,761	$ 67,362,509	$ 57,515,398	$ 49,910,173	$ 43,463,761	$ 41,106,616
Restricted	**-**	-	-	-	113,454	2,697,316	3,693,156
Unrestricted	**13,422,789**	8,307,193	9,149,895	7,747,342	11,506,494	8,800,735	7,508,272
Total primary government net assets	**$ 77,080,114**	$ 75,467,954	$ 76,512,404	$ 65,262,740	$ 61,530,121	$ 54,961,812	$ 52,308,044

CITY OF MONROE, GEORGIA

CHANGES IN NET ASSETS
LAST SEVEN YEARS
(accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003
Expenses							
Governmental activities:							
General government	**$ 1,455,946**	$ 1,256,230	$ 1,201,330	$ 1,694,194 (2)	$ 1,268,756	$ 996,623	$ 910,553
Judicial	**104,591**	86,259	76,621	101,795	66,903	59,771	53,943
Public safety	**4,996,201**	5,149,446	4,905,576	4,584,679	4,089,578	4,226,825	3,842,396
Public works	**3,843,201**	3,903,485	2,981,950	2,179,824	1,432,099	2,375,572	2,219,978
Health and welfare	**14,904**	8,756	18,514	9,674	11,918	47,688	5,519
Culture and recreation	**379,755**	364,677	366,993	328,177	322,390	358,311	338,373
Housing and development	**456,953**	546,277	474,499	345,994	239,393	185,843	211,352
Interest on long-term debt	**300,072**	313,270	324,998	340,523	365,053	370,794	441,473
Total governmental activities expenses	**11,551,623**	11,628,400	10,350,481	9,584,860	7,796,090	8,621,427	8,023,587
Business-type activities:							
Utilities	**28,256,164** (7)	30,977,046	29,386,045 (5)	30,529,266	30,061,743	26,800,621	22,403,859
Solid Waste	**4,371,576**	3,600,554	3,329,996	3,489,003	2,863,895	2,768,145	2,622,391
Total business-type activities expenses	**32,627,740**	34,577,600	32,716,041	34,018,269	32,925,638	29,568,766	25,026,250
Total primary government expenses	**$ 44,179,363**	$ 46,206,000	$ 43,066,522	$ 43,603,129	$ 40,721,728	$ 38,190,193	$ 33,049,837
Program Revenues							
Governmental activities:							
Charges for services:							
General government	**$ 524,931**	$ 594,914	$ 595,072 (4)	$ 310,339 (1)	$ 87,012	$ 58,566	$ 89,804
Judicial	**464,820**	503,899	467,927	331,732 (1)	-	-	-
Public safety	**58,667**	78,890	64,580	23,579 (1)	413,337	386,801	316,653
Public works	**11,470**	19,788	12,470	17,680	800	2,785	-
Health and welfare	**-**	-	-	-	16,800	20,625	4,000
Culture and recreation	**875**	2,000	1,065	1,225	-	-	-
Housing and development	**-**	-	-	- (1)	262,033	290,370	213,459
Operating grants and contributions	**125,117**	108,675	107,712	86,254	-	-	67,080
Capital grants and contributions	**236,642**	282,814	911,483	2,874,695 (2)	-	-	1,022,218
Total governmental activities program revenues	**1,422,522**	1,590,980	2,160,309	3,645,504	779,982	759,147	1,713,214
Business-type activities:							
Charges for services:							
Utilities	**30,583,031** (7)	31,443,996	31,538,917 (5)	33,310,694	33,730,259	29,919,255	26,627,546
Solid Waste	**4,689,342** (8)	3,645,200	3,286,002	3,248,198	2,791,420	2,734,281	2,692,889
Operating grants and contributions	**-**	-	-	-	36,796	12,905	-
Capital grants and contributions	**481,350**	258,931 (6)	1,481,998	716,201 (3)	4,249,412	2,136,117	472,979
Total business-type activities program revenues	**35,753,723**	35,348,127	36,306,917	37,275,093	40,807,887	34,802,558	29,793,414
Total primary government program revenues	**$ 37,176,245**	$ 36,939,107	$ 38,467,226	$ 40,920,597	$ 41,587,869	$ 35,561,705	$ 31,506,628

(Continued)

CITY OF MONROE, GEORGIA

CHANGES IN NET ASSETS
LAST SEVEN YEARS
(accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003
Net (expense)/revenue							
Governmental activities	**$ (10,129,101)**	$ (10,037,420)	$ (8,190,172)	$ (5,939,356)	$ (7,016,108)	$ (7,862,280)	$ (6,310,373)
Business-type activities	**3,125,983**	770,527	3,590,876	3,256,824	7,882,249	5,233,792	4,767,164
Total primary government net (expense) revenue	**$ (7,003,118)**	$ (9,266,893)	$ (4,599,296)	$ (2,682,532)	$ 866,141	$ (2,628,488)	$ (1,543,209)
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Property taxes	**$ 2,957,251**	$ 3,058,767	$ 2,950,804	$ 2,686,312	$ 2,542,580	$ 2,351,239	$ 2,258,913
Sales taxes	**3,714,049**	3,828,681	3,892,735	2,390,642	1,780,995	1,609,567	1,267,971
Franchise taxes	**224,043**	197,159	252,451	263,886	255,742	237,448	217,793
Other taxes	**760,134**	773,845	750,143	718,778	1,057,955	980,690	924,769
Intergovernmental revenues	**-**	-	-	-	-	-	62,247
Unrestricted investment earnings	**5,913**	26,652	60,448	108,567	71,213	37,124	102,621
Miscellaneous	**255,658**	138,700	112,459	101,300	10,000	-	-
Gain on sale of capital assets	**7,709**	24,247	21,649	23,593	-	6,905	35,253
Transfers	**1,357,462**	1,332,717	1,269,848	1,433,043	1,391,317	1,860,198	1,714,894
Total governmental activities	**9,282,219**	9,380,768	9,310,537	7,726,121	7,109,802	7,083,171	6,584,461
Business-type activities:							
Investment earnings	**87,161**	172,734	331,500	213,843	132,093	67,039	72,033
Miscellaneous	**-**	-	-	-	-	-	45,019
Gain on sale of capital assets	**603,360** (7)	1,658	19,114	-	(9,264)	7,993	36,690
Transfers	**(1,357,462)**	(1,332,717)	(1,269,848)	(1,433,043)	(1,530,464)	(1,860,947)	(1,714,894)
Total business-type activities	**(666,941)**	(1,158,325)	(919,234)	(1,219,200)	(1,407,635)	(1,785,915)	(1,561,152)
Total primary government	**$ 8,615,278**	$ 8,222,443	$ 8,391,303	$ 6,506,921	$ 5,702,167	$ 5,297,256	$ 5,023,309
Change in Net Assets							
Governmental activities	**$ (846,882)**	$ (656,652)	$ 1,120,365	$ 1,786,765	$ 93,694	$ (779,109)	$ 274,088
Business-type activities	**2,459,042**	(387,798)	2,671,642	2,037,624	6,474,614	3,447,877	3,206,012
Total primary government	**$ 1,612,160**	$ (1,044,450)	$ 3,792,007	$ 3,824,389	$ 6,568,308	$ 2,668,768	$ 3,480,100

(1) The allocation of charges for services to the various functions was changed in 2006 to more accurately reflect the nature of the City's activities.

(2) The City received and expended several large grants in 2006 that had not been received in prior years.

(3) In 2006, the City received fewer grants and contributions related to business-type activities than in prior years.

(4) During 2007, the City eliminated the internal service funds and began acounting for revenue and expenditures in the general fund.

(5) During 2006 several large industries closed resulting in lower utility revenue and expenses.

(6) Economic conditions in 2008 caused decrease in new construction and therefore reducing revenue from tap fees and capital contributions.

(7) In 2009, the City raised water and sewer rates, lost a major wholesale water customer mid-year, sold the Oconee County Gas system factors that would lower revenues but also lower expenses.

(8) In 2009, the City raised solid waste rates.

CITY OF MONROE, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST SEVEN YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Other Tax	Total
2003	$ 2,258,913	$ 1,267,971	$ 217,793	$ 924,769	$ 4,669,446
2004	2,351,239	1,609,567	237,448	980,690	5,178,944
2005	2,542,580	1,780,995	255,742	1,057,955	5,637,272
2006	2,686,312	2,390,642	263,886	718,778	6,059,618
2007	2,950,804	3,892,735 (1)	252,451	750,143	7,846,133
2008	3,058,767	3,828,681	197,159 (2)	773,845	7,858,452
2009	**2,957,251**	**3,714,049**	**224,043**	**760,134**	**7,655,477**

(1) Sales tax increase in 2007 was due to the first year for collection of Special Purpose Local Option Sales Tax (SPLOST).
(2) Franchise tax decrease in 2008 was due to the closing of an industry where Georgia Power paid franchise tax to the city.

