COMPREHENSIVE ANNUAL FINANCIAL REPORT



FISCAL YEAR ENDED

DECEMBER 31, 2011

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2011

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, 2011

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

- Letter of Transmittal ..... i-iv
- GFOA Certificate of Achievement v
- List of Elected and Appointed Officials vi
- Organizational Chart vii

FINANCIAL SECTION

- Independent Auditor's Report 1-3
- Management's Discussion and Analysis 4-13
- Basic Financial Statements:
  - Government-wide Financial Statements:
    - Statement of Net Assets 14
    - Statement of Activities ..... 15 and 16
  - Fund Financial Statements:
    - Balance Sheet – Governmental Funds 17
    - Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 18
    - Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 19
    - General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual 20
    - Statement of Net Assets – Proprietary Funds 21
    - Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds 22
    - Statement of Cash Flows – Proprietary Funds ..... 23 and 24
  - Notes to Financial Statements 25-50
- Required Supplementary Information:
  - Schedule of Funding Progress – Retirement Plan 51
- Combining and Individual Fund Statements and Schedules:
  - Combining Balance Sheet – Nonmajor Governmental Funds ..... 52 and 53
  - Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds ..... 54 and 55
  - Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Forfeited Drug Fund 56

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2011

TABLE OF CONTENTS

Page

FINANCIAL SECTION (CONTINUED)

Combining and Individual Fund Statements and Schedules (Continued):

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Hotel/Motel Tax Fund 57

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Debt Service Fund 58

Schedule of Expenditures of Special Purpose Local Option Sales Tax 59

Statement of Cash Flows – Component Unit – Downtown Development Authority 60

Balance Sheet – Component Unit – Convention & Visitors Bureau 61

Statement of Revenues, Expenditures, and Changes in Fund Balance – Component Unit – Convention & Visitors Bureau 62

STATISTICAL SECTION (Unaudited)

Net Assets by Component 63

Changes in Net Assets ..... 64 and 65

Governmental Activities Tax Revenues by Source 66

Fund Balances of Governmental Funds 67

Changes in Fund Balances of Governmental Funds ..... 68 and 69

General Governmental Tax Revenues by Source 70

Assessed Value and Estimated Actual Value of Taxable Property 71

Property Tax Rates – Direct and Overlapping Governments 72

Principal Property Taxpayers 73

Property Tax Levies and Collections 74

Top Ten Electric Customers 75

Top Ten Water Customers 76

Top Ten Sewer Customers 77

Top Ten Gas Customers 78

Electric Sold by Type of Customer 79

Water Sold by Type of Customer 80

Gas Sold by Type of Customer 81

Telecommunication Sales 82

Residential Utility Rates 83

Ratios of Outstanding Debt by Type 84

Ratios of General Bonded Debt Outstanding 85

Direct and Overlapping Governmental Activities Debt 86

Legal Debt Margin Information 87

Combined Utility Revenue Bond Coverage 88

CITY OF MONROE, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2011

TABLE OF CONTENTS

Page

STATISTICAL SECTION (Unaudited) (CONTINUED)

Demographic and Economic Statistics 89
Principal Employers 90
Full-time Equivalent City Government Employees by Function 91
Operating Indicators by Function 92
Capital Asset Statistics by Function 93

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
L. Wayne Adcock, Vice Mayor

April 23, 2012

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, 2011 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, 2011. 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 if applicable, 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 2011, a Single Audit was not required.

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: Larry A. Bradley • Denise H. Dixon • Nathan Little •
Lee P. Malcom • Jimmy Richardson • Rita A Scott • Jerry Smith

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 13,234. 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. The City of Monroe also owns and operates the Monroe/Walton County Airport.

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 a 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

While the north Georgia economy has felt the same economic downturn as the rest of the nation, the City of Monroe continues to maintain a stable financial environment. Monroe is the county seat of Walton County. Although residential development has been slow, some commercial development continues. The majority of the City's commercial development lies along the Highway US 78/GA 138 corridor. With the opening of the new area hospital spring 2012 the City expects this commercial growth to continue.

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. Application for additional TE grant funds to continue this project was made in 2011 and the city was awarded the grant for this project. This project will continue the improvements into the old "Monroe Mill" district.

In 2011, the City started rehab of sewer lines to serve one of our lower income areas with funds from a Community Development Block Grant (CDBG FY09). The City was awarded additional CDBG grant funds (CDBG FY11) to continue with our sewer rehab project.

The City has completed Phase I of the upgrade to our existing water treatment plant and is near completion of Phase II. 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.

Relevant Financial Policies

The purpose of the City of Monroe's financial management policy is to insure that the City conducts is investment, cash and debt management activities in a responsible manner in full compliance with Federal and State Law. The City is committed to providing adequate cash flows to meet all current and future obligations. Adherence to this policy has allowed the City to maintain financial stability, all cash funds are properly collateralized and no short-term financing has been needed to meet operations.

Additionally, it is the City's policy to maintain budgetary controls to ensure compliance with legal requirements of the State of Georgia. The annual appropriation resolution approved by the Mayor and Council is adopted for all fund types with the legal level of control at the department level. During the year the budget was amended by Council; further detail on these amendments can be found in the MD&A.

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 US 78/GA 138 area's growth has seen the need to extend GA Highway 138 to alleviate some of the traffic issues. Charlotte Rowell Boulevard, an extension of GA Highway 138 north of US Highway 78 to Highway 11, remains on schedule and the project will go out for contract letting in 2012 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

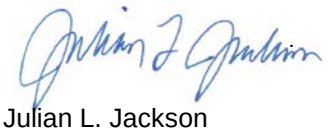
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monroe for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2010. This was the ninth year that the government has received 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 seventh 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, 2010. 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, 2010

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.



Linda C. Davidson

President

Jeffrey R. Emer

Executive Director

City of Monroe, Georgia
List of Elected and Appointed Officials
December 31, 2011

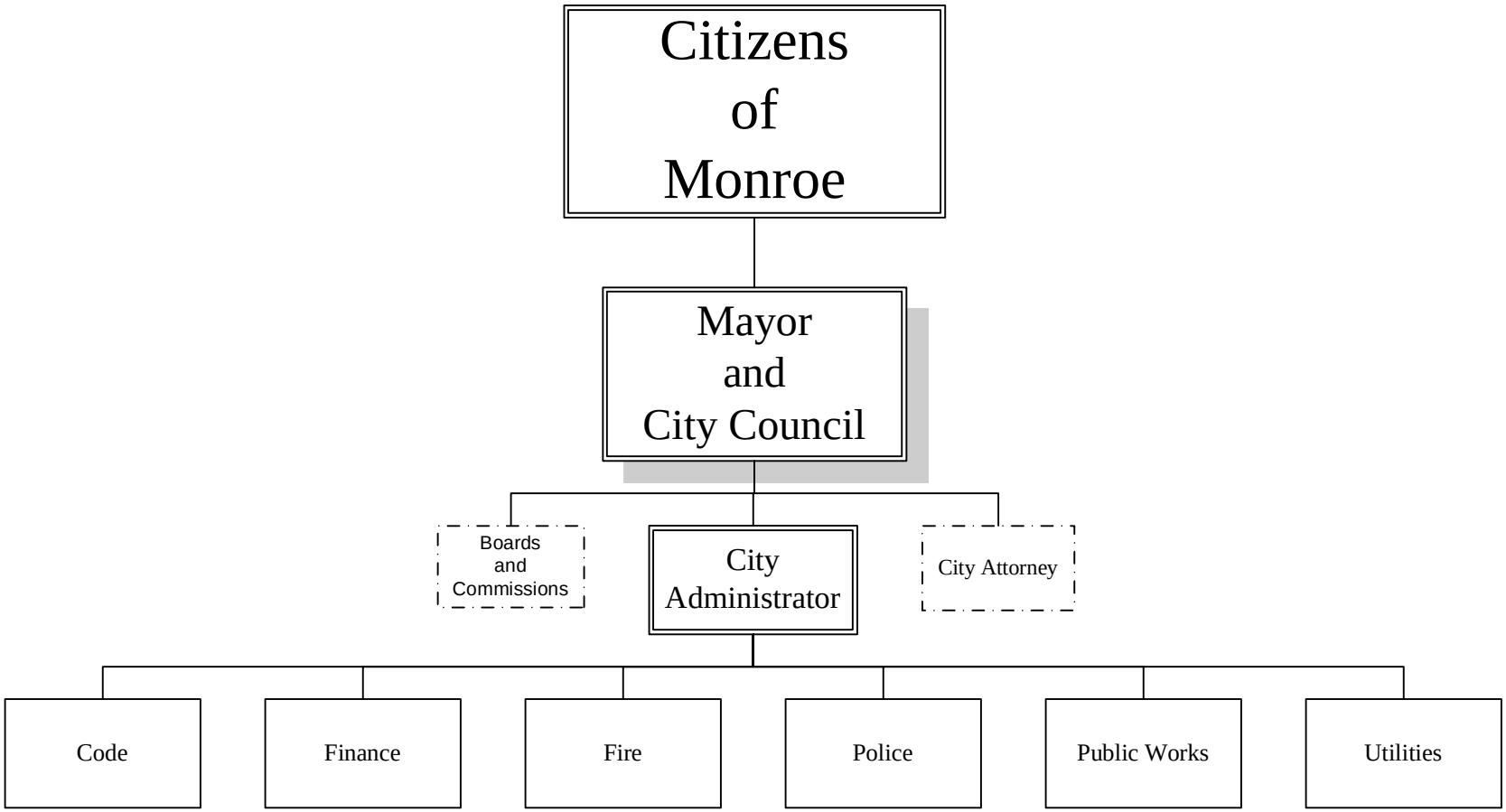
Elected Officials

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	D. Stan Dial
Police Chief	M.Keith Glass
Public Works Director	H. Steve Worley
Water & Gas Director	Rodney W. Middlebrooks

City of Monroe, Geogia
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, 2011, 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 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, 2011, 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.

As discussed in Note 1, the City of Monroe, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of January 1, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2012, 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4–13 and Schedule of Funding Progress on page 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Monroe, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Mauldin & Jenkins, LLC

Atlanta, Georgia
April 21, 2012

CITY OF MONROE, GEORGIA
Management's Discussion and Analysis
For the Fiscal Year Ended December 31, 2011

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, 2011. 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 2011 are as follows:

- The assets of the City of Monroe exceeded its liabilities at the close of the fiscal year by $78,979,494 (reported as "net assets"). Of this amount, $3,767,460 (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.

- Total net assets increased by $681,280 during FY 2011 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 $1,348,072, a decrease of $193,806 in comparison with the prior year. Of this amount, approximately 37% of these funds are available for spending at the government's discretion (unassigned fund balance), within the purposes of the funds.

- At the close of the fiscal year, the assets in the City of Monroe's Utilities Fund exceeded its liabilities by $59,849,253. Included in these net assets is $2,814,445 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, 2011. 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, solid waste and training center. The final category is the component units. 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 15-17 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 52-53 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 20 of this report. Budgetary comparisons for Special Revenue and Debt Service Funds can be found on pages 56-58 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, solid waste and training center operations. The Utility and Solid Waste funds are considered major and the GUTA (training center operations) fund is nonmajor. 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 21-24.

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 25-50 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 51 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 $78,979,494 at the close of the most recent fiscal year.

By far the largest portion of the City's net assets, $64,832,707 (82%) 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
Changes in Net Assets
Fiscal Years 2011 and 2010

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Assets:						
Current and other assets	$ 3,069,269	$ 3,965,604	$ 19,432,620	$ 17,590,792	$ 22,501,889	$ 21,556,396
Capital assets-net	22,139,941	23,373,575	72,356,907	70,864,581	94,496,848	94,238,156
Total assets	25,209,210	27,339,179	91,789,527	88,455,373	116,998,737	115,794,552
Liabilities:						
Long-tern liabilities	5,813,606	6,183,803	24,644,490	24,726,074	30,458,096	30,909,877
Other liabilities	1,478,250	1,917,037	6,082,897	4,669,424	7,561,147	6,586,461
Total liabilities	7,291,856	8,100,840	30,727,387	29,395,498	38,019,243	37,496,338
Net Assets:						
Invested in capital assets, net of related debt	16,815,773	17,638,965	48,016,934	46,398,368	64,832,707	64,037,333
Restricted for law enforcement	21,615	-	-	-	21,615	-
Restricted for debt service	148,229	-	274,045	316,073	422,274	316,073
Restricted for capital projects	134,638	-	9,800,800	9,523,530	9,935,438	9,523,530
Unrestricted	797,099	1,599,374	2,970,361	2,821,904	3,767,460	4,421,278
Net assets, ending	$ 17,917,354	$ 19,238,339	$ 61,062,140	$ 59,059,875	$ 78,979,494	$ 78,298,214

The full amount of unrestricted net assets is $3,767,460 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 77% 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.

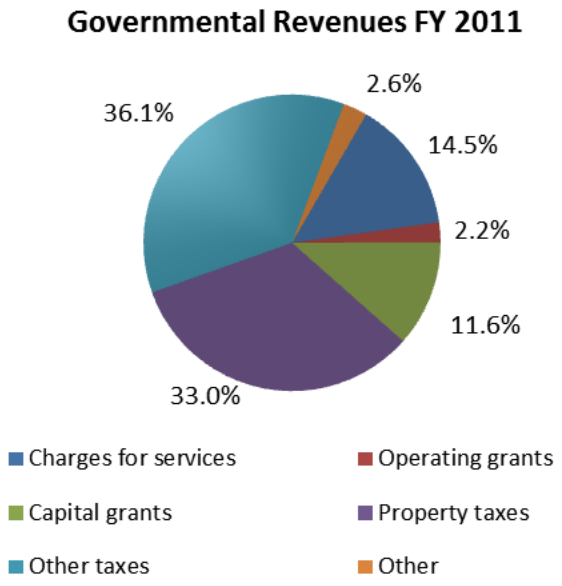
CITY OF MONROE, GEORGIA
Changes in Net Assets
Fiscal Years 2011 and 2010