CITY OF MONROE, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General fund										
Reserved	**$ 360,415**	$ 614,721	$ 610,247 (1)	$ 54,417	$ 54,271	$ 49,024	$ -	$ 15,041	$ 3,541	$ 15,000
Unreserved	**1,231,568**	1,137,168	1,319,021	1,768,113	2,317,376	1,976,238	2,241,528	2,556,671	2,362,057	1,551,965
Total general fund	**$ 1,591,983**	$ 1,751,889	$ 1,929,268	$ 1,822,530	$ 2,371,647	$ 2,025,262	$ 2,241,528	$ 2,571,712	$ 2,365,598	$ 1,566,965
All other governmental funds										
Reserved	**$ -**	$ -	$ -	$ -	$ 20,000	$ 20,000	$ 12,000	$ 8,000	$ 4,000	$ 60,000
Unreserved, reported in:										
Special revenue funds	**26,032**	26,634	32,359	48,252	30,792	52,863	157,061	160,516	93,081	4,983
Debt service fund	**402**	610	591	(183)	(89,261)	6,357	5,137	66,734	29,413	-
Capital projects funds	**134,392**	42,841 (2)	719,253	819,746	1,271,889	1,886,939	2,680,178	3,618,423	4,017,621	6,786,920
Total all other governmental funds	**$ 160,826**	$ 70,085	$ 752,203	$ 867,815	$ 1,233,420	$ 1,966,159	$ 2,854,376	$ 3,853,673	$ 4,144,115	$ 6,851,903

(1) The increase in reserved fund balance of the general fund in 2007 was due to an advance to another fund for which fund balance is reserved.
(2) The decrease in unreserved fund balance of the capital projects fund in 2008 was due to the completion of several projects for which there were no offsetting revenues.

CITY OF MONROE, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Revenues										
Taxes	**$ 7,699,696**	$ 7,649,019	$ 7,718,946 (2)	$ 6,154,877	$ 5,331,546	$ 5,076,269	$ 4,507,752	$ 4,535,803	$ 4,436,314	$ 4,027,071
Licenses and permits	**115,645**	172,791	179,757	303,400	208,714	241,633	171,298	165,971	147,242	160,862
Intergovernmental	**307,309**	252,935 (3)	716,836 (3)	2,129,920	2,090,227	1,383,794	834,318	1,236,721	1,183,036	304,798
Fines and forfeitures	**504,874**	565,637	509,974	337,512	420,414	398,839	331,814	112,397	1,836,172	1,212,054
Charges for services	**437,664**	456,636	446,792	38,459	112,623	113,705	97,257	267,744	344,481	407,064
Interest income	**5,913**	26,652	60,448	92,654	62,847	28,528	100,070	199,946	186,659	53,606
Miscellaneous	**258,238**	143,127	117,050	106,484	202,602	44,690	59,541	16,105	250,354	33,910
Total revenues	**9,329,339**	9,266,797	9,749,803	9,163,306	8,428,973	7,287,458	6,102,050	6,534,687	8,384,258	6,199,365
Expenditures										
General government	**1,201,703**	1,075,790	1,094,922	1,602,150	988,142	1,167,400	1,331,514	1,466,330	867,705	946,373
Judicial	**104,591**	86,259	82,684	95,732	77,198	46,817	42,429	-	-	-
Public safety	**4,916,959**	4,900,123	4,899,432	4,282,047	4,268,592	3,542,765	3,073,846	2,874,614	2,476,931	2,397,795
Public works	**2,990,673**	2,725,633 (4)	1,833,370	2,142,527	1,307,365	1,160,618	1,371,404	1,236,827	2,326,920	568,219
Health and welfare	**14,904**	8,756	18,514	9,674	6,880	7,081	-	-	-	-
Culture and recreation	**348,115**	321,178	331,981	297,433	280,813	317,589	287,906	472,587	527,241	561,312
Housing and development	**454,176**	544,849	500,377	330,822	246,559	228,045	167,225	178,129	161,115	133,940
Capital outlay	**118,346** (5)	1,234,861 (5)	1,942,400	2,343,884	2,593,331	1,828,500	1,056,490	678,402	4,345,078	339,314
Debt service										
Principal retirements	**310,000**	270,000	230,000	200,000	125,000	172,815	170,882	574	273,255	421,378
Interest and fiscal charges	**304,208**	316,897	317,062	464,145	365,053	370,794	441,473	333,141	81,104	161,858
Total expenditures	**10,763,675**	11,484,346	11,250,742	11,768,414	10,258,933	8,842,424	7,943,169	7,240,604	11,059,349	5,530,189
Excess of revenues over (under) expenditures	**(1,434,336)**	(2,217,549)	(1,500,939)	(2,605,108)	(1,829,960)	(1,554,966)	(1,841,119)	(705,917)	(2,675,091)	669,176

(Continued)

CITY OF MONROE, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Other financing sources (uses)										
Issuance of long-term debt	**-**	-	-	4,430,000 (1)	-	-	-	-	-	6,827,726
Premium from issuance of debt	**-**	-	-	250,230 (1)	-	-	-	-	-	-
Payment to refunded bond escrow agent	**-**	-	-	(4,568,686) (1)	-	-	-	-	-	-
Capital leases	**-**	-	-	-	-	-	-	-	149,750	91,605
Proceeds from sale of capital assets	**7,709**	25,335	51,100	55,865	17,334	12,089	35,253	44,037	11,404	11,500
Transfers in	**2,097,121**	2,187,399	2,180,769	2,372,834	2,466,036	1,860,403	1,565,271	1,620,354	1,012,275	877,068
Transfers out	**(739,659)**	(854,682)	(739,804)	(939,791)	(1,039,764)	(1,407,009)	(1,088,883)	(1,020,842)	(693,218)	(509,707)
Total other financing sources (uses)	**1,365,171**	1,358,052	1,492,065	1,600,452	1,443,606	465,483	511,641	643,549	480,211	7,298,192
Net change in fund balances	**$ (69,165)**	$ (859,497)	$ (8,874)	$ (1,004,656)	$ (386,354)	$ (1,089,483)	$ (1,329,478)	$ (62,368)	$ (2,194,880)	$ 7,967,368
Debt service as a percentage of noncapital expenditures	**5.92%**	**5.60%**	5.88%	7.05%	6.39%	7.75%	8.89%	5.09%	5.28%	11.24%

(1) The City issued refunding bonds in 2006.
(2) The increase in 2007 taxes was due to the first year for collection of Special Purpose Local Option Sales Tax (SPLOST).
(3) The City received several large grants in prior years.
(4) This includes SPLOST funds and reflects the first full year of projects.
(5) Due to economic conditions the City reduced capital purchases during 2008 and in 2009.

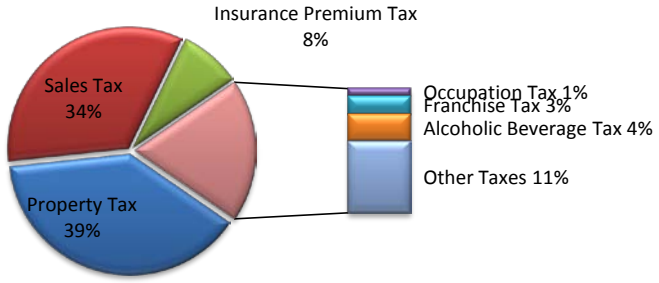
CITY OF MONROE, GEORGIA

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN YEARS
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Occupation Tax	Insurance Premium Tax	Franchise Tax	Alcoholic Beverage Tax	Other Taxes	Total
2000	1,540,999	1,418,122	68,504	421,425	191,954	250,417	113,421	4,004,842
2001	1,733,672	1,632,577	65,750	414,349	202,077	249,668	138,221	4,436,314
2002	1,962,006	1,464,233	65,048	454,635	207,951	254,739	127,191	4,535,803
2003	2,075,224	1,267,971	68,896	489,989	217,793	248,075	139,804	4,507,752
2004	2,223,150	1,609,567	75,562	531,015	237,448	271,194	128,333	5,076,269
2005	2,212,851	1,780,995	76,088	571,302	255,742	283,643	150,925	5,331,546
2006	2,735,068	2,079,950	73,450	597,725	263,886	274,328	130,470	6,154,877
2007	2,750,738	3,540,175 (1)	86,025	623,494	252,451	315,950	150,113	7,718,946
2008	2,796,952	3,466,283	81,573	638,429	197,159	325,791	142,831	7,649,019
2009	**2,982,426**	**2,609,135** (2)	**81,800**	**632,440**	**224,043**	**315,945**	**853,907** (3)	**7,699,696**

(1) Sales tax increase in 2007 was due to the first year for collection of Special Purpose Local Option Sales Tax (SPLOST).
(2) Sales tax decrease in 2009 was due to a combination of Local Option Sales Tax (LOST) collections down around $170 thousand and fewer projects funded by Special Local Option Sales Tax (SPLOST).
(3) Other tax increase in 2009 was due to tax revenue from Walton County for by-pass project.