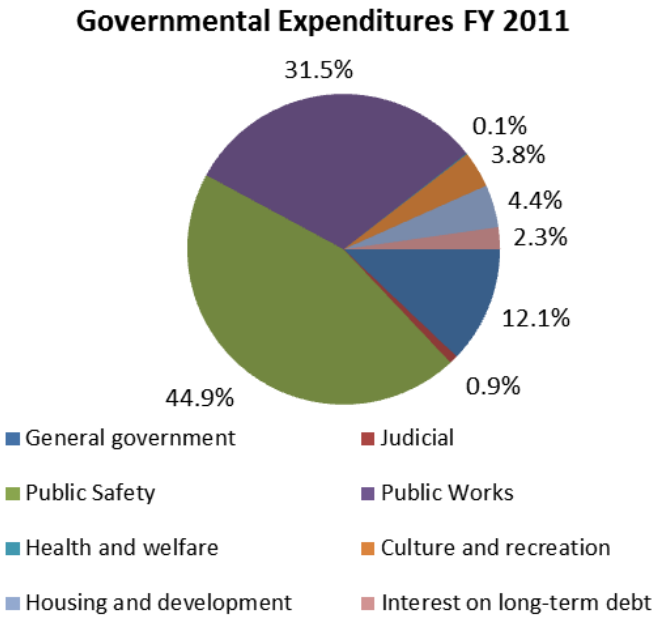
	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	**2010**	**2011**	**2010**	**2011**	**2010**
Revenues						
Program revenues:						
Charges for services	$ 1,254,373	$ 1,085,762	$ 36,584,169	$ 35,974,627	$ 37,838,542	$ 37,060,389
Operating grants	187,652	334,014	-	-	187,652	334,014
Capital grants	1,006,495	1,316,349	1,211,082	651,018	2,217,577	1,967,367
General revenues:						
Property taxes	2,865,418	2,987,370	-	-	2,865,418	2,987,370
Other taxes	3,135,453	3,118,681	-	-	3,135,453	3,118,681
Other	229,499	349,215	61,067	392,330	290,566	741,545
Total revenues	8,678,890	9,191,391	37,856,318	37,017,975	46,535,208	46,209,366
Program expenses						
General government	1,417,361	1,472,876	-	-	1,417,361	1,472,876
Judicial	103,077	123,640	-	-	103,077	123,640
Public Safety	5,246,043	5,299,486	-	-	5,246,043	5,299,486
Public Works	3,677,625	3,480,863	-	-	3,677,625	3,480,863
Health and welfare	11,555	16,530	-	-	11,555	16,530
Culture and recreation	441,207	428,110	-	-	441,207	428,110
Housing and development	518,594	491,352	-	-	518,594	491,352
Interest on long-term debt	266,783	284,722	-	-	266,783	284,722
Utilities	-	-	29,575,971	28,520,470	29,575,971	28,520,470
Solid Waste	-	-	4,554,533	4,819,518	4,554,533	4,819,518
GUTA	-	-	41,179	53,699	41,179	53,699
Total expenses	11,682,245	11,597,579	34,171,683	33,393,687	45,853,928	44,991,266
Increase (decrease) in net assets before transfers	(3,003,355)	(2,406,188)	3,684,635	3,624,288	681,280	1,218,100
Transfers	1,682,370	1,704,065	(1,682,370)	(1,704,065)	-	-
Increase (decrease) in net assets	(1,320,985)	(702,123)	2,002,265	1,920,223	681,280	1,218,100
Net assets, beginning	19,238,339	19,940,462	59,059,875	57,139,652	78,298,214	77,080,114
Net assets, ending	$ 17,917,354	$ 19,238,339	$ 61,062,140	$ 59,059,875	$ 78,979,494	$ 78,298,214

Governmental activities. Governmental activities decreased the City of Monroe's net assets by $1,320,985. Key elements of this decrease are as follows:

- Tax revenues decreased during the year. This decrease is primarily due to continued economic decline.
- Capital and operating grant revenue decreased.
- Most expenses were consistent to prior year with an increase in public works expense.

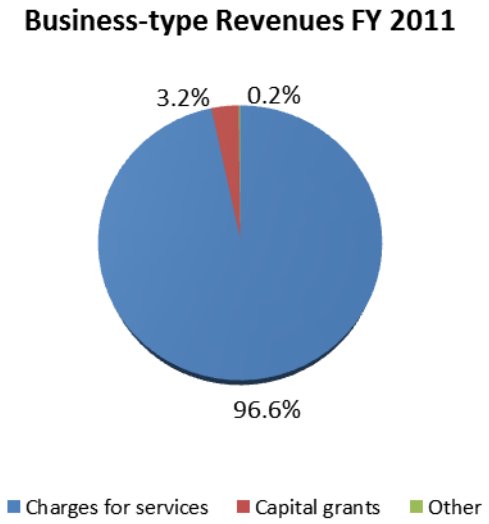
The following graphs show the breakdown by percentage of governmental revenues and expenses.

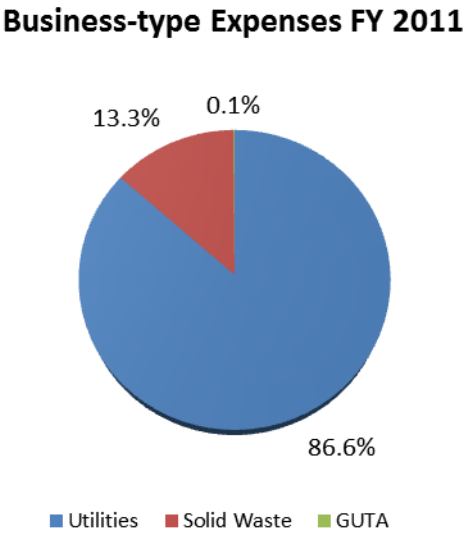




Business-type Activities. Business-type activities increased the City of Monroe's net assets by $2,002,265. The Utilities Fund, largest of the City's business-type activities, accounted for 86.6% of the operating expenses and approximately 87% of the operating revenues among business-type activities. Key elements are as follows:

- Increase in solid waste rates to keep up with increasing disposal rates.
- Capital Grants in Utility fund.
- 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, unassigned 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 $1,348,072, a decrease of $193,806 or a decrease of 12.6% in comparison with the prior year. Of this amount, 37% ($498,956) of this total fund balance constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is nonspendable in the amount of $541,999, restricted for debt service, capital projects and law enforcement $304,482, and assigned for special revenue spending $2,635.

The General Fund is the chief operating fund of the City of Monroe. At the end of the current fiscal year, the unassigned fund balance of the General Fund was $498,956, of the total fund balance of $1,189,060. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 6% of total General Fund expenditures, while total fund balance represents 13% of total General Fund expenditures.

A portion of fund balance in the General Fund is also restricted for the payment of debt service. This amount at year end was $147,833 or 12%. The amount of nonspendable fund balance for the General Fund is made up of prepaid expenditures of $57,752 and advances to other funds of $484,247 which is an advance to the Solid Waste Fund. This total of $541,999 is 46% of the General Fund's total fund balance.

Fund balance of the City of Monroe's General Fund decreased by $197,520 during the current fiscal year. Key factor in this decrease is the increase in employee health insurance costs.

Total fund balance for nonmajor special revenue funds at year-end was $23,978. This total had a net increase of $3,958. 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 revenue from cases forfeited through the court system with funds restricted for law enforcement purposes from prior years. The Hotel/Motel Tax Fund showed a slight increase. This fund accounts for local room taxes collected with the fund balance assigned for tourism in the City.

The debt service fund has a total fund balance of $396, all of which is restricted for the payment of debt service. The net decrease in fund balance during the current year in the debt service fund was $265. Principal payments made during the year were $410,000 and interest expenditures $272,265.

Proprietary Funds. The proprietary funds share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This provides a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

Unrestricted net assets of the Utilities Fund at the end of the year amounted to $2,814,445, the Solid Waste Fund amounted to $205,723, and those for GUTA totaled ($49,807). The net increase in net assets for these funds was $2,002,265.

At year end the total net assets of the Utilities Fund increased by $1,973,782, the Solid Waste Fund increased by $48,127 and the GUTA fund total net assets decreased by ($19,644). Financial analysis in regards to these funds can be found in the business-type activities section.

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 20. Differences between the original budget and the final amended budget for the General Fund are summarized as follows:

Revenue:

- Budgeted revenues increased from $7,396,238 to $7,892,238.
- Tax revenues accounted for an increase of $340,000 due to the increase in collection of property taxes.
- Licenses and Permits increased $70,000 due to the permitting over projected amounts.
- Intergovernmental revenue decreased $12,000 due to over projection of grant revenue.
- Municipal Court Fines decreased $15,000 due to the decrease in municipal court collections.
- Increase to Charges for Services, Contributions and Miscellaneous revenues increased a net of $113,000. Most of the increase is attributed to an increase in fees for employee self-insurance and general property insurance settlements.

Expenditures:

- Budgeted expenditures increased from $8,303,602 to $9,107,127.
- $573,000 increase to General Government, Protective Inspection, Fire, Municipal Court, Police, Highways and Streets, and Special Facilities for employee health insurance costs.
- General Government was decreased a total of $9,350 for lower than expected expenditures.
- Police, and Special Facilities were increased a total of $135,000 to cover unplanned expenditures in each function.

Other Financing Sources (Uses):

- Decreased operating transfers in by $77,000 for lower than expected transfers from Utility Fund.
- Amended budget for use of Fund Balance of $229,650.
- $50,000 decrease in budget for workers compensation insurance expenditures.

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, 2011, amounts to $94,496,848 (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:

- $17 thousand for infrastructure & improvements.
- Purchase of almost $149 thousand in machinery, equipment and vehicles.
- Construction in progress as of the end of the current fiscal year totaling approximately $62 thousand.
- $184 thousand in equipment, furniture and vehicles sold as surplus.

Business-type activities:

- Purchase of almost $381 thousand in specialized service installation equipment and vehicles.
- $1.57 million in utility infrastructure & improvements.
- Construction in progress as of the end of the current fiscal year totaling almost $6 million for electric, gas, sewer, water and cable upgrades and projects.
- $17 thousand in equipment, furniture and vehicles sold as surplus.

CITY OF MONROE, GEORGIA
Capital Assets
(net of depreciation)
Fiscal Years 2011 and 2010

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Land	$ 3,691,554	$ 3,691,554	$ 2,109,443	$ 2,109,443	$ 5,800,997	$ 5,800,997
Infrastructure	8,856,409	9,452,007	36,472,595	35,880,627	45,329,004	45,332,634
Buildings and Improvements	8,354,476	8,786,784	21,097,496	21,901,287	29,451,972	30,688,071
Equipment, furniture & vehicles	1,175,858	1,392,969	6,718,991	7,477,773	7,894,849	8,870,742
Construction in progress	61,644	50,261	5,958,382	3,495,451	6,020,026	3,545,712
Total	$ 22,139,941	$ 23,373,575	$ 72,356,907	$ 70,864,581	$ 94,496,848	$ 94,238,156

Additional information on the capital assets can be found in the Notes to Financial Statements on pages 39-40 of this report.

Long-term debt. As of December 31, 2011, the City of Monroe's total long-term debt outstanding is $27,707,100. Of this amount, $5,375,000 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 2011 and 2010

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
General obligation bonds	$ 5,375,000	$ 5,785,000	$ -	$ -	$ 5,375,000	$ 5,785,000
Revenue bonds	-	-	22,332,100	23,785,000	22,332,100	23,785,000
Total	$ 5,375,000	$ 5,785,000	$ 22,332,100	$ 23,785,000	$ 27,707,100	$ 29,570,000

The City of Monroe's total debt decreased a net of $1,862,900 during the current fiscal year. The City issued revenue refunding bonds of $2.9 million in during the fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the City of Monroe is $31 million, which is in excess of the total bonded general obligation debt outstanding of $5.375 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 A- by Standard & Poor's Rating Service and 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 40-43.

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 continued close monitoring of all revenues and expenditures.

The following indicators were taken into account when adopting the General Fund budget for 2012:

- Reductions in assessed value of the overall property tax digest of around 7.4%. The rollback millage rate if adopted will allow for the levy to remain the same. Total tax levy was down just under $74 thousand from 2010 to 2011 with a total tax levy of $2,710,807.
- 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 2012.

Anticipated revenues in the General Fund budget are $9.5 million, down $309 thousand from the amended 2011 budget. The 2012 budget was developed and adopted before 2011 fiscal year-end and reflects conservative revenue figures. No decrease in fund balance of General Fund is budgeted for fiscal year 2012.

In addition to adopting the 2012 budget ordinance, the Mayor and City Council also approved an electric utility rate increase. Electric rates were increased to keep up with the rise of wholesale electricity costs associated with new environmental regulations. Base rates and tiered energy rates were increased for Residential, Commercial, Industrial, Church, City Government and Security Lights. The City had not increased electric rates since 2001.

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

BASIC FINANCIAL STATEMENTS

CITY OF MONROE, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority	Convention & Visitors Bureau
ASSETS					
Cash and cash equivalents	$ 1,381,550	$ 3,276,138	$ 4,657,688	$ 74,126	$ 3,069
Accounts receivable, net of allowances	75,037	4,558,835	4,633,872	-	-
Taxes receivable	510,267	-	510,267	-	-
Internal balances	730,950	(730,950)	-	-	-
Due from primary government	-	-	-	-	12,000
Due from other governments	260,627	1,027,552	1,288,179	44,499	-
Inventories and prepaid items	57,752	850,795	908,547	-	-
Deferred charges, unamortized balance	53,086	375,405	428,491	-	-
Restricted assets:					
Cash and cash equivalents	-	8,249,133	8,249,133	-	-
Investments	-	1,825,712	1,825,712	-	-
Capital assets:					
Non-depreciable	3,753,198	8,067,825	11,821,023	-	-
Depreciable, net of accumulated depreciation	18,386,743	64,289,082	82,675,825	-	-
Total assets	25,209,210	91,789,527	116,998,737	118,625	15,069
LIABILITIES					
Accounts payable	850,805	3,722,240	4,573,045	26,619	-
Accrued liabilities	583,192	2,360,657	2,943,849	-	-
Due to component unit	12,000	-	12,000	-	-
Unearned revenue	32,253	-	32,253	-	-
Long-term liabilities:					
Portion due or payable within one year:					
Bonds and notes payable	470,000	1,730,316	2,200,316	-	-
Compensated absences	489,438	304,517	793,955	-	-
Portion due or payable in more than one year:					
Bonds and notes payable, net	4,854,168	22,609,657	27,463,825	-	-
Total liabilities	7,291,856	30,727,387	38,019,243	26,619	-
NET ASSETS					
Invested in capital assets, net of related debt	16,815,773	48,016,934	64,832,707	-	-
Restricted for law enforcement	21,615	-	21,615	-	-
Restricted for debt service	148,229	274,045	422,274	-	-
Restricted for capital projects	134,638	9,800,800	9,935,438	-	-
Restricted for tourism	-	-	-	-	15,069
Unrestricted	797,099	2,970,361	3,767,460	92,006	-
Total net assets	$ 17,917,354	$ 61,062,140	$ 78,979,494	$ 92,006	$ 15,069

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

CITY OF MONROE, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

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	$ 1,417,361	$ 646,816	$ 16,170	$ -
Judicial	103,077	509,174	-	-
Public safety	5,246,043	82,798	112,400	-
Public works	3,677,625	13,810	59,082	1,006,495
Health and welfare	11,555	-	-	-
Culture and recreation	441,207	1,775	-	-
Housing and development	518,594	-	-	-
Interest on long-term debt	266,783	-	-	-
Total governmental activities	11,682,245	1,254,373	187,652	1,006,495
Business-type activities:				
Utilities	29,575,971	31,714,571	-	1,211,082
Solid waste	4,554,533	4,848,063	-	-
GUTA	41,179	21,535	-	-
Total business-type activities	34,171,683	36,584,169	-	1,211,082
Total primary government	$ 45,853,928	$ 37,838,542	$ 187,652	$ 2,217,577
Component units:				
Downtown Development Authority	$ 233,410	$ 14,438	$ 1,000	$ -
Convention & Visitors Bureau	14,214	-	-	-
Total component units	$ 247,624	$ 14,438	$ 1,000	$ -

General revenues:	
Property taxes	
Sales taxes	
Franchise taxes	
Business taxes	
Unrestricted investment earnings	
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
$ (754,375)	$ -	$ (754,375)		$ -	$ -
406,097	-	406,097		-	-
(5,050,845)	-	(5,050,845)		-	-
(2,598,238)	-	(2,598,238)		-	-
(11,555)	-	(11,555)		-	-
(439,432)	-	(439,432)		-	-
(518,594)	-	(518,594)		-	-
(266,783)	-	(266,783)		-	-
(9,233,725)	-	(9,233,725)		-	-
-	3,349,682	3,349,682		-	-
-	293,530	293,530		-	-
-	(19,644)	(19,644)		-	-
-	3,623,568	3,623,568		-	-
$ (9,233,725)	$ 3,623,568	$ (5,610,157)		$ -	$ -
$ -	$ -	$ -		$ (217,972)	$ -
-	-	-		-	(14,214)
$ -	$ -	$ -		$ (217,972)	$ (14,214)
$ 2,865,418	$ -	$ 2,865,418		$ -	$ -
2,141,501	-	2,141,501		106,500	22,068
240,578	-	240,578		-	-
753,374	-	753,374		-	-
130	61,067	61,197		98	-
229,369	-	229,369		84,466	-
1,682,370	(1,682,370)	-		-	-
7,912,740	(1,621,303)	6,291,437		191,064	22,068
(1,320,985)	2,002,265	681,280		(26,908)	7,854
19,238,339	59,059,875	78,298,214		118,914	7,215
$ 17,917,354	$ 61,062,140	$ 78,979,494		$ 92,006	$ 15,069

Since 1821
THE CITY OF
Monroe

CITY OF MONROE, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

ASSETS	General Fund	Other Governmental Funds	Total Governmental Funds
Cash	$ 1,191,945	$ 189,605	$ 1,381,550
Taxes receivable	508,666	1,601	510,267
Accounts receivable	75,037	-	75,037
Due from other governments	201,738	58,889	260,627
Due from other funds	256,054	-	256,054
Advances to other funds	484,247	-	484,247
Prepaid expenditures	57,752	-	57,752
Total assets	$ 2,775,439	$ 250,095	$ 3,025,534
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 771,722	$ 79,083	$ 850,805
Accrued liabilities	520,166	-	520,166
Due to component unit	-	12,000	12,000
Deferred revenues	285,140	-	285,140
Due to other funds	9,351	-	9,351
Total liabilities	1,586,379	91,083	1,677,462
FUND BALANCES			
Fund balances:			
Nonspendable:			
Prepaid items	57,752	-	57,752
Advances	484,247	-	484,247
Restricted:			
Law enforcement	-	21,615	21,615
Debt service	147,833	396	148,229
Capital projects	-	134,638	134,638
Assigned:			
Public safety	272	-	272
Tourism	-	2,363	2,363
Unassigned	498,956	-	498,956
Total fund balances	1,189,060	159,012	1,348,072
Total liabilities and fund balances	$ 2,775,439	$ 250,095	

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.	22,139,941
Some receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	252,887
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(5,823,546)
Net assets of governmental activities	$ 17,917,354

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, 2011

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 6,259,223	$ 22,274	$ 6,281,497
Licenses and permits	180,880	-	180,880
Intergovernmental	187,652	994,495	1,182,147
Fines and forfeitures	509,174	44,829	554,003
Charges for services	497,875	-	497,875
Interest income	104	26	130
Miscellaneous	229,369	-	229,369
Total revenues	7,864,277	1,061,624	8,925,901
Expenditures			
Current:			
General government	1,146,185	-	1,146,185
Judicial	103,077	-	103,077
Public safety	5,157,736	41,082	5,198,818
Public works	1,769,688	928,016	2,697,704
Health and welfare	11,555	-	11,555
Culture and recreation	392,804	-	392,804
Housing and development	464,656	48,693	513,349
Capital outlay	-	66,479	66,479
Debt service:			
Principal retirements	-	410,000	410,000
Interest	-	272,265	272,265
Total expenditures	9,045,701	1,766,535	10,812,236
Deficiency of revenues over expenditures	(1,181,424)	(704,911)	(1,886,335)
Other financing sources (uses):			
Proceeds from sale of capital assets	10,159	-	10,159
Transfers in	1,682,370	708,625	2,390,995
Transfers out	(708,625)	-	(708,625)
Total other financing sources (uses)	983,904	708,625	1,692,529
Net change in fund balances	(197,520)	3,714	(193,806)
Fund balances, beginning of year	1,386,580	155,298	1,541,878
Fund balances, end of year	$ 1,189,060	$ 159,012	$ 1,348,072

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, 2011

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

Net change in fund balances - total governmental funds	$ (193,806)
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.	(1,215,522)
The net effect of various miscellaneous transactions involving capital assets (i.e., donations, disposals) is to decrease net assets.	(18,112)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(259,011)
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.	410,000
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.	(44,534)
Change in net assets - governmental activities	$ (1,320,985)

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, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 5,948,000	$ 6,288,000	$ 6,259,223	$ (28,777)
Licenses and permits	106,000	176,000	180,880	4,880
Fines and forfeitures	525,000	510,000	509,174	(826)
Interest	2,000	2,000	104	(1,896)
Charges for services	426,750	494,750	497,875	3,125
Intergovernmental	211,000	199,000	187,652	(11,348)
Miscellaneous	177,488	222,488	229,369	6,881
Total revenues	7,396,238	7,892,238	7,864,277	(27,961)
Expenditures				
Current:				
General government:				
Legislative	193,272	223,272	222,241	1,031
Executive	380,139	402,139	400,207	1,932
Board of elections	12,000	5,000	3,339	1,661
Financial administration	420,569	420,569	393,128	27,441
Law	65,000	90,000	87,877	2,123
Internal audit	32,000	25,000	24,500	500
General administration fees	4,800	4,800	4,693	107
Community services	5,600	10,200	10,200	-
Total general government	1,113,380	1,180,980	1,146,185	34,795
Judicial:				
Municipal court	98,485	104,485	103,077	1,408
Total judicial	98,485	104,485	103,077	1,408
Public safety:				
Police	3,327,191	3,702,191	3,694,529	7,662
Fire	1,376,185	1,466,185	1,463,207	2,978
Total public safety	4,703,376	5,168,376	5,157,736	10,640
Public works:				
Highways and streets administration	1,635,556	1,775,556	1,769,688	5,868
Total public works	1,635,556	1,775,556	1,769,688	5,868
Health and welfare:				
Community center	13,000	13,000	11,555	1,445
Total health and welfare	13,000	13,000	11,555	1,445
Culture and recreation:				
Special facilities	235,846	270,846	269,204	1,642
Library	123,600	123,600	123,600	-
Total culture and recreation	359,446	394,446	392,804	1,642
Housing and development:				
Protective inspection administration	375,515	385,515	379,937	5,578
Planning and zoning	4,844	4,894	4,844	50
Economic development	-	79,875	79,875	-
Total housing and development	380,359	470,284	464,656	5,628
Total expenditures	8,303,602	9,107,127	9,045,701	61,426
Deficiency of revenues over expenditures	(907,364)	(1,214,889)	(1,181,424)	33,465
Other financing sources (uses)				
Proceeds from sale of capital assets	-	-	10,159	10,159
Transfers in	1,771,130	1,694,130	1,682,370	(11,760)
Transfers out	(863,766)	(708,891)	(708,625)	266
Total other financing sources (uses)	907,364	985,239	983,904	(1,335)
Net change in fund balances	-	(229,650)	(197,520)	32,130
Fund balance, beginning of year	1,386,580	1,386,580	1,386,580	-
Fund balance, end of year	$ 1,386,580	$ 1,156,930	$ 1,189,060	$ 32,130

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

CITY OF MONROE, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

ASSETS	Utilities Fund	Solid Waste Fund	Non-major GUTA Fund	Totals
CURRENT ASSETS				
Cash and cash equivalents	$ 3,235,040	$ 4,949	$ 36,149	$ 3,276,138
Accounts receivable, net of allowances	4,055,096	503,739	-	4,558,835
Due from other governments	1,027,552	-	-	1,027,552
Due from other funds	92,369	232,761	-	325,130
Prepaid items	46,092	3,620	-	49,712
Inventories	801,083	-	-	801,083
	9,257,232	745,069	36,149	10,038,450
RESTRICTED ASSETS				
Cash and cash equivalents	8,249,133	-	-	8,249,133
Investments	1,825,712	-	-	1,825,712
	10,074,845	-	-	10,074,845
Total current assets	19,332,077	745,069	36,149	20,113,295
CAPITAL ASSETS				
Non-depreciable	8,067,825	-	-	8,067,825
Depreciable, net of accumulated depreciation	63,232,111	663,274	393,697	64,289,082
	71,299,936	663,274	393,697	72,356,907
OTHER NONCURRENT ASSETS	375,405	-	-	375,405
Total noncurrent assets	71,675,341	663,274	393,697	72,732,312
Total assets	91,007,418	1,408,343	429,846	92,845,607
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	3,721,687	553	-	3,722,240
Accrued liabilities	151,350	-	-	151,350
Customer deposits	2,127,367	-	-	2,127,367
Compensated absences payable	250,943	53,574	-	304,517
Due to other funds	484,905	972	85,956	571,833
	6,736,252	55,099	85,956	6,877,307
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS				
Revenue bonds payable - current	1,659,900	-	-	1,659,900
Notes payable - current	70,416	-	-	70,416
Accrued interest	81,940	-	-	81,940
	1,812,256	-	-	1,812,256
Total current liabilities	8,548,508	55,099	85,956	8,689,563
NONCURRENT LIABILITIES				
Revenue bonds payable	20,339,852	-	-	20,339,852
Notes payable	2,269,805	-	-	2,269,805
Advances from other funds	-	484,247	-	484,247
Total noncurrent liabilities	22,609,657	484,247	-	23,093,904
Total liabilities	31,158,165	539,346	85,956	31,783,467
NET ASSETS				
Invested in capital assets, net of related debt	46,959,963	663,274	393,697	48,016,934
Restricted for capital projects	9,800,800	-	-	9,800,800
Restricted for debt service	274,045	-	-	274,045
Unrestricted	2,814,445	205,723	(49,807)	2,970,361
Total net assets	$ 59,849,253	$ 868,997	$ 343,890	$ 61,062,140

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, 2011

	Utilities Fund	Solid Waste Fund	Non-major GUTA Fund	Totals
OPERATING REVENUES				
Charges for sales and services	$ 31,714,571	$ 4,848,063	$ 21,535	$ 36,584,169
Total operating revenues	31,714,571	4,848,063	21,535	36,584,169
OPERATING EXPENSES				
Cost of sales and services	14,982,420	2,825,945	-	17,808,365
General operating expenses	10,601,216	1,670,198	33,103	12,304,517
Depreciation and amortization	2,929,972	58,390	8,076	2,996,438
Total operating expenses	28,513,608	4,554,533	41,179	33,109,320
Operating income (loss)	3,200,963	293,530	(19,644)	3,474,849
NON-OPERATING REVENUES (EXPENSES)				
Interest income	61,067	-	-	61,067
Interest expense	(1,062,363)	-	-	(1,062,363)
Total non-operating revenue (expenses)	(1,001,296)	-	-	(1,001,296)
Income (loss) before capital contributions and transfers	2,199,667	293,530	(19,644)	2,473,553
Capital contributions	1,211,082	-	-	1,211,082
Transfers out	(1,436,967)	(245,403)	-	(1,682,370)
	(225,885)	(245,403)	-	(471,288)
Change in net assets	1,973,782	48,127	(19,644)	2,002,265
Net assets, beginning of year	57,875,471	820,870	363,534	59,059,875
Net assets, end of year	$ 59,849,253	$ 868,997	$ 343,890	$ 61,062,140

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, 2011

	Utilities Fund	Solid Waste Fund	Non-major GUTA Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 31,572,177	$ 4,938,608	$ 21,535	$ 36,532,320
Payments to suppliers	(18,185,912)	(3,351,387)	(454)	(21,537,753)
Payments to employees	(5,873,384)	(1,129,342)	-	(7,002,726)
Net cash provided by operating activities	7,512,881	457,879	21,081	7,991,841
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers out to other funds	(1,436,967)	(245,403)	-	(1,682,370)
Advances from other funds	-	54,541	-	54,541
Net cash used in non-capital financing activities	(1,436,967)	(190,862)	-	(1,627,829)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(4,150,709)	(267,017)	-	(4,417,726)
Proceeds from long-term borrowings	4,427,908	-	-	4,427,908
Principal payments on bonds	(4,437,100)	-	-	(4,437,100)
Principal payments on note payable	(92,265)	-	-	(92,265)
Interest paid	(1,101,128)	-	-	(1,101,128)
Issuance cost payments	(49,255)	-	-	(49,255)
Cash capital contributions	708,972	-	-	708,972
Net cash used in capital and related financing activities	(4,693,577)	(267,017)	-	(4,960,594)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	61,067	-	-	61,067
Purchase of investments	(405,350)	-	-	(405,350)
Net cash used in investing activities	(344,283)	-	-	(344,283)
Net increase in cash and cash equivalents	1,038,054	-	21,081	1,059,135
Cash and cash equivalents, beginning of year	10,446,119	4,949	15,068	10,466,136
Cash and cash equivalents, end of year	$ 11,484,173	$ 4,949	$ 36,149	$ 11,525,271
Classified as:				
Cash and cash equivalents	$ 3,235,040	$ 4,949	$ 36,149	$ 3,276,138
Restricted cash and cash equivalents	8,249,133	-	-	8,249,133
	$ 11,484,173	$ 4,949	$ 36,149	$ 11,525,271

(Continued)

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Utilities Fund	Solid Waste Fund	Non-major GUTA Fund	Totals
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	$ 3,200,963	$ 293,530	$ (19,644)	$ 3,474,849
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	2,929,972	58,390	8,076	2,996,438
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(112,365)	90,545	-	(21,820)
(Increase) decrease in due from other funds	(30,029)	4,056	-	(25,973)
(Increase) decrease in prepaid items	(1,808)	155	-	(1,653)
Decrease in inventories	11,546	-	-	11,546
Increase in accounts payable	1,270,526	553	-	1,271,079
Increase in accrued liabilities	5,412	-	-	5,412
Increase in customer deposits	145,370	-	-	145,370
Increase in compensated absences payable	34,978	9,678	-	44,656
Increase in due to other funds	58,316	972	32,649	91,937
Net cash provided by operating activities	$ 7,512,881	$ 457,879	$ 21,081	$ 7,991,841
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital contributions due from other governments	$ 502,110	$ -	$ -	$ -
Portion of long-term borrowings due from other governments	847	-	-	-
Total noncash capital and related financing activities	$ 502,957	$ -	$ -	$ -

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

Since 1821
THE CITY OF
Monroe

NOTES TO FINANCIAL STATEMENTS

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 with the exception of interfund services provided and used.

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 committed or assigned fund balance since they do not constitute expenditures or liabilities. There were no outstanding encumbrances at December 31, 2011.

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."

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2011, 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. The City capitalizes intangible assets with an initial, individual cost of more than $100,000 and an estimated useful life in excess of one year. 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. The City has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of January 1, 2011. This new standard changed the overall definitions and classifications of governmental fund balances.

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

Fund Balance – Generally, fund balance represents the difference between the assets and liabilities under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes determined by a formal action of the City Council.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The City Council has delegated the Finance Director the authority to assign amounts to be used for specific purposes.

Unassigned – Fund balances are reported as unassigned as the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, (3) Unassigned.