FOR THE YEAR 2009



CITY OF MONROE, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property (1)	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2000	79,018,146	60,826,492	20,666,792	24,441,931	7,201,225	177,752,136	7.967	444,380,340	40%
2001	93,263,923	65,649,258	22,450,885	25,962,448	10,375,674	196,950,840	7.557	492,377,100	40%
2002	100,787,600	69,108,457	28,814,584	28,029,520	11,786,786	214,953,375	7.544	537,383,438	40%
2003	116,774,444	73,355,298	27,270,343	29,426,925	10,852,602	235,974,408	7.214	589,936,020	40%
2004	121,915,717	84,002,249	27,266,091	28,818,686	7,255,689	254,747,054	7.193	636,867,635	40%
2005	145,568,907	104,099,246	23,025,830	29,481,721	6,225,856	295,949,848	6.774	739,874,620	40%
2006	155,682,204	110,239,548	21,823,918	30,254,207	6,170,110	311,829,767	6.748	779,574,418	40%
2007	176,797,772	123,476,040	16,695,955	31,878,547	2,925,428	345,922,886	6.622	864,807,215	40%
2008	187,519,051	138,469,311	79,581,022 (2)	31,299,097	3,422,418	433,446,063	6.601	1,083,615,158	40%
2009	**161,673,076** (3)	**139,580,443**	**73,839,067**	**32,131,394**	**3,953,327**	**403,270,653**	**6.997**	**1,008,176,633**	**40%**

Source: Walton County, Georgia Tax Assessors Office

Note: Property in the City is reassessed periodically. Property is assessed at 40% of the fair market value; therefore, the assessed values are equal to 40% of the estimated actual value. Tax rates are per $1,000 of assessed value.

(1) Other property consists of historic, agricultural, conservation use, utility, motor vehicle and mobile homes.
(2) Increase in industrial property due to end of tax ebatement period for major industry.
(3) Decrease in residential property due to county-wide reassessment.



CITY OF MONROE, GEORGIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (1)
PER $1,000 OF ASSESSED VALUE
LAST TEN YEARS

	City of Monroe, Georgia			Overlapping Rates					
					School District				Total Direct &
Fiscal Year	Operating Millage	Debt Service Millage (2)	Total City Millage	County	Operating Millage	Debt Service Millage	Total School Millage	State	Overlapping Rates
2000	7.967	-	7.967	10.050	18.040	1.050	19.090	0.25	37.357
2001	5.717	1.840	7.557	10.050	16.950	0.990	17.940	0.25	35.797
2002	5.905	1.639	7.544	9.643	16.950	0.990	17.940	0.25	35.377
2003	5.515	1.699	7.214	9.643	16.940	0.960	17.900	0.25	35.007
2004	5.604	1.589	7.193	9.630	17.020	0.880	17.900	0.25	34.973
2005	5.034	1.740	6.774	9.577	17.240	1.600	18.840	0.25	35.441
2006	4.870	1.878	6.748	9.585	17.240	2.700	19.940	0.25	36.523
2007	4.920	1.702	6.622	9.695	17.240	2.700	19.940	0.25	36.507
2008	5.189	1.412	6.601	9.632	17.490	2.450	19.940	0.25	36.423
2009	**5.403**	**1.594**	**6.997**	**10.231**	**18.250**	**2.200**	**20.450**	**0.25**	**37.928**

Source: Walton County Tax Assessors Office

Note: Assessed values are established by the County Assessors on January 1 of each year at 40% of the actual value.

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Monroe.
(2) 2001 was the first year for City of Monroe debt service.

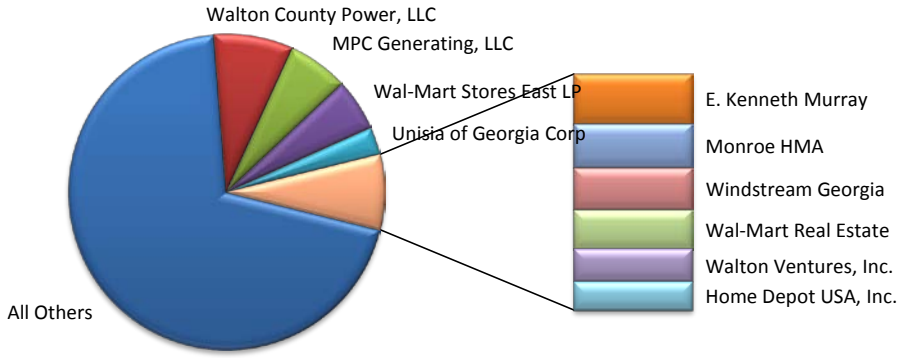
CITY OF MONROE, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO
(amounts expressed in thousands)

	2009			2000		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Walton County Power, LLC	$ 32,576	1	8.08 %	$		%
MPC Generating, LLC	25,095	2	6.22			
Wal-Mart Stores East LP	21,288	3	5.28			
Unisia of Georgia Corp	11,476	4	2.85			
E. Kenneth Murray	6,571	5	1.63	2,319	4	1.30
Monroe HMA	5,724	6	1.42			
Windstream Georgia	5,476	7	1.36			
Wal-Mart Real Estate	5,174	8	1.28			
Walton Ventures, Inc.	4,256	9	1.06			
Home Depot USA, Inc.	3,664	10	0.91			
Avondale Mills				8,826	1	4.97
Harry Arnold, Jr.				3,706	2	2.08
Universal Rundle				2,556	3	1.44
Oxford Industries				2,105	5	1.18
Beidler Reed				1,987	6	1.12
David Thompson				1,324	7	0.74
Todd Blair				1,205	8	0.68
Monroe Golf & Country Club				1,195	9	0.67
Devore TC & Family				1,178	10	0.66
Totals	$ 121,301		30.08 %	$ 26,401		14.85 %

Source: City of Monroe Finance Department

FOR THE YEAR 2008

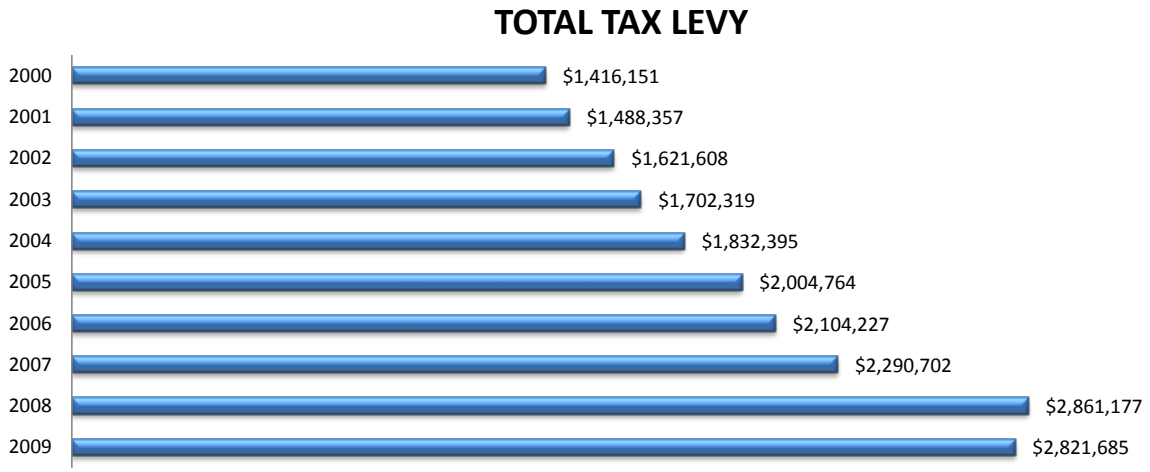


CITY OF MONROE, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Fiscal Year	Total Tax Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2000	$ 1,416,151	$ 1,316,692	93.0 %	$ 187,492	$ 1,504,184	106.2 %
2001	1,488,357	1,394,605	93.7	188,504	1,583,109	106.4
2002	1,621,608	1,375,935	84.9	186,734	1,562,669	96.4
2003	1,702,319	1,510,603	88.7	188,086	1,698,689	99.8
2004	1,832,395	1,620,022	88.4	207,547	1,827,569	99.7
2005	2,004,764	1,659,986	82.8 (1)	295,286	1,955,272	97.5
2006	2,104,227	1,907,162	90.6	190,909	2,098,071	99.7
2007	2,290,702	2,073,194	90.5	147,553	2,220,747	96.9
2008	2,861,177	**2,672,959**	93.4	280,179	2,953,138	103.2
2009	**2,821,685**	**2,702,247**	**95.8**	**-**	**2,702,247**	**95.8**

(1) One of the City's principal taxpayers was late remitting taxes in 2005 resulting in a lower percentage of levy collected during that year.