Net Assets – Net assets represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the City has spent) for the acquisition, construction or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

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 $5,823,546 difference are as follows:

Bonds payable	$	(5,375,000)
Bond issuance costs		53,086
Bond premium		(127,230)
Deferred charges on refunding		178,062
Accrued interest payable		(63,026)
Compensated absences		(489,438)
Net adjustment to reduce *fund balance- total governmental funds* to arrive at *net assets - governmental activities*	$	(5,823,546)

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 $1,215,522 difference are as follows:

Capital outlay	$	169,481
Depreciation expense		(1,385,003)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(1,215,522)

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 "The net effect of various miscellaneous transactions involving capital assets (i.e., donations, disposals) is to decrease net assets." The details of this $18,112 difference are as follows:

Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	$	12,000
In the statement of activities, only the gain on the sale of capital assets is recorded. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.		(30,112)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(18,112)

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 $44,534 difference are as follows:

Compensated absences	$	(40,245)
Accrued interest		5,040
Amortization of issuance costs		(9,771)
Amortization of deferred charges on refunding		(22,976)
Amortization of bond premiums		23,418
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(44,534)

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 4. DEPOSITS AND INVESTMENTS

Total deposits and investments as of December 31, 2011 are summarized as follows:

Amounts as presented on the entity wide statement of net assets:		
Cash and cash equivalents	$	4,657,688
Restricted cash and cash equivalents		8,249,133
Restricted investments		1,825,712
Total	$	14,732,533
Cash deposited with financial institutions	$	12,906,821
Investments in the Municipal Competitive Trust		1,825,712
	$	14,732,533

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Credit risk. State statutes and City policy 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 bankers' 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, 2011, the City's investments in the Municipal Competitive Trust were rated AA-plus by Standard & Poor's.

At December 31, 2011, the City had the following investments:

Investment	Maturities (in years)	Fair Value
Municipal Competitive Trust - Short-term	Less than 1	$ 1,825,712
Total		$ 1,825,712

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: 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. State statutes and City policy require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2011, the City and its component units are insured or 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.

The billings are considered past due on December 21, at which time the applicable property is subject to lien and penalties and interest are assessed.

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

Receivables at December 31, 2011, 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	$ 508,666	$ -	$ -	$ 1,601
Accounts	75,037	4,129,808	503,739	-
Due from other governments	201,738	1,027,552	-	58,889
Less allowance for uncollectible	-	74,712	-	-
Net total receivable	$ 785,441	$ 5,082,648	$ 503,739	$ 60,490

NOTE 6. CAPITAL ASSETS

Capital asset activity for the fiscal year ended December 31, 2011 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 3,691,554	$ -	$ -	$ -	$ 3,691,554
Construction in progress	50,261	15,400	(4,017)	-	61,644
Total	3,741,815	15,400	(4,017)	-	3,753,198
Capital assets, being depreciated:					
Infrastructure	23,730,114	17,833	-	-	23,747,947
Buildings and improvements	11,746,852	-	-	-	11,746,852
Equipment, furniture & vehicles	4,870,748	148,248	(183,796)	-	4,835,200
Total	40,347,714	166,081	(183,796)	-	40,329,999
Less accumulated depreciation for:					
Infrastructure	(14,278,107)	(613,431)	-	-	(14,891,538)
Buildings and improvements	(2,960,068)	(432,308)	-	-	(3,392,376)
Equipment, furniture & vehicles	(3,477,779)	(339,264)	157,701	-	(3,659,342)
Total	(20,715,954)	(1,385,003)	157,701	-	(21,943,256)
Total capital assets, being depreciated, net	19,631,760	(1,218,922)	(26,095)	-	18,386,743
Governmental activities capital assets, net	$ 23,373,575	$ (1,203,522)	$ (30,112)	$ -	$ 22,139,941
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 2,109,443	$ -	$ -	$ -	$ 2,109,443
Construction in progress	3,495,451	4,036,876	-	(1,573,945)	5,958,382
Total	5,604,894	4,036,876	-	(1,573,945)	8,067,825
Capital assets, being depreciated:					
Infrastructure	51,064,774	-	-	1,573,945	52,638,719
Buildings and improvements	31,683,728	-	-	-	31,683,728
Equipment, furniture & vehicles	18,082,682	380,850	(16,829)	-	18,446,703
Total	100,831,184	380,850	(16,829)	1,573,945	102,769,150
Less accumulated depreciation for:					
Infrastructure	(15,184,147)	(981,977)	-	-	(16,166,124)
Buildings and improvements	(9,782,441)	(803,791)	-	-	(10,586,232)
Equipment, furniture & vehicles	(10,604,909)	(1,139,632)	16,829	-	(11,727,712)
Total	(35,571,497)	(2,925,400)	16,829	-	(38,480,068)
Total capital assets, being depreciated, net	65,259,687	(2,544,550)	-	1,573,945	64,289,082
Business-type activities capital assets, net	$ 70,864,581	$ 1,492,326	$ -	$ -	$ 72,356,907

NOTE 6. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	$ 233,789
Public safety	158,979
Public works	946,398
Culture and recreation	45,837
Total depreciation expense - governmental activities	$ 1,385,003
Business-type activities:	
Utilities	$ 2,858,934
Solid waste	58,390
GUTA	8,076
Total depreciation expense - business-type activities	$ 2,925,400

NOTE 7. LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 5,785,000	$ -	$ (410,000)	$ 5,375,000	$ 470,000
Less: Deferred charges, net	(50,390)	-	(442)	(50,832)	
Total general obligation bonds	5,734,610	-	(410,442)	5,324,168	470,000
Compensated absences	449,193	508,916	(468,671)	489,438	489,438
Governmental activity Long-term liabilities	$ 6,183,803	$ 508,916	$ (879,113)	$ 5,813,606	$ 959,438
Business-type activities:					
Revenue bonds payable	$ 23,785,000	$ 2,984,200	$ (4,437,100)	$ 22,332,100	$ 1,659,900
Less: Deferred charges, net	(306,718)	(3,679)	(21,951)	(332,348)	
Total revenue bonds	23,478,282	2,980,521	(4,459,051)	21,999,752	1,659,900
Note payable	987,931	1,444,555	(92,265)	2,340,221	70,416
Compensated absences	259,861	559,561	(514,905)	304,517	304,517
Business-type activity Long-term liabilities	$ 24,726,074	$ 4,984,637	$ (5,066,221)	$ 24,644,490	$ 2,034,833

For governmental funds, compensated absences are liquidated by the General Fund. The City has reported 100% of the compensated absence liability as due in one year based on historical trends of usage by employees.

NOTE 7. LONG-TERM DEBT (CONTINUED)

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
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	645,000	173,400	-	-	818,400
2016	700,000	141,150	-	-	841,150
2017-2019	2,450,000	216,900	-	-	2,666,900
Total	$ 4,420,000	$ 1,141,576	$ 955,000	$ 73,504	$ 6,590,080

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

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. The debt service to maturity is as follows:

	Series 2003		
Year Ending December 31,	Principal	Interest	Total
2012	$ 695,000	$ 164,680	$ 859,680
2013	720,000	141,050	861,050
2014	700,000	115,850	815,850
2015	575,000	89,600	664,600
2016	600,000	66,600	666,600
2017-2018	1,065,000	60,200	1,125,200
Total	$ 4,355,000	$ 637,980	$ 4,992,980

NOTE 7. LONG-TERM DEBT (CONTINUED)

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.

In September 2011, the City issued the Combined Utility Revenue Refunding Bonds (Series 2011) to advance refund $2,845,000 in aggregate principal amount of the Series 2001 Revenue Bonds. These bonds were issued for an original amount of $2,984,200 bearing interest at a rate of 1.26% payable each June 1 and December 1 and maturing in 2014.

The debt service to maturity on the Series 2006 and Series 2011 revenue refunding bonds are as follows:

	Series 2006		Series 2011		
Year Ending December 31,	Principal	Interest	Principal	Interest	Total
2012	$ -	$ 707,163	$ 964,900	$ 37,007	$ 1,709,070
2013	-	707,163	981,300	24,850	1,713,313
2014	-	707,163	990,900	12,485	1,710,548
2015	1,060,000	707,163	-	-	1,767,163
2016	1,115,000	654,163	-	-	1,769,163
2017-2021	6,470,000	2,376,813		-	8,846,813
2022-2025	6,395,000	682,562	-	-	7,077,562
Total	$ 15,040,000	$ 6,542,190	$ 2,937,100	$ 74,342	$ 24,593,632

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, 2011, the outstanding amount of bonds considered defeased is as follows:

Series 2000 General Obligation Bonds	$ 4,270,000
Series 2001 Revenue Bonds, Refunded by Series 2006	14,720,000
Series 2001 Revenue Bonds, Refunded by Series 2011	2,845,000

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, 2011.

Interest Rate	Term	Due Date	Original Balance
2.00%	20 years	2012	$ 1,560,000
3.89%	N/A	N/A	2,269,805
			$ 3,829,805

The above table includes GEFA loan 2009L05WS for $2,269,805 that is still in the draw down phase as of December 31, 2011, and the repayment terms will be determined upon completion of the projects and the final draw being made. Interest accrues at 3.89%. As of December 31, 2011, the City is awaiting reimbursement from GEFA on drawdowns totaling $353,847.

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

	Principal	Interest	Total
Year Ending December 31, 2012	$ 70,416	$ 705	$ 71,121

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2011 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Utility Fund	Solid Waste Fund	$ 972
General Fund	GUTA Fund	3,910
General Fund	Utilities Fund	252,144
Utility Fund	General Fund	9,351
Utility Fund	GUTA Fund	82,046
Solid Waste Fund	Utilities Fund	232,761
		$ 581,184

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	$ 484,247

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, 2012.

Interfund transfers:

Transfers In	Transfers Out	Amount
Nonmajor governmental funds	General Fund	$ 708,625
General Fund	Utilities Fund	$ 1,436,967
General Fund	Solid Waste Fund	245,403
		$ 1,682,370

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 July 1, 2011 the date of the most recent actuarial valuation, there were 312 participants consisting of the following:

Retirees and beneficiaries currently receiving benefits	58
Terminated vested participants not yet receiving benefits	36
Active employees - vested	169
Active employees - nonvested	49
Total	312

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 2011, the actuarially determined contribution rate was 13.35% of covered payroll. Plan members are not required to contribute to the Plan.

For 2011, the City's recommended contribution was $1,150,073. Actual contributions totaled $1,150,073. The recommended contribution was determined as part of the July 1, 2010 actuarial valuation using the projected unit credit actuarial cost method. Actuarial assumptions include a 7.75% rate of return on investments, projected salary increases of 3.5%, and an inflation rate assumption of 3.5%. The equivalent single amortization period, and related method, for amortizing the initial unfunded actuarial accrued liability is 13 years as a level dollar amount. The amortization period is 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
2011	$ 1,150,073	$ 1,150,073	100.0 %	$ -
2010	1,135,094	1,135,094	100.0	-
2009	964,278	964,278	100.0	-

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
7/1/11	$ 11,107,981	$ 15,777,671	$ 4,669,690	70.40 %	$ 8,355,692	55.89 %

The above schedule of funding progress serves as a surrogate for the funded status and the funding progress of the plan. The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of the plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

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 July 1, 2011.

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 Commission (RC). Dues to the RC are assessed at the County level and are, accordingly, paid by Walton County. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC 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 RC. Separate financial statements may be obtained from the RC's administrative office at 305 Research Drive, Athens, Georgia 30605.

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
2011	$ 848,329	$ 2,393,928	$ 2,798,057	$ 444,200
2010	$ 264,116	$ 2,957,547	$ 2,373,334	$ 848,329

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, 2011, contractual commitments on uncompleted contracts totaled $148,205.

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, 2011, 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 MEAG. 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 $9,671,705 in 2011.

At December 31, 2011, the outstanding debt of MEAG was approximately $6.1 billion. The City's guarantee varies by individual projects undertaken by MEAG and totals approximately $95.3 million at December 31, 2011.

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 $2,423,185 in 2011.

NOTE 13. COMMITMENTS AND CONTINGENCIES (CONTINUED)

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

At December 31, 2011, the outstanding debt of MGAG was approximately $287.2 million. The City's guarantee varies by individual projects undertaken by MGAG and totals approximately $3.3 million at December 31, 2011.

NOTE 14. HOTEL/MOTEL LODGING TAX

The City imposes a 5% hotel/motel tax on lodging facilities within the City. Revenues were $22,274 for the year ended December 31, 2011. Of this amount, 100%, or $22,274, was expended for the promotion of tourism.

REQUIRED SUPPLEMENTARY INFORMATION

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
7/1/11	$ 11,107,981	$ 15,777,671	$ 4,669,690	70.4%	$ 8,355,692	55.9%
7/1/10	9,998,559	14,442,984	4,444,425	69.2%	8,470,865	52.5%
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%

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

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, 2011

	Special Revenue Funds		
ASSETS	Forfeited Drug Fund	Hotel/Motel Tax Fund	Debt Service Fund
Cash and cash equivalents	$ 41,806	$ 12,762	$ 396
Taxes receivable	-	1,601	-
Due from other governments	-	-	-
Total assets	$ 41,806	$ 14,363	$ 396
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 20,191	$ -	$ -
Due to component unit	-	12,000	-
Total liabilities	20,191	12,000	-
FUND BALANCES			
Restricted:			
Law enforcement	21,615	-	-
Debt service	-	-	396
Capital projects	-	-	-
Assigned:			
Tourism	-	2,363	-
Total fund balances	21,615	2,363	396
Total liabilities and fund balances	$ 41,806	$ 14,363	$ 396

Capital Projects Funds			Total
GO Bond Fund	Capital Projects Fund	SPLOST Fund	Nonmajor Governmental Funds
$ 128,589	$ 2,740	$ 3,312	$ 189,605
-	-	-	1,601
-	-	58,889	58,889
$ 128,589	$ 2,740	$ 62,201	$ 250,095
$ -	$ -	$ 58,892	$ 79,083
-	-	-	12,000
-	-	58,892	91,083
-	-	-	21,615
-	-	-	396
128,589	2,740	3,309	134,638
-	-	-	2,363
128,589	2,740	3,309	159,012
$ 128,589	$ 2,740	$ 62,201	$ 250,095

CITY OF MONROE, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Special Revenue Funds		
	Forfeited Drug Fund	Hotel/Motel Tax Fund	Debt Service Fund
REVENUES			
Taxes	$ -	$ 22,274	$ -
Intergovernmental	-	-	-
Fines and forfeitures	44,829	-	-
Interest	5	-	-
Total revenues	44,834	22,274	-
EXPENDITURES			
Current			
Public safety	41,082	-	-
Public works	-	-	-
Housing and development	-	48,693	-
Capital outlay	-	-	-
Debt service			
Principal retirements	-	-	410,000
Interest and issuance costs	-	-	272,265
Total expenditures	41,082	48,693	682,265
Excess (deficiency) of revenues over (under) expenditures	3,752	(26,419)	(682,265)
OTHER FINANCING SOURCES			
Transfers in	-	26,625	682,000
Total other financing sources	-	26,625	682,000
Net change in fund balances	3,752	206	(265)
FUND BALANCES, beginning of year	17,863	2,157	661
FUND BALANCES, end of year	$ 21,615	$ 2,363	$ 396

Capital Projects Funds			Total
GO Bond Fund	Capital Projects Fund	SPLOST Fund	Nonmajor Governmental Funds
$ -	$ -	$ -	$ 22,274
-	-	994,495	994,495
-	-	-	44,829
21	-	-	26
21	-	994,495	1,061,624
-	-	-	41,082
-	-	928,016	928,016
-	-	-	48,693
-	-	66,479	66,479
-	-	-	410,000
-	-	-	272,265
-	-	994,495	1,766,535
21	-	-	(704,911)
-	-	-	708,625
-	-	-	708,625
21	-	-	3,714
128,568	2,740	3,309	155,298
$ 128,589	$ 2,740	$ 3,309	$ 159,012

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, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines & forfeitures	$ 30,000	$ 45,000	$ 44,829	$ (171)
Interest	-	-	5	5
Total revenues	30,000	45,000	44,834	(166)
EXPENDITURES				
Public safety	30,000	45,000	41,082	3,918
Net change in fund balances	-	-	3,752	3,752
FUND BALANCES, beginning of year	17,863	17,863	17,863	-
FUND BALANCES, end of year	$ 17,863	$ 17,863	$ 21,615	$ 3,752