CITY OF MONROE, GEORGIA

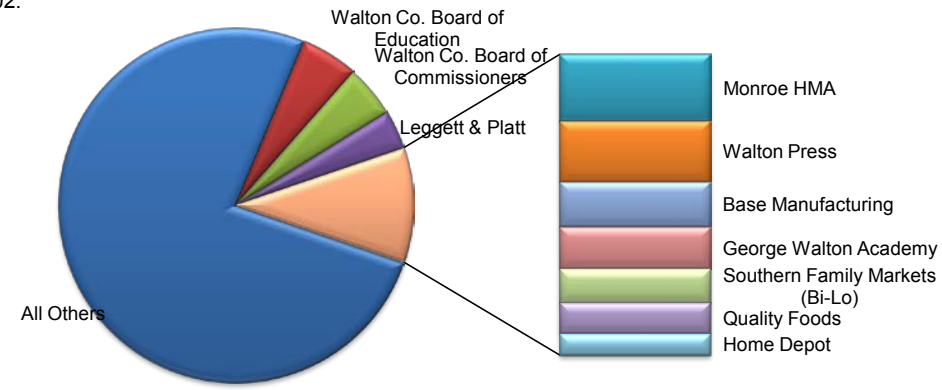
TOP TEN ELECTRIC CUSTOMERS
CURRENT AND SEVEN YEARS AGO

	2009				2002			
Customer	Usage in MWh	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues	Usage in MWh	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues
Walton Co. Board of Education	**6,491**	**$ 670**	**1**	**5.22 %**	6,035	$ 615	1	5.48 %
Walton Co. Board of Commissioners	**6,371**	**611**	**2**	**4.76**	2,536	140	7	1.25
Leggett & Platt	**8,352**	**452**	**3**	**3.52**	9,295	329	3	2.93
Monroe HMA	**4,458**	**299**	**4**	**2.33**	5,956	418	2	3.72
Walton Press	**2,861**	**269**	**5**	**2.10**				
Base Manufacturing	**1,898**	**202**	**6**	**1.57**	1,397	135	8	1.20
George Walton Academy	**1,703**	**186**	**7**	**1.45**	1,904	192	5	1.71
Southern Family Markets (Bi-Lo)	**1,981**	**153**	**8**	**1.19**	2,150	150	6	1.34
Quality Foods	**1,740**	**138**	**9**	**1.08**	1,670	128	9	1.14
Home Depot	**2,124**	**95**	**10**	**0.74**				
Oxford Industries					2,659	273	4	2.43
Wal-Mart Store					1,283	101	10	0.90
Totals	**37,979**	**3075**		**23.95**	34,885	2481		22.10
All Others	**107,995**	**9,762**		**76.05**	97,221	8746		77.90
Annual Totals	**142,415**	**$ 12,837**		**100.00 %**	132,106	$ 11227		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2002.

FOR THE YEAR 2009



CITY OF MONROE, GEORGIA

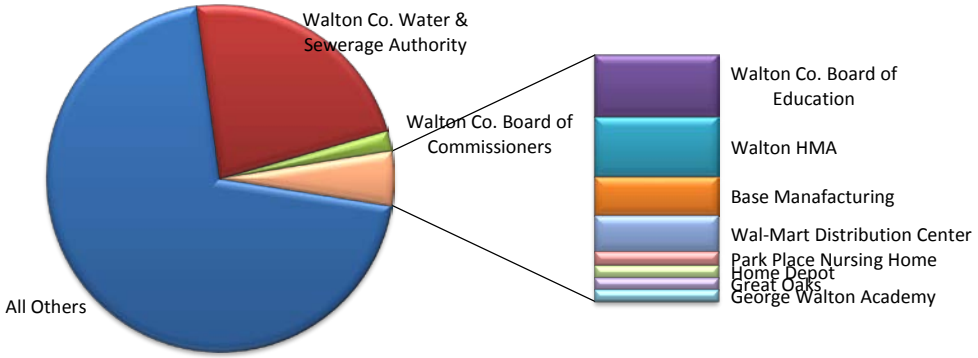
TOP TEN WATER CUSTOMERS
CURRENT AND SIX YEARS AGO

	2009				2003			
Customer	Usage in Kgallons	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues	Usage in Kgallons	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues
Walton Co. Water & Sewerage Authority	**480,496**	**$ 985**	**1**	**22.73 %**	548,354	$ 771	1	26.06 %
Walton Co. Board of Commissioners	**17,278**	**83**	**2**	**1.92**	13,234	38	6	1.28
Walton Co. Board of Education	**10,307**	**54**	**3**	**1.25**	13,405	41	5	1.39
Walton HMA	**18,038**	**52**	**4**	**1.20**	19,318	44	4	1.49
Base Manafacturing	**9,020**	**34**	**5**	**0.78**				
Wal-Mart Distribution Center	**8,422**	**32**	**6**	**0.74**	9,992	33	7	1.12
Park Place Nursing Home	**2,033**	**12**	**7**	**0.28**	2,014	8	10	0.27
Home Depot	**3,659**	**11**	**8**	**0.25**				
Great Oaks	**2,554**	**10**	**9**	**0.23**				
George Walton Academy	**2,064**	**10**	**10**	**0.23**	3,140	10	9	0.34
Universal Rundle					34,508	46	3	1.56
Avondale Mills (Walton-Monroe Mills)					27,897	57	2	1.93
Silgan PET, Inc.					4,270	10	8	0.34
Totals	**$ 553,871**	**$ 1,283**		**29.61**	676,132	1,058		35.77
All Others	**$ 502,129**	**$ 3,050**		**70.39**	548,911	1,900		64.23
Annual Totals	**$ 1,056,000**	**$ 4,333**		**100.00 %**	1,225,043	$ 2,958		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2003.

FOR THE YEAR 2009



CITY OF MONROE, GEORGIA

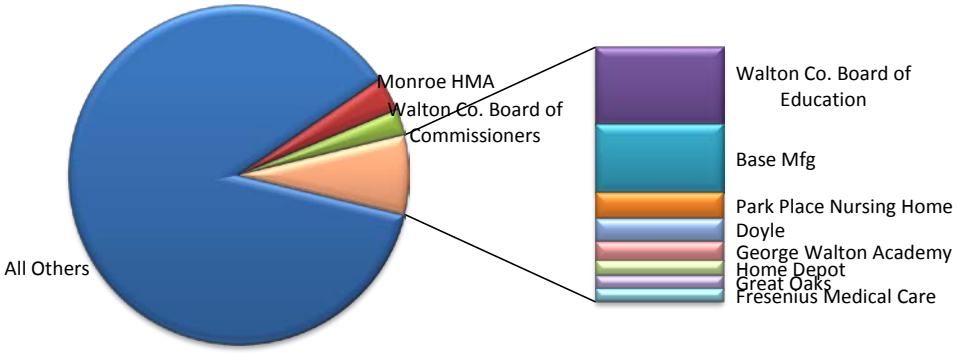
TOP TEN SEWER CUSTOMERS
CURRENT AND SIX YEARS AGO

	2009				2003			
Customer	Usage in Kgallons	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues	Usage in Kgallons	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues
Monroe HMA	**13,925**	**$ 99**	**1**	**3.29 %**		$		%
Walton Co. Board of Commissioners	**8,136**	**73**	**2**	**2.43**	13,234	54	4	2.77
Walton Co. Board of Education	**6,506**	**68**	**3**	**2.26**	13,405	54	3	2.77
Base Mfg	**8,206**	**60**	**4**	**2.00**				
Park Place Nursing Home	**2,032**	**23**	**5**	**0.77**	2,014	14	6	0.72
Doyle	**1,743**	**20**	**6**	**0.67**				
George Walton Academy	**1,941**	**17**	**7**	**0.57**	3,140	5	10	0.26
Home Depot	**1,772**	**13**	**8**	**0.43**				
Great Oaks	**1,677**	**12**	**9**	**0.40**				
Fresenius Medical Care	**1,522**	**11**	**10**	**0.37**				
Silgan PET, Inc.	**1,233**	**10**	**6**	**0.33**	4,270	19	5	0.98
Universal Rundle					34,508	92	2	4.73
Avondale Mills (Walton-Monroe Mills)					27,897	109	1	5.60
Wal-Mart Distribution Center					9,992	10	7	0.51
Walton Co. Water & Sewerage Authority					3,650	9	8	0.46
Monroe Motor Inn					1,070	5	9	0.26
Totals	**48,693**	**406**		**13.51**	113,180	371		19.05
All Others		**2,599**		**86.49**		1,576		80.95
Annual Totals		**$ 3,005**		**100.00 %**		$ 1,947		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2003.

FOR THE YEAR 2009



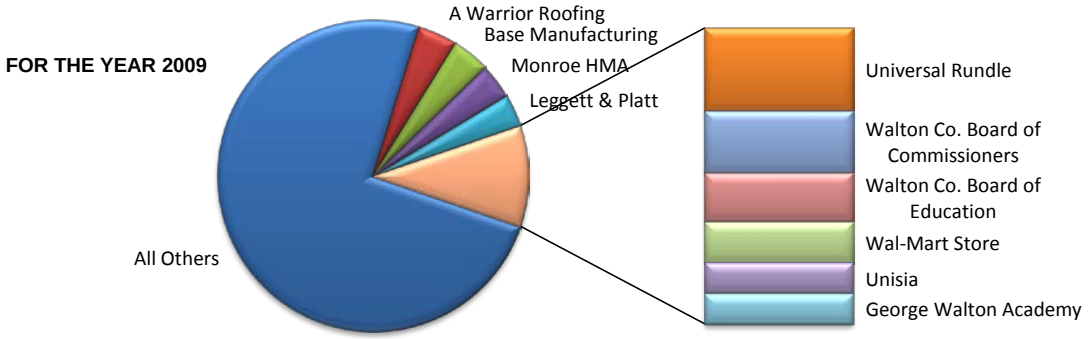
CITY OF MONROE, GEORGIA

TOP TEN GAS CUSTOMERS
CURRENT AND SIX YEARS AGO

	2009				2003			
Customer	Usage in MCF	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues	Usage in MCF	Annual Revenue (in thousands)	Rank	Percentage of Total Revenues
A Warrior Roofing	**19,604**	**$ 191**	**1**	**4.05 %**		$		%
Base Manufacturing	**18,832**	**186**	**2**	**3.95**	15,092	144	5	2.36
Monroe HMA	**14,214**	**171**	**3**	**3.63**	15,143	145	4	2.38
Leggett & Platt	**12,387**	**158**	**4**	**3.35**	12,512	140	6	2.30
Universal Rundle	**10,596**	**138**	**5**	**2.93**	280,888	1,874	1	30.75
Walton Co. Board of Commissioners	**8,554**	**104**	**6**	**2.21**	7,007	76	8	1.25
Walton Co. Board of Education	**6,345**	**81**	**7**	**1.72**	10,077	108	7	1.77
Wal-Mart Store	**5,608**	**69**	**8**	**1.46**				
Unisia	**3,999**	**51**	**9**	**1.08**				
George Walton Academy	**4,052**	**50**	**10**	**1.06**				
Silgan PET, Inc.					4,052	36	10	0.59
Avondale Mills (Walton-Monroe Mills)					37,458	286	2	4.69
Sunbelt					17,071	171	3	2.81
Well Luck Co.					6,388	61	9	1.00
Totals	**104,191**	**1,199**		**25.45**	405,688	3,041		49.89
All Others	**242,249**	**3,513**		**74.55**	295,412	3,054		50.11
Annual Totals	**346,440**	**$ 4,712**		**100.00 %**	701,100	$ 6,095		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2003.



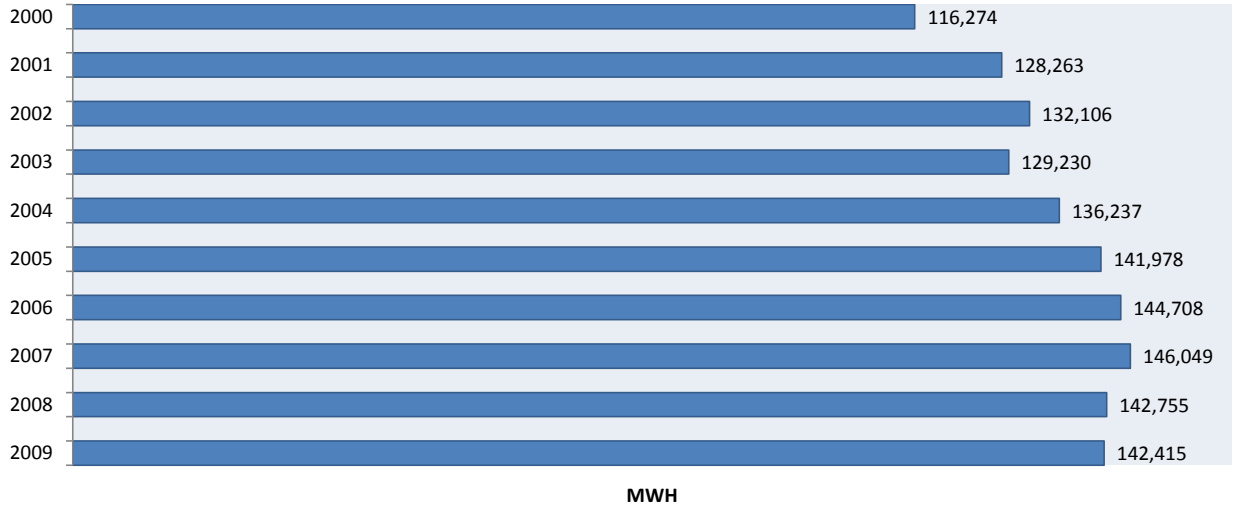
CITY OF MONROE, GEORGIA

ELECTRIC MWH SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

	MWH									
Type of Customer	**2009**	2008	2007	2006	2005	2004	2003	2002 (1)	2001 (1)	2000 (1)
Residential	**66,608**	66,972	67,462	66,069	65,327	61,577	59,020	N/A	N/A	N/A
Commercial	**75,807**	75,783	78,587	78,639	76,651	74,660	70,210	N/A	N/A	N/A
Total	**142,415**	142,755	146,049	144,708	141,978	136,237	129,230	132,106	128,263	116,274

(1) Information by type unavailable.

Source: City of Monroe Utility Department



CITY OF MONROE, GEORGIA

WATER GALLONS SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

	Gallons (in millions)									
Type of Customer	**2009**	2008	2007	2006	2005	2004	2003	2002 (1)	2001 (1)	2000 (1)
Residential	**412**	417	473	461	439	413	404	N/A	N/A	N/A
Small Commercial & Industrial (2)	**124**	116	144	147	223	226	230	N/A	N/A	N/A
Large Commercial & Industrial (2)	**40**	43	54	73	-	-	-	N/A	N/A	N/A
Wholesale	**480** (4)	571	538	584	656	675	591	N/A	N/A	N/A
Total	**1,056**	1,147 (3)	1,209	1,265	1,318	1,314	1,225	1,194	1,163	1,215

(1) Information by type unavailable.
(2) Beginning in 2006, the commercial classification was divided into Small C&L and Large C&L. Large C&L is classified as usage consistently over over one million gallons per month through a single meter.
(3) Residential, Commercial and Industrial sold decreased in 2008 due to increased conservation measures during drought.
(4) Wholesale sold decreased in 2009 due to agreement ending with Walton County Water & Sewer Authority.