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, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 25,000	$ 25,000	$ 22,274	$ (2,726)
EXPENDITURES				
Housing and development	135,500	60,500	48,693	11,807
Deficiency of revenues over expenditures	(110,500)	(35,500)	(26,419)	9,081
OTHER FINANCING SOURCES				
Transfers in	110,500	35,500	26,625	(8,875)
Net change in fund balances	-	-	206	206
FUND BALANCES, beginning of year	2,157	2,157	2,157	-
FUND BALANCES, end of year	$ 2,157	$ 2,157	$ 2,363	$ 206

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, 2011

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES				
Debt service				
Principal retirements	$ 410,000	$ 410,000	$ 410,000	$ -
Interest	272,266	272,266	272,265	1
Total expenditures	682,266	682,266	682,265	1
Deficiency of revenues over expenditures	(682,266)	(682,266)	(682,265)	1
OTHER FINANCING SOURCES				
Transfers in	682,266	682,266	682,000	(266)
Total other financing sources	682,266	682,266	682,000	(266)
Net change in fund balances	-	-	(265)	(265)
FUND BALANCES, beginning of year	661	661	661	-
FUND BALANCES, end of year	$ 661	$ 661	$ 396	$ (265)

CITY OF MONROE, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE
LOCAL OPTION SALES TAX
FOR THE YEAR ENDED DECEMBER 31, 2011

Project	Original and Current Estimated Cost	Prior Year	Current Year	Total
Transportation, drainage and sidewalks	$ 9,136,000	$ 4,794,568	$ 994,495	$ 5,789,063
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	$ 4,794,568	$ 994,495	$ 5,789,063

Since 1821
THE CITY OF
Monroe

COMPONENT UNITS

CITY OF MONROE, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - DOWNTOWN DEVELOPMENT AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2011

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$	17,329
Payments to suppliers		(226,816)
Net cash used in operating activities		(209,487)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Tax receipts		106,500
Donations received		1,000
Other nonoperating income		84,466
Net cash provided by non-capital financing activities		191,966
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received		98
Net cash provided by investing activities		98
Net decrease in cash		(17,423)
Cash, beginning of year		91,549
Cash, end of year	$	74,126
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Operating loss	$	(218,972)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Change in assets and liabilities:		
Decrease in accounts receivable		2,891
Increase in accounts payable		6,594
Net cash used in operating activities	$	(209,487)

CITY OF MONROE, GEORGIA

BALANCE SHEET
COMPONENT UNIT - CONVENTION & VISITORS BUREAU
DECEMBER 31, 2011

ASSETS		
Cash	$	3,069
Due from primary government		12,000
Total assets	$	15,069
FUND BALANCE		
FUND BALANCE		
Restricted - tourism	$	15,069
Total fund balance	$	15,069

CITY OF MONROE, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
COMPONENT UNIT - CONVENTION & VISITORS BUREAU
FOR THE YEAR ENDED DECEMBER 31, 2011

REVENUES	
Taxes	$ 22,068
Total revenues	22,068
EXPENDITURES	
Tourism	14,214
Total expenditures	14,214
Net change in fund balance	7,854
FUND BALANCE, beginning of year	7,215
FUND BALANCE, end of year	$ 15,069

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..... 63

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 70

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

Debt Capacity 84

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..... 89

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 92

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 NINE YEARS
(accrual basis of accounting)

	Fiscal Year								
	2011	**2010**	2009	2008	2007	2006	2005	2004	2003
Governmental activities									
Invested in capital assets, net of related debt	**$ 16,815,773**	$ 17,638,965	$ 18,072,719	$ 18,777,190	$ 18,830,133	$ 17,937,677	$ 3,271,486	$ 2,685,278	$ 1,726,425
Restricted for law enforcement	**21,615**	40,435	38,796	44,239	44,756	31,437	42,395	25,692	20,107
Restricted for debt service	**148,229**	93,945	190,629	180,283	163,098	157,092	673	97,713	98,040
Restricted capital projects	**134,638**	134,619	134,394	163,852	440,587	926,939	1,281,593	1,866,132	2,692,178
Unrestricted	**797,099**	1,330,375	1,503,924	1,621,780	1,965,422	1,270,486	6,082,755	3,214,411	2,322,308
Total governmental activities net assets	**$ 17,917,354**	$ 19,238,339	$ 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	**$ 48,016,934**	$ 46,398,368	$ 45,584,606	$ 48,383,571	$ 48,532,376	$ 47,035,378	$ 46,638,687	$ 40,778,483	$ 39,380,191
Restricted for debt service	**274,045**	316,073	309,721	230,896	235,771	231,506	245,156	440,980	467,025
Restricted for capital projects	**9,800,800**	9,523,530	7,782,254	4,359,447	4,483,876	3,239,488	3,575,686	5,074,140	5,224,398
Unrestricted	**2,970,361**	2,821,904	3,463,071	1,706,696	1,816,385	1,890,394	391,690	778,983	377,372
Total business-type activities net assets	**$ 61,062,140**	$ 59,059,875	$ 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	**$ 64,832,707**	$ 64,037,333	$ 63,657,325	$ 67,160,761	$ 67,362,509	$ 57,515,398	$ 49,910,173	$ 43,463,761	$ 41,106,616
Restricted for law enforcement	**21,615**	40,435	38,796	44,239	44,756	31,437	42,395	25,692	20,107
Restricted for debt service	**422,274**	410,018	500,350	411,179	398,869	388,598	245,829	538,693	565,065
Restricted for capital projects	**9,935,438**	9,658,149	7,916,648	4,523,299	4,924,463	4,166,427	4,857,279	6,940,272	7,916,576
Unrestricted	**3,767,460**	4,152,279	4,966,995	3,328,476	3,781,807	3,160,880	6,474,445	3,993,394	2,699,680
Total primary government net assets	**$ 78,979,494**	$ 78,298,214	$ 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 NINE YEARS
(accrual basis of accounting)

	Fiscal Year								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses									
Governmental activities:									
General government	**$ 1,417,361**	$ 1,472,876	$ 1,455,946	$ 1,256,230	$ 1,201,330	$ 1,694,194 (2)	$ 1,268,756	$ 996,623	$ 910,553
Judicial	**103,077**	123,640	104,591	86,259	76,621	101,795	66,903	59,771	53,943
Public safety	**5,246,043**	5,299,486	4,996,201	5,149,446	4,905,576	4,584,679	4,089,578	4,226,825	3,842,396
Public works	**3,677,625**	3,480,863	3,843,201	3,903,485	2,981,950	2,179,824	1,432,099	2,375,572	2,219,978
Health and welfare	**11,555**	16,530	14,904	8,756	18,514	9,674	11,918	47,688	5,519
Culture and recreation	**441,207**	428,110	379,755	364,677	366,993	328,177	322,390	358,311	338,373
Housing and development	**518,594**	491,352	456,953	546,277	474,499	345,994	239,393	185,843	211,352
Interest on long-term debt	**266,783**	284,722	300,072	313,270	324,998	340,523	365,053	370,794	441,473
Total governmental activities expenses	**11,682,245**	11,597,579	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	**29,575,971**	28,520,470 (7)	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	**4,554,533**	4,819,518	4,371,576	3,600,554	3,329,996	3,489,003	2,863,895	2,768,145	2,622,391
GUTA	**41,179**	53,699	-	-	-	-	-	-	-
Total business-type activities expenses	**34,171,683**	33,393,687	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	**$ 45,853,928**	$ 44,991,266	$ 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	**$ 646,816**	$ 549,883	$ 524,931	$ 594,914	$ 595,072 (4)	$ 310,339 (1)	$ 87,012	$ 58,566	$ 89,804
Judicial	**509,174**	461,730	464,820	503,899	467,927	331,732 (1)	-	-	-
Public safety	**82,798**	57,119	58,667	78,890	64,580	23,579 (1)	413,337	386,801	316,653
Public works	**13,810**	15,380	11,470	19,788	12,470	17,680	800	2,785	-
Health and welfare	**-**	-	-	-	-	-	16,800	20,625	4,000
Culture and recreation	**1,775**	1,650	875	2,000	1,065	1,225	-	-	-
Housing and development	**-**	-	-	-	-	- (1)	262,033	290,370	213,459
Operating grants and contributions	**187,652**	334,014	125,117	108,675	107,712	86,254	-	-	67,080
Capital grants and contributions	**1,006,495**	1,316,349	236,642	282,814	911,483	2,874,695 (2)	-	-	1,022,218
Total governmental activities program revenues	**2,448,520**	2,736,125	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	**31,714,571**	30,822,621 (7)	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	**4,848,063**	5,136,546 (8)	4,689,342 (8)	3,645,200	3,286,002	3,248,198	2,791,420	2,734,281	2,692,889
GUTA	**21,535**	15,460 (9)	-	-	-	-	-	-	-
Operating grants and contributions	**-**	-	-	-	-	-	36,796	12,905	-
Capital grants and contributions	**1,211,082**	651,018	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	**37,795,251**	36,625,645	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	**$ 40,243,771**	$ 39,361,770	$ 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 NINE YEARS
(accrual basis of accounting)

	2011	2010	2009	2008	2007	2006	2005	2004	2003
Net (expense)/revenue									
Governmental activities	**$ (9,233,725)**	$ (8,861,454)	$ (10,129,101)	$ (10,037,420)	$ (8,190,172)	$ (5,939,356)	$ (7,016,108)	$ (7,862,280)	$ (6,310,373)
Business-type activities	**3,623,568**	3,231,958	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	**$ (5,610,157)**	$ (5,629,496)	$ (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	**$ 2,865,418**	$ 2,987,370	$ 2,957,251	$ 3,058,767	$ 2,950,804	$ 2,686,312	$ 2,542,580	$ 2,351,239	$ 2,258,913
Sales taxes	**2,141,501**	2,140,642	3,714,049	3,828,681	3,892,735	2,390,642	1,780,995	1,609,567	1,267,971
Franchise taxes	**240,578**	241,805	224,043	197,159	252,451	263,886	255,742	237,448	217,793
Other taxes	**753,374**	736,234	760,134	773,845	750,143	718,778	1,057,955	980,690	924,769
Intergovernmental revenues	**-**	-	-	-	-	-	-	-	62,247
Unrestricted investment earnings	**130**	1,751	5,913	26,652	60,448	108,567	71,213	37,124	102,621
Miscellaneous	**229,369**	347,464	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	**1,682,370**	1,704,065	1,357,462	1,332,717	1,269,848	1,433,043	1,391,317	1,860,198	1,714,894
Total governmental activities	**7,912,740**	8,159,331	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	**61,067**	72,110	87,161	172,734	331,500	213,843	132,093	67,039	72,033
Miscellaneous	**-**	-	-	-	-	-	-	-	45,019
Gain on sale of capital assets	**-**	320,220	603,360 (7)	1,658	19,114	-	(9,264)	7,993	36,690
Transfers	**(1,682,370)**	(1,704,065)	(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	**(1,621,303)**	(1,311,735)	(666,941)	(1,158,325)	(919,234)	(1,219,200)	(1,407,635)	(1,785,915)	(1,561,152)
Total primary government	**$ 6,291,437**	$ 6,847,596	$ 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	**$ (1,320,985)**	$ (702,123)	$ (846,882)	$ (656,652)	$ 1,120,365	$ 1,786,765	$ 93,694	$ (779,109)	$ 274,088
Business-type activities	**2,002,265**	1,920,223	2,459,042	(387,798)	2,671,642	2,037,624	6,474,614	3,447,877	3,206,012
Total primary government	**$ 681,280**	$ 1,218,100	$ 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) The City raised solid waste rates.

(9) 2010 was the first year for its new regional training facility.

CITY OF MONROE, GEORGIA

GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST NINE 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
2010	2,987,370	2,140,642 (3)	241,805	736,234	6,106,051
2011	**2,865,418**	**2,141,501**	**240,578**	**753,374**	**6,000,871**

(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.
(3) Sales tax decrease in 2010 was due to reduction in the amount of SPLOST collected.

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General fund										
Nonspendable	**$ 541,999** (1)	$ 487,204	$ 360,414	$ 614,722	$ 610,247	$ 661,158	$ 756,881	$ 416,940	$ 279,787	$ 49,024
Restricted	**147,833**	93,280	190,227	179,673	162,507	143,644	-	-	816	-
Assigned	**272**	3,142	-	-	-	-	-	-	-	-
Unassigned	**498,956** (2)	802,954	1,041,342	957,494	1,156,514	1,017,728	1,614,766	1,608,322	1,960,925	2,522,688
Total general fund	**$ 1,189,060**	$ 1,386,580	$ 1,591,983	$ 1,751,889	$ 1,929,268	$ 1,822,530	$ 2,371,647	$ 2,025,262	$ 2,241,528	$ 2,571,712
Nonmajor governmental funds										
Restricted	**$ 156,649** (3)	$ 153,141	$ 156,703	$ 64,137	$ 745,525	$ 824,611	$ 1,212,319	$ 1,918,403	$ 2,820,492	$ 3,833,914
Assigned	**2,363**	2,157	4,123	5,948	6,678	43,204	21,101	47,756	33,884	19,759
Total nonmajor governmental funds	**$ 159,012**	$ 155,298	$ 160,826	$ 70,085	$ 752,203	$ 867,815	$ 1,233,420	$ 1,966,159	$ 2,854,376	$ 3,853,673

(1) The variances in nonspendable fund balance in the general fund is due to advances to the Solid Waste Fund.
(2) The decrease in unassigned fund balance of the general fund was due to excess health insurance costs for which there were no offsetting revenues.
(3) The decreasing restricted fund balance in nonmajor governmental funds is due to the completion of 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)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Revenues										
Taxes	**$ 6,281,497**	$ 6,123,772 (6)	$ 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
Licenses and permits	**180,880**	133,385	115,645	172,791	179,757	303,400	208,714	241,633	171,298	165,971
Intergovernmental	**1,182,147**	1,224,363 (3)	307,309	252,935	716,836	2,129,920	2,090,227	1,383,794 (3)	834,318	1,236,721
Fines and forfeitures	**554,003**	500,670	504,874	565,637	509,974	337,512	420,414	398,839	331,814	112,397
Charges for services	**497,875**	451,707	437,664	456,636	446,792	38,459	112,623	113,705	97,257	267,744
Interest income	**130**	1,751	5,913	26,652	60,448	92,654	62,847	28,528	100,070	199,946
Miscellaneous	**229,369**	347,464	258,238	143,127	117,050	106,484	202,602	44,690	59,541	16,105
Total revenues	**8,925,901**	8,783,112	9,329,339	9,266,797	9,749,803	9,163,306	8,428,973	7,287,458	6,102,050	6,534,687
Expenditures										
General government	**1,146,185**	1,227,762	1,201,703	1,075,790	1,094,922	1,602,150	988,142	1,167,400	1,331,514	1,466,330
Judicial	**103,077**	123,640	104,591	86,259	82,684	95,732	77,198	46,817	42,429	-
Public safety	**5,198,818**	5,126,640	4,916,959	4,900,123	4,899,432	4,282,047	4,268,592	3,542,765	3,073,846	2,874,614
Public works	**2,697,704**	2,383,556	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
Health and welfare	**11,555**	16,530	14,904	8,756	18,514	9,674	6,880	7,081	-	-
Culture and recreation	**392,804**	427,526	348,115	321,178	331,981	297,433	280,813	317,589	287,906	472,587
Housing and development	**513,349**	490,840	454,176	544,849	500,377	330,822	246,559	228,045	167,225	178,129
Intergovernmental	**-**	138,907 (7)	-	-	-	-	-	-	-	-
Capital outlay	**66,479**	121,027	118,346 (5)	1,234,861 (5)	1,942,400	2,343,884	2,593,331	1,828,500	1,056,490	678,402
Debt service										
Principal retirements	**410,000**	355,000	310,000	270,000	230,000	200,000	125,000	172,815	170,882	574
Interest and fiscal charges	**272,265**	289,482	304,208	316,897	317,062	464,145	365,053	370,794	441,473	333,141
Total expenditures	**10,812,236**	10,700,910	10,763,675	11,484,346	11,250,742	11,768,414	10,258,933	8,842,424	7,943,169	7,240,604
Excess of revenues over (under) expenditures	**(1,886,335)**	(1,917,798)	(1,434,336)	(2,217,549)	(1,500,939)	(2,605,108)	(1,829,960)	(1,554,966)	(1,841,119)	(705,917)