Source: City of Monroe Utility Department



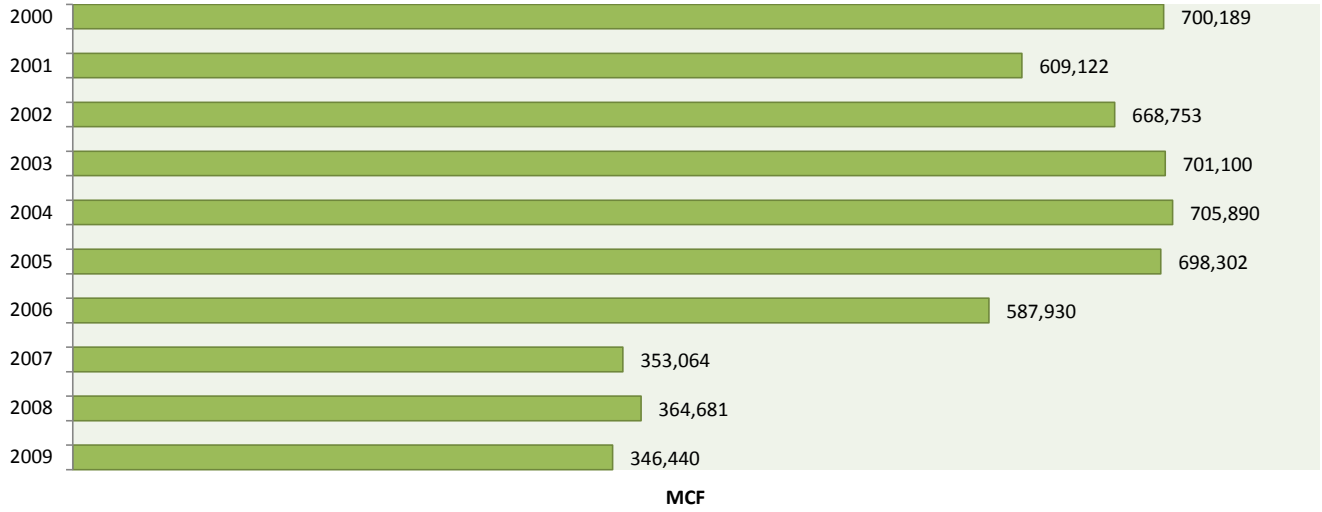
CITY OF MONROE, GEORGIA

GAS MCF SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

	MCF									
Type of Customer	**2009**	2008	2007	2006	2005	2004	2003	2002 (1)	2001 (1)	2000 (1)
Residential	**169,916**	177,587	163,726	166,590 (3)	198,027	191,033	191,711	N/A	N/A	N/A
Commercial	**123,767**	130,154	128,151	127,735	127,668	122,971	120,813	N/A	N/A	N/A
Agriculture	**3,487**	1,941	3,742	6,626	8,135	9,840	2,761	N/A	N/A	N/A
Industrial	**49,270**	54,999	57,445 (3)	286,979 (3)	364,472	366,325	348,357	N/A	N/A	N/A
Interruptible (2)	**-**	-	-	-	-	15,721	37,458	N/A	N/A	N/A
Total	**346,440**	364,681	353,064	587,930	698,302	705,890	701,100	668,753	609,122	700,189

(1) Information by type unavailable
(2) The City only had one Interruptible customer, and that company closed operations in 2004.
(3) The decrease in Industrial in 2006 and 2007 is due to a large industrial customer closing its manufacturing operations. Residential usage for 2006 decreased from 2005 as a result of much milder weather conditions.

Source: City of Monroe Utility Department



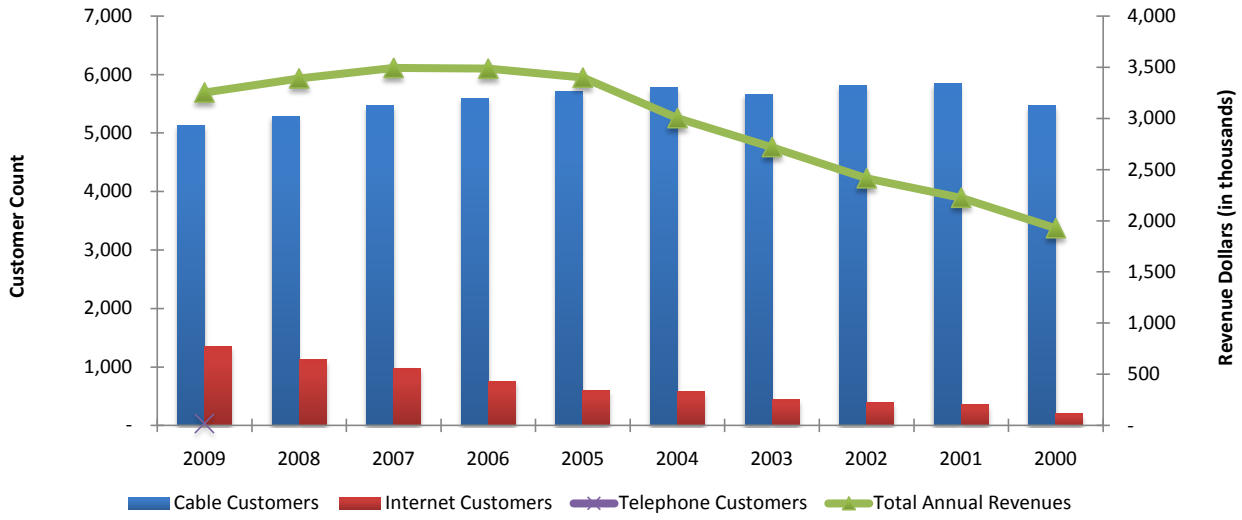
CITY OF MONROE, GEORGIA

TELECOMMUNICATION SALES
LAST TEN YEARS

	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Standard Cable Customers	**5,098**	5,244	5,411	5,518	5,613	5,704	5,665	5,818	5,838	5,469
Digital Cable Customers (1)	**38**	44	57	80	88	66 (1)	-	-	-	-
Internet Customers	**1,347**	1,121	981	757	604	588	447	393	357	200
Telephone Customers (2)	**20** (2)	-	-	-	-	-	-	-	-	-
Annual Sales (in thousands)	**$ 3,252**	$ 3,391	$ 3,492	$ 3,486	$ 3,398	$ 3,002	$ 2,719	$ 2,415	$ 2,225	$ 1,928

(1) Digital cable service started in 2004.
(2) Telephone service started in 2009.

Source: City of Monroe Utility Department



CITY OF MONROE, GEORGIA

RESIDENTIAL UTILITY RATES
LAST TEN YEARS

	Electric				Gas			Water		Sewer	
Fiscal Year	Monthly Base Rate	First 700 KWH or less	Over 700 KWH Summer	Over 700 KWH Winter	Monthly Base Rate	Rate per CCF Summer	Rate per CCF Winter	Monthly Base Rate	Rate per 1,000 Gallons	Monthly Base Rate	Rate per 1,000 Gallons
2000	8.50	0.0650	0.0900	0.0530	5.35	0.535	0.642	6.50 (1)		10.50 (5)	
2001	9.00	0.0685	0.0950	0.0560	6.00	0.600	0.720	2.71	2.23 (2)	4.75	2.10
2002	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.25	2.68 (2)	5.70	2.52
2003	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.25	2.68 (2)	5.70	2.52
2004	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.41	2.81 (2)	5.99	2.65
2005	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.41	2.85 (3)	6.00	2.75
2006	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	8.25	1.50 (4)	7.00	2.75
2007	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	8.25	1.50 (4)	7.00	2.75
2008	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	8.25	1.50 (4)	7.00	2.75
2009	**9.00**	**0.0685**	**0.0950**	**0.0560**	**10.00**	**0.375**	**0.375**	**12.00 (6)**	**1.95 (4)**	**12.00 (6)**	**3.58**

Note: Rates are plus fuel adjustment and applicable sales tax

(1) Rates based on first 3000 gallons, residential in-city and do not include out-of-city or commercial rates.
(2) Rates based on 0 - 100,000 gallons, residential in-city and do not include out-of-city or commercial rates.
(3) Rates based on 0 - 10,000 gallons, residential in-city and do not include out-of-city or commercial rates.
(4) Rates based on 0 - 3,000 gallons, residential in-city and do not include out-of-city or commercial rates.
(5) Rates based on 0 - 3,999 gallons, residential in-city and do not include out-of-city or commercial rates.
(6) Base rate and consumption rates increased on 01/01/2009.