(Continued)

CITY OF MONROE, GEORGIA

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

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Other financing sources (uses)										
Issuance of long-term debt	**-**	-	-	-	-	4,430,000 (1)	-	-	-	-
Premium from issuance of debt	**-**	-	-	-	-	250,230 (1)	-	-	-	-
Payment to refunded bond escrow agent	**-**	-	-	-	-	(4,568,686) (1)	-	-	-	-
Capital leases	**-**	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	**10,159**	2,802	7,709	25,335	51,100	55,865	17,334	12,089	35,253	44,037
Transfers in	**2,390,995**	2,458,316	2,097,121	2,187,399	2,180,769	2,372,834	2,466,036	1,860,403	1,565,271	1,620,354
Transfers out	**(708,625)**	(754,251)	(739,659)	(854,682)	(739,804)	(939,791)	(1,039,764)	(1,407,009)	(1,088,883)	(1,020,842)
Total other financing sources (uses)	**1,692,529**	1,706,867	1,365,171	1,358,052	1,492,065	1,600,452	1,443,606	465,483	511,641	643,549
Net change in fund balances	**$ (193,806)**	$ (210,931)	$ (69,165)	$ (859,497)	$ (8,874)	$ (1,004,656)	$ (386,354)	$ (1,089,483)	$ (1,329,478)	$ (62,368)
Debt service as a percentage of noncapital expenditures	**6.41%**	6.14%	5.92%	5.60%	5.88%	7.05%	6.39%	7.75%	8.89%	5.09%

(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) Increase in grant funds.
(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.
(6) Sales tax decrease in 2010 was due to reduction in the amount of SPLOST collected.
(7) Prior year payment to Walton County to supplement debt service payment on SPLOST bonds.

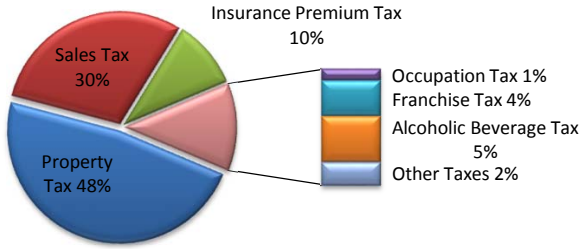
CITY OF MONROE, GEORGIA

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
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
2010	2,925,133	1,827,746	79,725	614,059	241,805	310,500	124,802	6,123,772
2011	**3,000,325**	**1,869,516**	**78,900**	**620,730**	**240,578**	**313,318**	**158,130**	**6,281,497**

(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 2011



CITY OF MONROE, GEORGIA

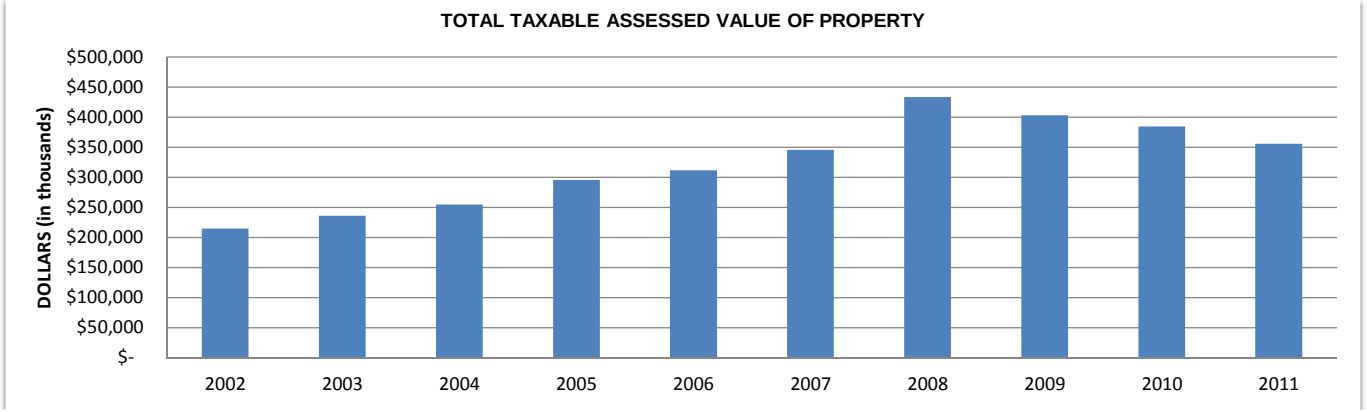
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

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
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	139,580,443	73,839,067	32,131,394	3,953,327	403,270,653 (3)	6.997	1,008,176,633	40%
2010	146,326,775	139,440,236	77,025,123	29,152,513	7,335,008	384,609,639 (3)	7.240	961,524,098	40%
2011	**129,835,247**	**135,178,569**	**69,790,797**	**28,142,060**	**6,823,832**	**356,122,841 (3)**	**7.612**	**890,307,103**	**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 digest values due to reassessments.



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	Total City Millage	County	Operating Millage	Debt Service Millage	Total School Millage	State	Overlapping Rates
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
2010	5.512	1.728	7.240	10.542	18.600	2.200	20.800	0.25	38.832
2011	**5.565**	**2.047**	**7.612**	**11.135**	**19.600**	**2.200**	**21.800**	**0.25**	**40.797**

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.

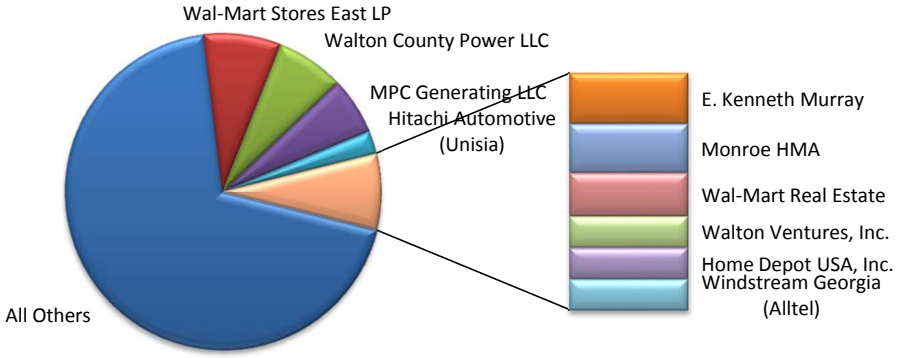
CITY OF MONROE, GEORGIA

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

	2011			2002		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Wal-Mart Stores East LP	**$ 28,208**	**1**	**7.92 %**	$		%
Walton County Power LLC	**24,778**	**2**	**6.96**	7,923	4	3.69
MPC Generating LLC	**20,767**	**3**	**5.83**			
Hitachi Automotive (Unisia)	**8,345**	**4**	**2.34**			
E. Kenneth Murray	**5,964**	**5**	**1.67**	5,315	7	2.47
Monroe HMA	**5,683**	**6**	**1.60**			
Wal-Mart Real Estate	**5,060**	**7**	**1.42**			
Walton Ventures, Inc.	**3,666**	**8**	**1.03**	5,438	6	2.53
Home Depot USA, Inc.	**3,664**	**9**	**1.03**			
Windstream Georgia (Alltel)	**3,608**	**10**	**1.01**	8,348	3	3.88
Avondale Mills				20,373	1	9.48
Harry Arnold, Jr.				17,023	2	7.92
Oxford Industries				5,510	5	2.56
Roger Rowell Family				5,013	8	2.33
1998 Auguatus Partners				4,360	9	2.03
WTH II LLC				4,133	10	1.92
Totals	**$ 109,743**		**30.82 %**	$ 83,436		38.81 %

Source: City of Monroe Finance Department

FOR THE YEAR 2011

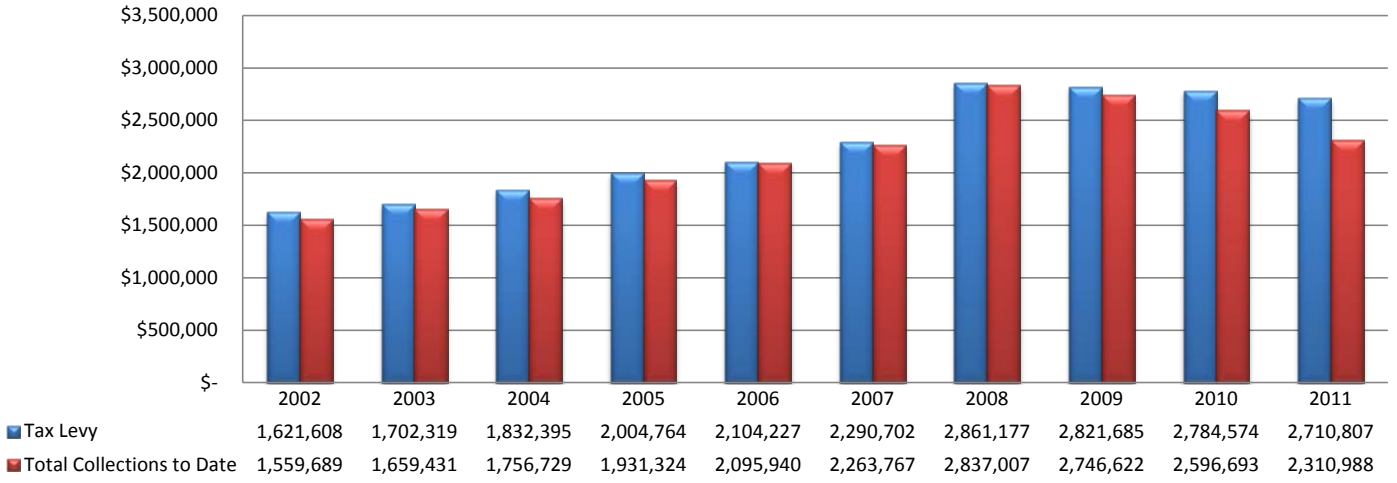


CITY OF MONROE, GEORGIA

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*
2002	$ 1,621,608	$ 1,375,935	84.9 %	$ 183,754	$ 1,559,689	96.2 %
2003	1,702,319	1,464,536	86.0	194,895	1,659,431	97.5
2004	1,832,395	1,546,276	84.4	210,453	1,756,729	95.9
2005	2,004,764	1,628,805	81.2	302,518	1,931,324	96.3
2006	2,104,227	1,774,313	84.3	321,627	2,095,940	99.6
2007	2,290,702	1,896,608	82.8	367,159	2,263,767	98.8
2008	2,861,177	2,384,167	83.3	452,841	2,837,007	99.2
2009	2,821,685	2,434,128	86.3	312,494	2,746,622	97.3
2010	2,784,574	2,294,092	82.4	302,601	2,596,693	93.3
2011	**2,710,807**	**2,310,988**	**85.3**	**-**	**2,310,988**	**85.3**

TAX LEVY AND COLLECTIONS



CITY OF MONROE, GEORGIA

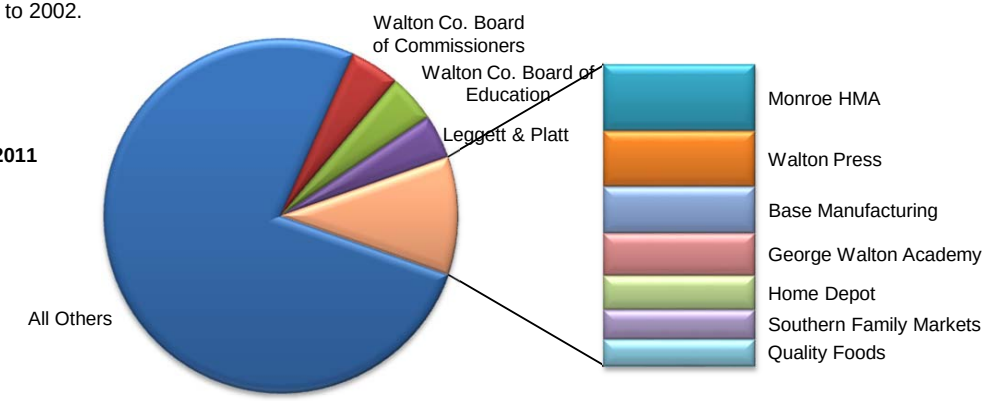
TOP TEN ELECTRIC CUSTOMERS
CURRENT AND NINE YEARS AGO

	2011				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 Commissioners	**6,576**	**$ 662**	**1**	**4.54 %**	2,536	$ 140	7	1.25 %
Walton Co. Board of Education	**5,996**	**640**	**2**	**4.39**	6,035	615	1	5.48
Leggett & Platt	**8,237**	**584**	**3**	**4.00**	9,295	329	3	2.93
Monroe HMA	**5,518**	**348**	**4**	**2.39**	5,956	418	2	3.72
Walton Press	**3,175**	**288**	**5**	**1.97**				
Base Manufacturing	**2,515**	**242**	**6**	**1.66**	1,397	135	8	1.20
George Walton Academy	**2,167**	**220**	**7**	**1.51**	1,904	192	5	1.71
Home Depot	**2,182**	**177**	**8**	**1.21**				
Southern Family Markets	**1,969**	**154**	**9**	**1.06**	2,150	150	6	1.34
Quality Foods	**1,805**	**139**	**10**	**0.95**	1,670	128	9	1.14
Oxford Industries					2,659	273	4	2.43
Wal-Mart Store					1,283	101	10	0.90
Totals	**40,140**	**3,454**		**23.68**	34,885	2,481		22.10
All Others	**113,545**	**11,134**		**76.32**	97,221	8,746		77.90
Annual Totals	**153,685**	**$ 14,588**		**100.00 %**	132,106	$ 11,227		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2002.

FOR THE YEAR 2011



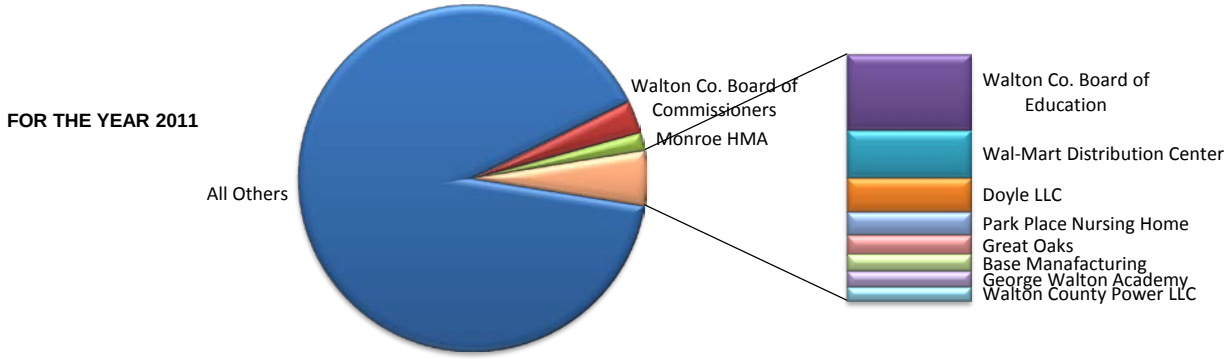
CITY OF MONROE, GEORGIA

TOP TEN WATER CUSTOMERS
CURRENT AND EIGHT YEARS AGO

	2011				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. Board of Commissioners	**21,794**	**$ 118**	**1**	**3.07 %**	13,234	$ 38	6	1.28 %
Monroe HMA	**16,293**	**66**	**2**	**1.72**	19,318	44	4	1.49
Walton Co. Board of Education	**10,170**	**59**	**3**	**1.53**	13,405	41	5	1.39
Wal-Mart Distribution Center	**9,376**	**37**	**4**	**0.96**	9,992	33	7	1.12
Doyle LLC	**4,380**	**27**	**5**	**0.70**				
Park Place Nursing Home	**2,822**	**18**	**6**	**0.47**	2,014	8	10	0.27
Great Oaks	**3,699**	**15**	**7**	**0.39**				
Base Manafacturing	**3,098**	**13**	**8**	**0.34**				
George Walton Academy	**2,264**	**12**	**9**	**0.31**	3,140	10	9	0.34
Walton County Power LLC	**2,722**	**11**	**10**	**0.29**				
Walton Co. Water & Sewerage Authority					548,354	771	1	26.06
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	**76,618**	**376**		**9.78**	676,132	1,058		35.77
All Others	**528,382**	**3,471**		**90.22**	548,911	1,900		64.23
Annual Totals	**605,000**	**$ 3,847**		**100.00 %**	1,225,043	$ 2,958		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2003.



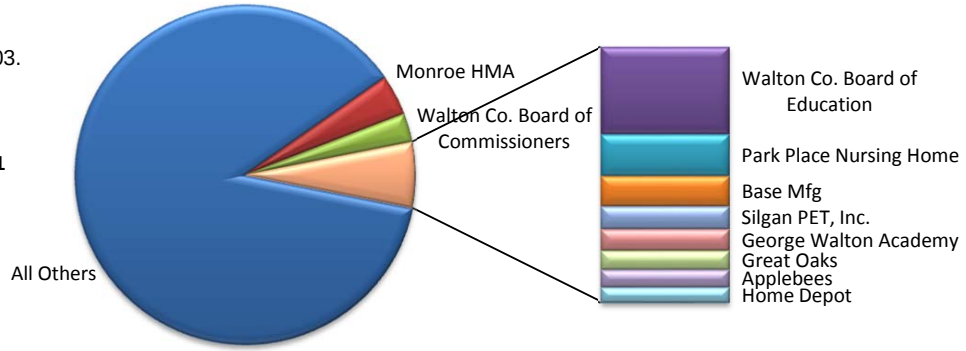
CITY OF MONROE, GEORGIA

TOP TEN SEWER CUSTOMERS
CURRENT AND EIGHT YEARS AGO

	2011				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	**16,290**	**$ 125**	**1**	**3.84 %**		$		%
Walton Co. Board of Commissioners	**9,931**	**89**	**2**	**2.74**	13,234	54	4	2.77
Walton Co. Board of Education	**6,407**	**69**	**3**	**2.12**	13,405	54	3	2.77
Park Place Nursing Home	**2,822**	**33**	**4**	**1.02**	2,014	14	6	0.72
Base Mfg	**3,098**	**24**	**5**	**0.74**				
Silgan PET, Inc.	**1,484**	**18**	**6**	**0.55**	4,270	19	5	0.98
George Walton Academy	**1,823**	**17**	**7**	**0.52**	3,140	5	10	0.26
Great Oaks	**1,898**	**15**	**8**	**0.46**				
Applebees	**1,855**	**14**	**9**	**0.43**				
Home Depot	**1,376**	**12**	**10**	**0.37**				
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	**46,984**	**416**		**12.79**	113,180	371		19.05
All Others		**2,835**		**87.21**		1,576		80.95
Annual Totals		**$ 3,251**		**100.00 %**		$ 1,947		100.00 %

Source: City of Monroe Utility Department
Note: Information not available for years prior to 2003.

FOR THE YEAR 2011



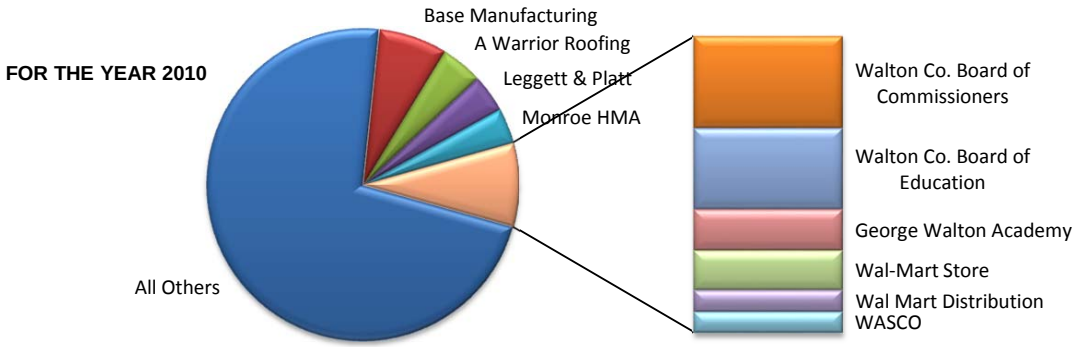
CITY OF MONROE, GEORGIA

TOP TEN GAS CUSTOMERS
CURRENT AND EIGHT YEARS AGO

	2011				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
Base Manufacturing	**30,145**	**$ 290**	**1**	**7.08 %**	15,092	$ 144	5	2.31 %
A Warrior Roofing	**19,278**	**178**	**2**	**4.34**				
Leggett & Platt	**14,555**	**160**	**3**	**3.91**	12,512	140	6	2.30
Monroe HMA	**13,894**	**151**	**4**	**3.69**	15,143	145	4	2.38
Walton Co. Board of Commissioners	**9,589**	**110**	**5**	**2.68**	7,007	76	8	1.25
Walton Co. Board of Education	**8,599**	**97**	**6**	**2.37**	10,077	108	7	1.77
George Walton Academy	**4,304**	**49**	**7**	**1.20**				
Wal-Mart Store	**4,273**	**47**	**8**	**1.15**				
Wal Mart Distribution	**2,283**	**26**	**9**	**0.63**				
WASCO	**2,229**	**25**	**10**	**0.61**				
Universal Rundle					280,888	1,874	1	30.75
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	**109,149**	**1,133**		**27.66**	405,688	3,041		49.85
All Others	**234,637**	**2,964**		**72.34**	295,412	3,054		50.15
Annual Totals	**343,786**	**$ 4,097**		**100.00 %**	701,100	$ 6,095		100.00 %

Source: City of Monroe Utility Department

Note: Information not available for years prior to 2003.



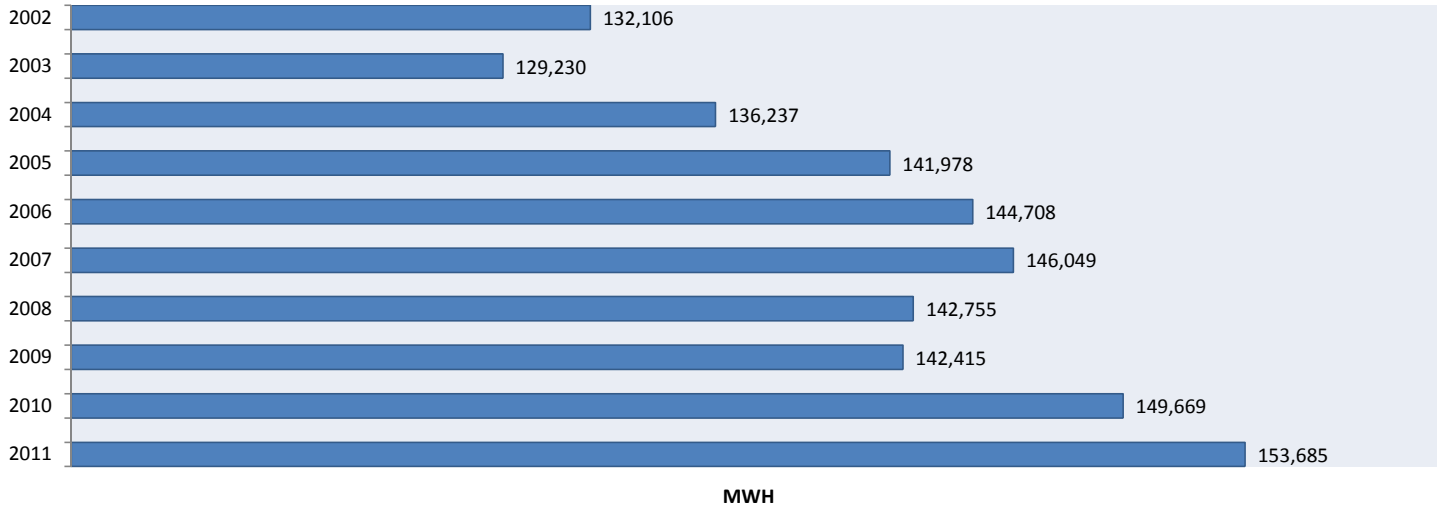
CITY OF MONROE, GEORGIA

ELECTRIC MWH SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

	Fiscal Year									
Type of Customer	**2011**	2010	2009	2008	2007	2006	2005	2004	2003	2002 (1)
Residential	**73,685**	72,690	66,608	66,972	67,462	66,069	65,327	61,577	59,020	N/A
Commercial	**80,000**	76,979	75,807	75,783	78,587	78,639	76,651	74,660	70,210	N/A
Total	**153,685**	149,669	142,415	142,755	146,049	144,708	141,978	136,237	129,230	132,106

(1) Information by type unavailable.

Source: City of Monroe Utility Department



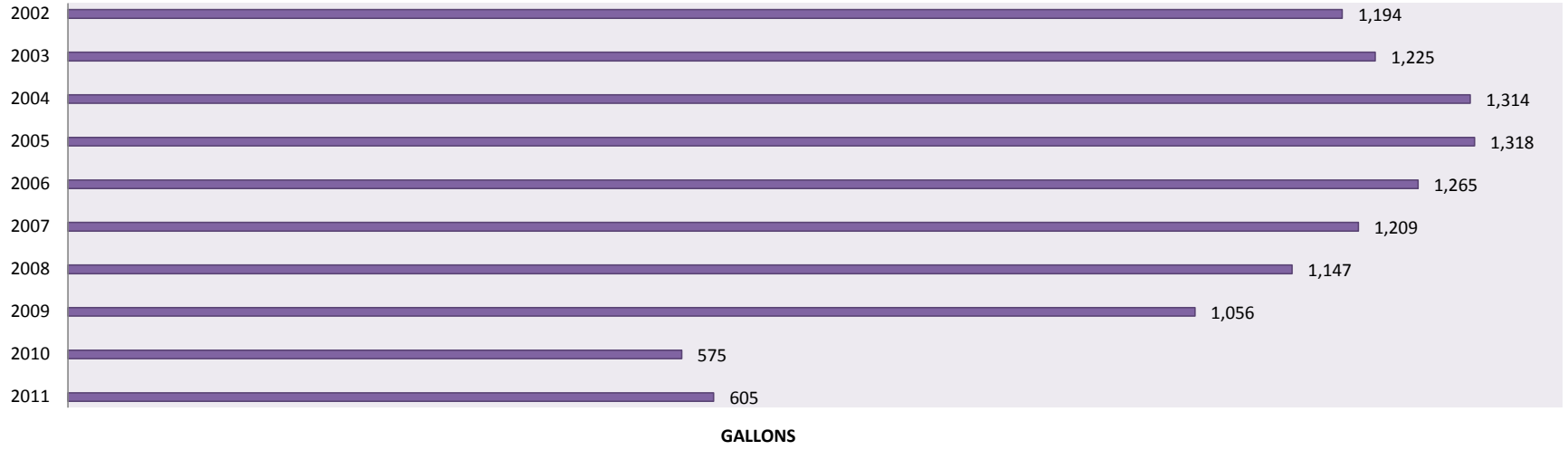
CITY OF MONROE, GEORGIA

WATER GALLONS SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS
(amounts expressed in millions)

	Fiscal Year									
Type of Customer	**2011**	2010	2009	2008	2007	2006	2005	2004	2003	2002 (1)
Residential	**424**	402	412	417	473	461	439	413	404	N/A
Small Commercial & Industrial (2)	**130**	118	124	116	144	147	223	226	230	N/A
Large Commercial & Industrial (2)	**36**	29	40	43	54	73	-	-	-	N/A
Wholesale	**15**	26 (5)	480 (4)	571	538	584	656	675	591	N/A
Total	**605**	575	1,056	1,147 (3)	1,209	1,265	1,318	1,314	1,225	1,194

(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 due to agreement ending late in 2009 with Walton County Water & Sewer Authority.
(5) Walton County Water & Sewer Authority purchased a small amount of wholesale during 2010.

Source: City of Monroe Utility Department



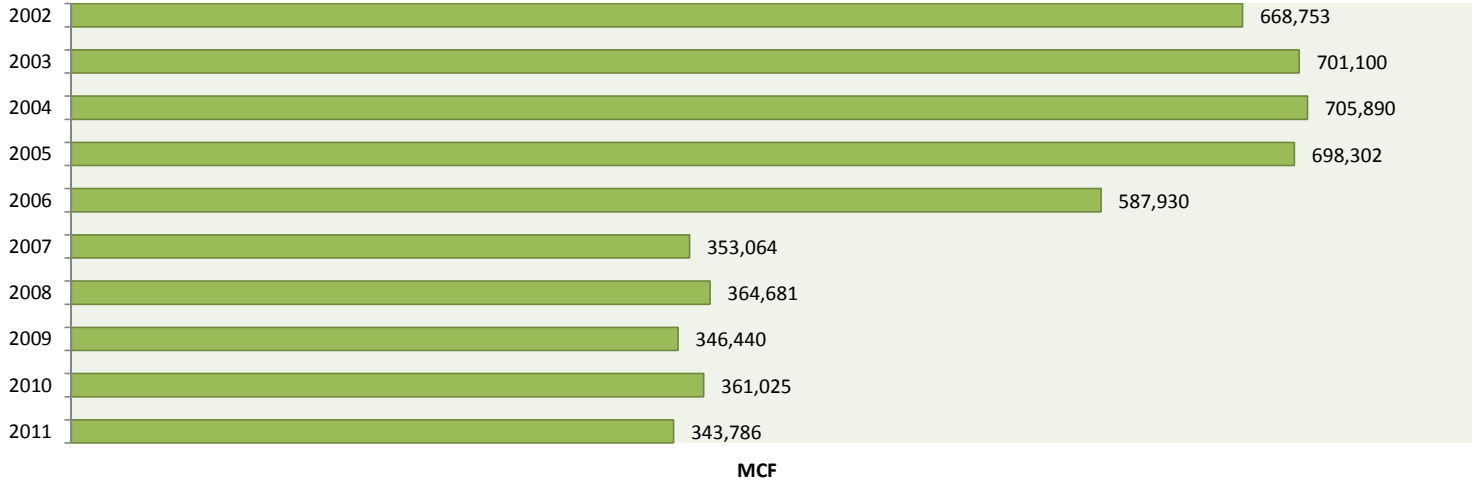
CITY OF MONROE, GEORGIA

GAS MCF SOLD BY TYPE OF CUSTOMER
LAST TEN YEARS

	Fiscal Year									
Type of Customer	**2011**	2010	2009	2008	2007	2006	2005	2004	2003	2002 (1)
Residential	**160,106**	169,568	169,916	177,587	163,726	166,590 (3)	198,027	191,033	191,711	N/A
Commercial	**136,208**	155,223 (4)	123,767	130,154	128,151	127,735	127,668	122,971	120,813	N/A
Agriculture	**2,987**	1,460	3,487	1,941	3,742	6,626	8,135	9,840	2,761	N/A
Industrial	**44,485**	34,774 (4)	49,270	54,999	57,445 (3)	286,979 (3)	364,472	366,325	348,357	N/A
Interruptible	**-**	-	-	-	-	-	-	15,721 (2)	37,458	N/A
Total	**343,786**	361,025	346,440	364,681	353,064	587,930	698,302	705,890	701,100	668,753