CITY OF MONROE, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Notes Payable	Capital Leases	Utility Revenue Bonds	Notes Payable	Capital Leases			
2000	7,195,000	-	816,102	4,520,000	7,021,709	1,896,247	21,449,058	7.98	1,880
2001	7,195,000	-	602,730	24,600,000	8,770,838	1,797,168	42,965,736	15.21	3,686
2002	7,195,000	-	263,177	24,100,000	9,618,396	1,959,070	43,135,643	15.30	3,661
2003	7,180,000	-	107,296	33,400,000	789,474	130,806	41,607,576	14.41	3,495
2004	7,115,000	-	-	32,050,000	679,235	24,493	39,868,728	13.20	3,331
2005	6,990,000	-	-	30,675,000	597,379	-	38,262,379	11.58	3,084
2006	6,950,000	-	-	29,595,000	513,873	-	37,058,873	10.32	2,895
2007	6,720,000	-	-	28,170,000	428,685	-	35,318,685	9.16	2,678
2008	6,450,000	-	-	26,710,000	341,780	-	33,501,780	8.56	2,504
2009	**6,140,000**	**-**	**-**	**25,275,000**	**1,027,574**	**-**	**32,442,574**	8.29	2,425

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

CITY OF MONROE, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2000	$ 7,195,000	$ 404,894	$ 6,790,106	1.53 %	$ 595
2001	7,195,000	96,041	7,098,959	1.44	609
2002	7,195,000	97,485	7,097,515	1.32	602
2003	7,180,000	97,224	7,082,776	1.20	595
2004	7,115,000	97,713	7,017,287	1.10	586
2005	6,990,000	673	6,989,327	0.94	563
2006	6,950,000	(183)	6,950,183	0.89	543
2007	6,720,000	591	6,719,409	0.78	510
2008	6,450,000	610	6,449,390	0.60	482
2009	**6,140,000**	**402**	**6,139,598**	0.61	459

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

CITY OF MONROE, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2009

Governmental Unit	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of Monroe (1)	Amount Applicable to City of Monroe
Debt repaid with property taxes:			
Walton County	$ 46,915,000	18.33%	$ 8,599,800
Walton County Board of Education	72,440,000	15.17%	10,991,341
Subtotal, overlapping debt	119,355,000		19,591,141
Direct:			
City of Monroe	6,140,000	100.00%	6,140,000
Total direct and overlapping debt	$ 125,495,000		$ 25,731,141

Source: Assessed value data used to estimate applicable percentages provided by the Walton County Tax Assessors and the Georgia Department of Revenue Property Tax Division. Debt outstanding data obtained from Walton County's financial statements.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Monroe, Georgia. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the City's boundaries and dividing it by the county's total taxable assessed value.

CITY OF MONROE, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(amounts expressed in thousands)

	Fiscal Years									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Debt Limit	**$ 40,722**	$ 43,687	$ 34,885	$ 31,800	$ 30,217	$ 26,200	$ 24,682	$ 22,674	$ 20,732	$ 18,495
Total net debt applicable to limit	**6,140**	6,450	6,720	6,950	6,989	7,017	7,083	7,098	7,099	6,790
Legal debt margin	**$ 34,582**	$ 37,237	$ 28,165	$ 24,850	$ 23,228	$ 19,183	$ 17,599	$ 15,576	$ 13,633	$ 11,705
Total net debt applicable to the limit as a percentage of debt limit	**15.08%**	14.76%	19.26%	21.86%	23.13%	26.78%	28.70%	31.30%	34.24%	36.71%

Assessed Value	**$ 403,271**
Add back: exempt real property	**3,953**
Total assessed value	**407,224**
Debt limit (10% of total assessed value)	**40,722**
Debt applicable to limit:	
General obligation bonds	**6,140**
Less: Amount set aside for repayment of general obligation debt	**-**
Total net debt applicable to limit	**6,140**
Legal debt margin	**$ 34,582**

Note: Under state finance law, the City's outstanding general obligation debt should not exceed 10 percent of total assessed property value.
By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

CITY OF MONROE, GEORGIA

COMBINED UTILITY REVENUE BOND COVERAGE
LAST TEN YEARS
(amounts expressed in thousands)

Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements (3)			Bond Coverage Ratio
				Principal	Interest	Total	
2000	19,902	16,310	3,592	455	256	711	5.05
2001	23,083	17,850	5,233	475	234	709	7.38
2002	25,225	18,151	7,074	500	1,204	1,704	4.15
2003	25,761	19,987	5,774	595	1,179	1,774	3.25
2004	29,260	22,696	6,564	1,350	1,363	2,713	2.42
2005	32,869	25,792	7,077	1,375	1,339	2,714	2.61
2006	32,099	26,169	5,930	1,400	1,308	2,708	2.19
2007	30,368	25,088	5,280	1,425	1,259	2,684	1.97
2008	31,290	26,578	4,712	1,460	1,228	2,688	1.75
2009	**30,602**	**24,254**	**6,348**	**1,435**	**1,170**	**2,605**	**2.44**

(1) Total revenues include interest, but not tap fees.

(2) Operating expenses do not include depreciation.

(3) Represents principal and interest for revenue bonds only.

CITY OF MONROE, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Fiscal Year	Population (1)	Personal Income* (in thousands)	Per Capita Personal Income (2)*	Median Age (1)	Housing Units (1)	Unemployment Rate (3)	Wage & Salary Employment # of Jobs (2)*
2000	11,407	268,635	23,550	32	4,637	4.9	15,102
2001	11,658	282,508	24,233	32	4,637	5.6	15,809
2002	11,781	281,908	23,929	32	4,637	7.1	16,845
2003	11,905	288,756	24,255	32	4,637	8.4	17,772
2004	11,968	302,001	25,234	32	4,637	10.3	19,198
2005	12,405	330,469	26,640	32	4,637	5.7	20,173
2006	12,799	359,025	28,051	32	4,637	6.1	21,794
2007	13,187	385,482	29,232	32	4,637	6.3	22,585
2008	13,381	391,153	29,232	32	4,637	9.8	22,585
2009	**13,381**	**391,153**	**29,232**	**32**	**4,637**	**14.4**	**22,585**

(1) Source: U.S. Census Bureau

(2) Source: Bureau of Economic Analysis

(3) Source: Georgia Department of Labor

* Data only available at the County level

Note: Beginning in 2005, City unemployment rates were calculated by the U.S. Department of Labor's Bureau of Labor Statistics (BLS) using a revised methodology. This methodology incorporates more current residency factors. Historical data could not be revised using the new method. Thus, estimates for city labor force data for 2005 and forward are not comparable to prior years. In some instances, there have been large changes in the unemployment rates from previous years.

CITY OF MONROE, GEORGIA

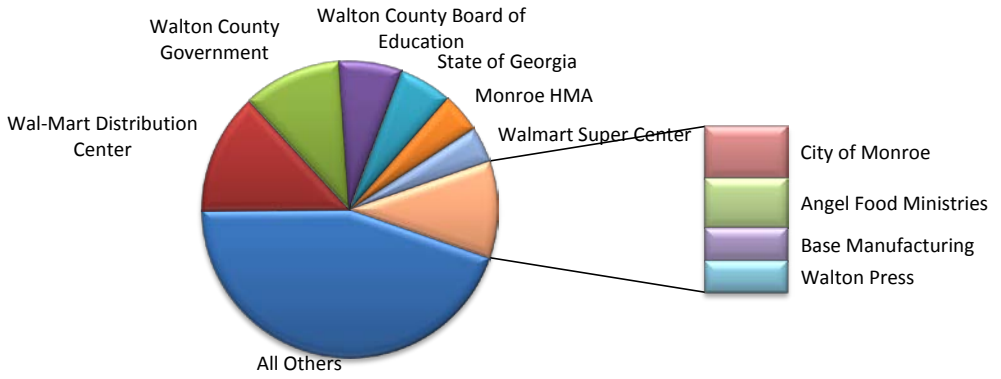
PRINCIPAL EMPLOYERS
CURRENT YEAR AND SEVEN YEARS AGO

	2009			2002		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wal-Mart Distribution Center	**886**	**1**	**13.2 %**			
Walton County Government	**725**	**2**	**10.8**	343	3	10.9 %
Walton County Board of Education	**456**	**3**	**6.8**			
State of Georgia	**392**	**4**	**5.8**			
Monroe HMA	**289**	**5**	**4.3**			
Walmart Super Center	**259**	**6**	**3.9**	86	7	2.7
City of Monroe	**224**	**7**	**3.3**	170	6	5.4
Angel Food Ministries	**212**	**8**	**3.2**			
Base Manufacturing	**139**	**9**	**2.1**			
Walton Press	**137**	**10**	**2.0**	80	8	2.5
Oxford Industries				400	1	12.7
Walton County Hospital				385	2	12.2
Avondale Mills (Walton-Monroe Mills)				320	4	10.1
Universal Rundle				272	5	8.6
Southern Family Markets (Bi-Lo)				78	9	2.5
National Bank of Walton County				52	10	1.6
Totals	**3,719**		**55.4 %**	2,186		69.2 %

Source: City of Monroe Code Department

Note: Information not available for years prior to 2002.

FOR THE YEAR 2009



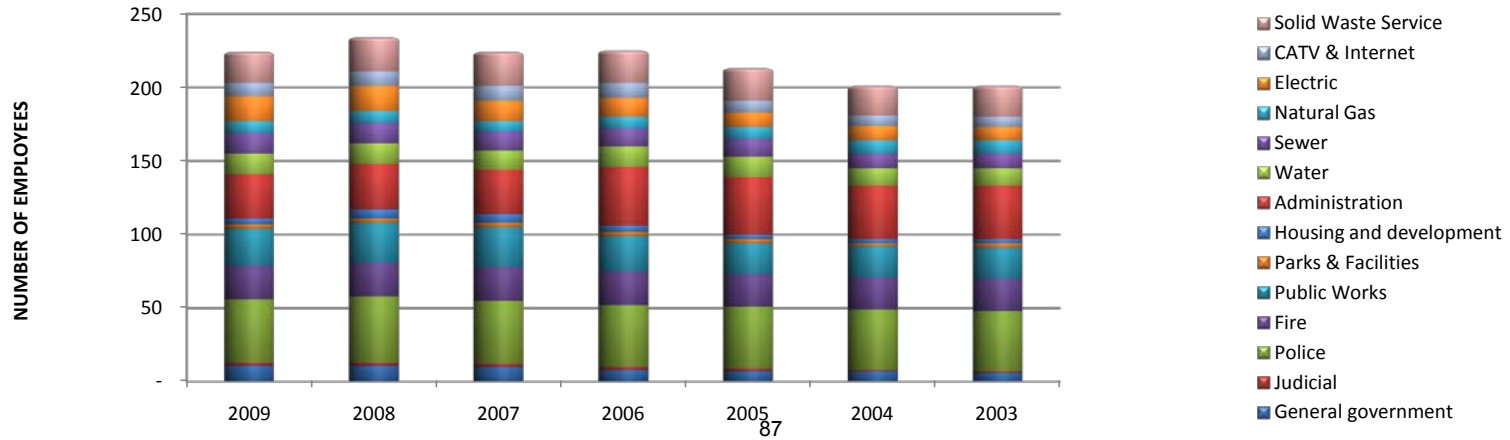
CITY OF MONROE, GEORGIA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST SEVEN FISCAL YEARS

	2009	2008	2007	2006	2005	2004	2003
Function							
General government	**11**	11	10	8	7	7	6
Judicial	**2**	2	2	2	2	1	1
Public Safety							
Police	**43**	45	43	42	42	41	41
Fire	**23**	23	23	23	22	22	22
Public Works	**25**	27	27	24	21	21	21
Culture and recreation							
Parks & Facilities	**3**	3	3	3	3	2	3
Housing and development	**4**	6	6	4	3	3	3
Utilities							
Administration	**30**	31	30	40	39	36	36
Water	**14**	14	13	14	14	12	12
Sewer	**14**	14	13	12	12	10	10
Natural Gas	**8**	8	7	8	8	9	9
Electric	**17**	17	14	13	10	10	9
CATV & Internet	**9**	10	10	10	8	7	7
Solid Waste Service	**21**	23	23	22	22	20	21
Totals	**224**	234	224	225	213	201	201

Source: City Finance Department

Note: Information is not available for years prior to 2003.



CITY OF MONROE, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Police:											
	Number of dispatches	**54,165**	40,901	41,618	38,276	33,396	33,549	40,881	38,487	24,300	26,338
	Number of traffic citations issued	**3,843**	4,416	3,697	3,049	3,759	3,396	3,550	4,211	4,257	5,358
Fire:											
	Number of fire/EMS dispatches	**1,361**	1,482	1,353	1,207	1,203	1,007	969	948	N/A	N/A
Highways and streets:											
	Street resurfacing (lane miles)	**9**	10	9	14	N/A	N/A	N/A	N/A	N/A	N/A
Housing and development:											
	Value of new building construction (in 000's)	**$ 7,766**	$ 7,040 (3)	$ 37,415	$ 35,882	$ 23,207	$ 37,247	$ 19,640	$ 20,895	N/A	N/A
	Number of permits issued	**24**	76 (3)	207	271	131	177	115	107	N/A	N/A
Utilities: Cable & Internet											
	Number of customers standard cable	**5,098**	5,244	5,411	5,518	5,613	5,704	5,665	5,818	5,838	5,469
	Number of customers digital cable (1)	**38**	44	57	80	88	66	N/A	N/A	N/A	N/A
	Number of Internet customers (2)	**1,264**	914	892	757	604	588	447	393	357	200
	Number of phone customers (4)	**20** (4)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electric											
	Number of customers	**5,848**	5,870	5,964	5,809	5,647	5,596	5,539	5,600	5,436	5,344
	Average daily consumption (KWh)	**390,152**	391,111	400,228	400,134	389,060	372,322	354,055	361,918	251,405	318,559
Natural gas											
	Number of customers	**4,094**	4,250	4,240	4,105	4,081	4,010	3,955	3,950	3,875	3,739
	Average daily consumption (MCF)	**949**	999	967	1,611	1,913	1,934	1,921	1,832	1,669	1,918
Wastewater											
	Number of customers	**6,434**	6,461	6,527	6,244	5,905	5,712	5,474	5,381	5,232	5,244
	Average daily sewage treatment (MGD)	**1.510**	1.408	1.432	2.005	2.170	1.660	1.870	1.660	1.567	1.359
Water											
	Number of customers	**8,312**	8,295	8,387	8,113	7,699	7,410	7,165	7,075	6,854	6,653
	Average daily consumption (Kgallons)	**2,893**	3,142	3,311	3,466	3,612	3,588	3,356	3,271	3,186	3,329
Solid Waste Service:											
	Refuse collected (tons)	**11,738**	11,201	12,106	11,517	12,567	12,771	N/A	N/A	N/A	N/A
	Recyclables collected (tons)	**243**	361	497	358	496	415	N/A	N/A	N/A	N/A
	Number of residential customers	**5,168**	5,231	5,331	5,142	4,917	4,802	N/A	N/A	N/A	N/A
	Number of commercial customers	**583**	573	482	477	462	437	N/A	N/A	N/A	N/A
	Number of transfer station customers	**23**	18	16	19	19	19	11	12	N/A	N/A

Source: Various City Departments

N/A - Information not available

Note: Indicators are not available for the General government function.

(1) Digital cable service started in 2004

(2) Internet service started in 1999

(3) Decrease Housing and development for 2008 due to slow-down in the economy.

(4) Phone service started in 2010

CITY OF MONROE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Police:											
	Stations	**1**	**1**	1	1	1	1	1	1	1	1
	Vehicles	**40**	**40**	40	38	38	38	26	21	N/A	N/A
Fire:											
	Stations	**1**	**1**	1	1	1	1	1	1	1	1
Highways and streets:											
	Streets (miles)	**75**	**75**	75	75	75	75	73	70	N/A	N/A
	Streetlights	**1,134**	**1,134**	1,134	1,134	1,109	1,109	1,108	1,104	1,104	1,104
	Traffic signals	**3**	**3**	3	4	4	N/A	N/A	N/A	N/A	N/A
Utilities: Cable & Internet											
	Cable (miles)	**267**	**267**	267	240	230	220	200	178	N/A	N/A
Electric											
	Lines (miles)	**185**	**185**	185	180	175	170	163	160	N/A	N/A
	Substations	**3**	**3**	3	3	3	3	3	3	3	2
Natural gas											
	Mains (miles)	**107**	**153**	152	149	146	143	141	135	124	118
Wastewater											
	Sanitary sewer (miles)	**153**	**153**	150	141	140	115	100	95	N/A	N/A
	Maximum daily treatment capacity (MGD)	**3.4**	**3.4**	3.4	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Water											
	Mains (miles)	**240**	**240**	240	237	235	210	190	190	N/A	N/A
	Maximum daily treatment capacity (MGD)	**10**	**10**	10	10	10	10	10	6	6	6
	Treated water storage capacity (Mgallons)	**1.5**	**1.5**	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
	Reservoir (raw) storage capacity (Mgallons)	**795**	**795**	795	795	795	795	795	795	795	795
Solid Waste Service:											
	Collection trucks	**9**	**9**	9	9	9	8	8	8	N/A	N/A
	Recycling trucks	**1**	**1**	1	1	1	1	1	1	N/A	N/A
	Transfer stations (1)	**1**	**1**	1	1	1	1	1	1	-	-

Source: Various City departments

Note: Capital asset indicators are not available for the General government and Housing and development functions.

(1) 2002 First year to operate transfer station

Since 1821
THE CITY OF
Monroe