(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.
(4) Large customer switched from Industrial Rate to Commercial Rate

Source: City of Monroe Utility Department



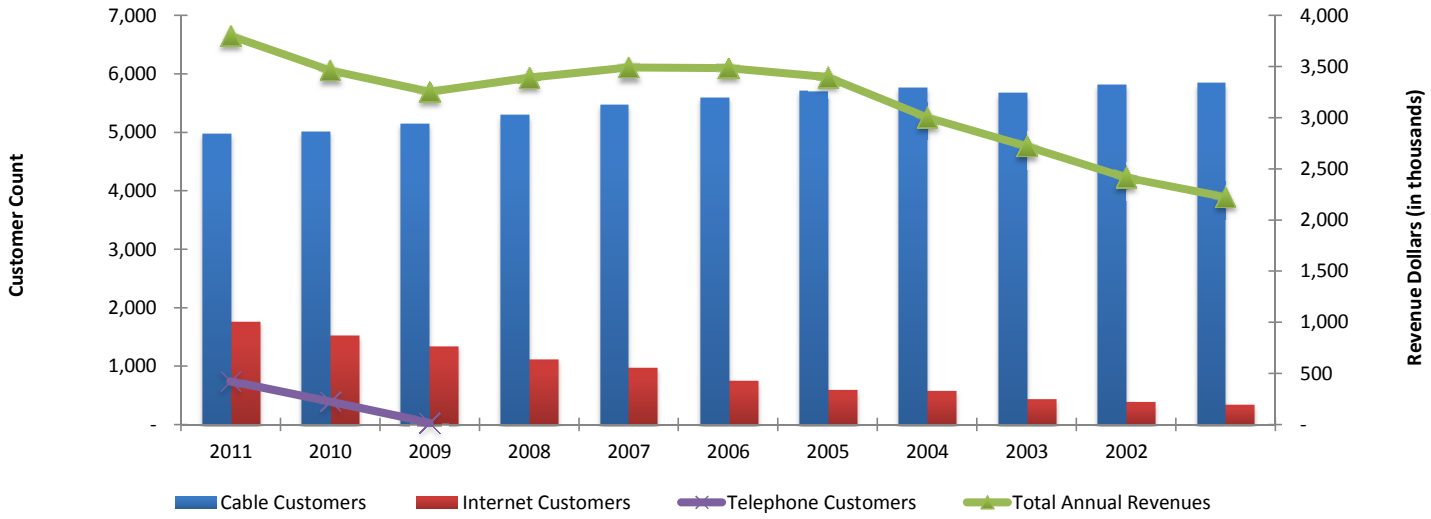
CITY OF MONROE, GEORGIA

TELECOMMUNICATION SALES
LAST TEN YEARS

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Standard Cable Customers	**4,978**	4,989	5,098	5,244	5,411	5,518	5,613	5,704	5,665	5,818
Digital Cable Customers	**-**	29	38	44	57	80	88	66 (1)	-	-
Internet Customers	**1,774**	1,531	1,347	1,121	981	757	604	588	447	393
Telephone Customers	**424**	224	20 (2)	-	-	-	-	-	-	-
Annual Sales (in thousands)	**$ 3,800**	$ 3,463	$ 3,252	$ 3,391	$ 3,492	$ 3,486	$ 3,398	$ 3,002	$ 2,719	$ 2,415

(1) Digital cable service started in 2004.
(2) Telephone service started in 2009 with 2010 the first full year for new customers.

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
2002	$ 9.00	$ 0.0685	$ 0.0950	$ 0.0560	$ 10.00	$ 0.375	$ 0.375	$ 3.25	$ 2.68 (1)	$ 5.70	$ 2.52
2003	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.25	2.68 (1)	5.70	2.52
2004	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.41	2.81 (1)	5.99	2.65
2005	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	3.41	2.85 (2)	6.00	2.75
2006	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	8.25	1.50 (3)	7.00	2.75
2007	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	8.25	1.50 (3)	7.00	2.75
2008	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	8.25	1.50 (3)	7.00	2.75
2009	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	12.00 (4)	1.95 (3)	12.00 (4)	3.58
2010	9.00	0.0685	0.0950	0.0560	10.00	0.375	0.375	14.00 (5)	1.95 (3)	14.00 (5)	3.58
2011	**9.00**	**0.0685**	**0.0950**	**0.0560**	**10.00**	**0.375**	**0.375**	**14.00**	**1.95 (3)**	**14.00**	**3.58**

Note: Rates are plus fuel adjustment and applicable sales tax

(1) Rates based on 0 - 100,000 gallons, residential in-city and do not include out-of-city or commercial rates.
(2) Rates based on 0 - 10,000 gallons, residential in-city and do not include out-of-city or commercial rates.
(3) Rates based on 0 - 3,000 gallons, residential in-city and do not include out-of-city or commercial rates.
(4) Base rate and consumption rates increased on 01/01/2009.
(5) Base rate increased on 01/01/2010.

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			
2002	$ 7,195,000	-	$ 263,177	$ 24,100,000	$ 9,618,396	$ 1,959,070	$ 43,135,643	14.91 %	$ 3,661
2003	7,180,000	-	107,296	33,400,000	789,474	130,806	41,607,576	13.93	3,495
2004	7,115,000	-	-	32,050,000	679,235	24,493	39,868,728	12.73	3,331
2005	6,990,000	-	-	30,675,000	597,379	-	38,262,379	11.12	3,084
2006	6,950,000	-	-	29,595,000	513,873	-	37,058,873	9.87	2,895
2007	6,720,000	-	-	28,170,000	428,685	-	35,318,685	8.84	2,678
2008	6,450,000	-	-	26,710,000	341,780	-	33,501,780	8.00	2,475
2009	6,140,000	-	-	25,275,000	1,027,574	-	32,442,574	7.75	2,397
2010	5,785,000	-	-	23,785,000	987,931	-	30,557,931	7.46	2,309
2011	**5,375,000**	**-**	**-**	**22,332,100**	**2,340,221**	**-**	**30,047,321**	**7.34**	**2,270**

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)
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	454
2010	5,785,000	661	5,784,339	0.60	437
2011	**5,375,000**	**396**	**5,374,604**	**0.60**	**406**

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, 2011

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	$ 26,165,000	19.61%	$ 5,130,957
Walton County Board of Education	63,255,000	14.33%	9,064,442
Subtotal, overlapping debt	89,420,000		14,195,398
Direct:			
City of Monroe	5,375,000	100.00%	5,375,000
Total direct and overlapping debt	$ 94,795,000		$ 19,570,398

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 Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Debt Limit	**$ 36,295**	$ 39,195	$ 39,194	$ 43,687	$ 34,885	$ 31,800	$ 30,217	$ 26,200	$ 24,682	$ 22,674
Total net debt applicable to limit	**5,375**	5,785	5,785	6,450	6,720	6,950	6,989	7,017	7,083	7,098
Legal debt margin	**$ 30,920**	$ 33,410	$ 33,409	$ 37,237	$ 28,165	$ 24,850	$ 23,228	$ 19,183	$ 17,599	$ 15,576
Total net debt applicable to the limit as a percentage of debt limit	**14.81%**	14.76%	14.76%	14.76%	19.26%	21.86%	23.13%	26.78%	28.70%	31.30%

Assessed Value	**$ 356,123**
Add back: exempt real property	**6,824**
Total assessed value	**362,947**
Debt limit (10% of total assessed value)	**36,295**
Debt applicable to limit:	
General obligation bonds	**5,375**
Less: Amount set aside for repayment of general obligation debt	**(148)**
Total net debt applicable to limit	**5,227**
Legal debt margin	**$ 31,068**

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	
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
2010	30,473	24,614	5,859	1,490	1,117	2,607	2.25
2011	**31,538**	**25,584**	**5,954**	**1,592**	**1,025**	**2,617**	**2.28**

(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)*
2002	11,781	289,235	24,551	32	4,637	7.1	16,758
2003	11,905	298,625	25,084	32	4,637	8.4	17,654
2004	11,968	313,238	26,173	32	4,637	10.3	19,052
2005	12,405	344,226	27,749	32	4,637	5.7	19,969
2006	12,799	375,625	29,348	32	4,637	6.1	21,568
2007	13,187	399,672	30,308	32	4,637	6.3	22,318
2008	13,381	413,460	30,899	32	4,637	9.8	21,632
2009	13,534	418,837	30,947	32	4,637	14.4	20,104
2010	13,234	409,553	30,947	33	6,006	15.9	20,104
2011	**13,234**	**409,553**	**30,947**	**33**	**6,006**	**15.8**	**20,104**

(1) Source: U.S. Census Bureau - all numbers are estimates from the Census Bureau except for 2010.

(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.

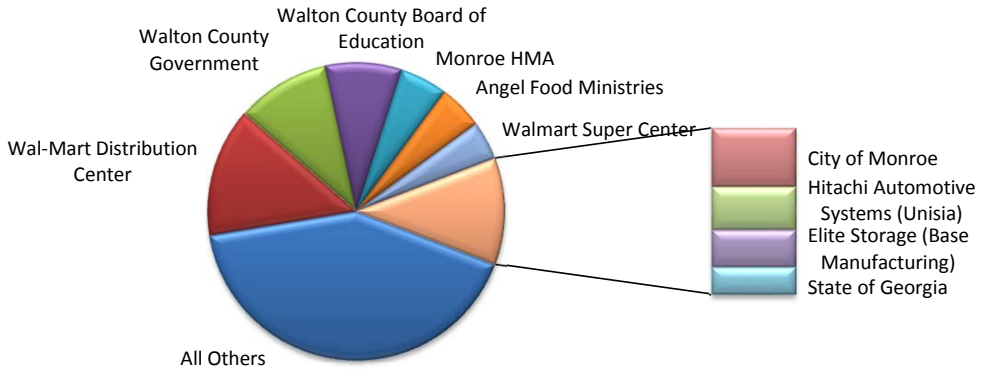
CITY OF MONROE, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2011			2002		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Wal-Mart Distribution Center	**771**	**1**	**14.0 %**			
Walton County Government	**565**	**2**	**10.2**	343	3	10.9 %
Walton County Board of Education	**464**	**3**	**8.4**			
Monroe HMA	**289**	**4**	**5.2**			
Angel Food Ministries	**264**	**5**	**4.8**			
Walmart Super Center	**230**	**6**	**4.2**	86	7	2.7
City of Monroe	**224**	**7**	**4.1**	170	6	5.4
Hitachi Automotive Systems (Unisia)	**165**	**8**	**3.0**			
Elite Storage (Base Manufacturing)	**146**	**9**	**2.6**			
State of Georgia	**107**	**10**	**1.9**			
Walton Press				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	**3,225**		**58.4 %**	2,186		69.2 %

Source: City of Monroe Code Department

FOR THE YEAR 2011



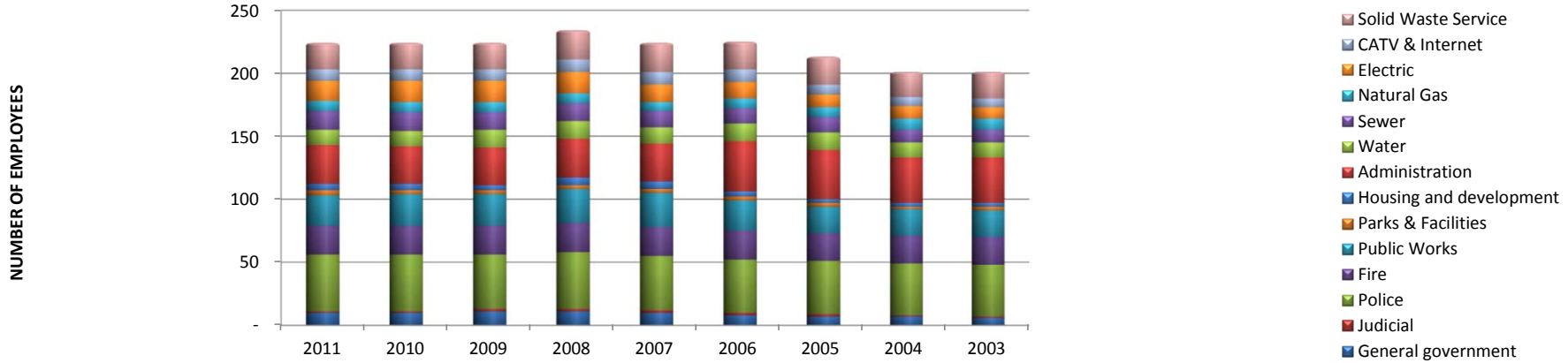
CITY OF MONROE, GEORGIA

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

	Fiscal Year								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
Function									
General government	**10**	10	11	11	10	8	7	7	6
Judicial	**1**	1	2	2	2	2	2	1	1
Public Safety									
Police	**45**	45	43	45	43	42	42	41	41
Fire	**23**	23	23	23	23	23	22	22	22
Public Works	**24**	25	25	27	27	24	21	21	21
Culture and recreation									
Parks & Facilities	**4**	3	3	3	3	3	3	2	3
Housing and development	**5**	5	4	6	6	4	3	3	3
Utilities									
Administration	**31**	30	30	31	30	40	39	36	36
Water	**12**	12	14	14	13	14	14	12	12
Sewer	**15**	15	14	14	13	12	12	10	10
Natural Gas	**8**	8	8	8	7	8	8	9	9
Electric	**16**	17	17	17	14	13	10	10	9
CATV & Internet	**9**	9	9	10	10	10	8	7	7
Solid Waste Service	**21**	21	21	23	23	22	22	20	21
Totals	**224**	224	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		Fiscal Year 2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Police:											
	Number of dispatches	**45,298**	50,769	54,165	40,901	41,618	38,276	33,396	33,549	40,881	38,487
	Number of traffic citations issued	**4,189**	4,330	3,843	4,416	3,697	3,049	3,759	3,396	3,550	4,211
Fire:											
	Number of fire/EMS dispatches	**1,736**	1,436	1,361	1,482	1,353	1,207	1,203	1,007	969	948
Highways and streets:											
	Street resurfacing (lane miles)	**2**	3	9	10	9	14	N/A	N/A	N/A	N/A
Housing and development:											
	Value of new building construction (in 000's)	**$ 2,535**	$ 2,582	$ 7,766	$ 7,040 (2)	$ 37,415	$ 35,882	$ 23,207	$ 37,247	$ 19,640	$ 20,895
	Number of permits issued	**31**	26	24	76 (2)	207	271	131	177	115	107
Utilities: Cable & Internet											
	Number of customers standard cable	**4,978**	4,989	5,098	5,244	5,411	5,518	5,613	5,704	5,665	5,818
	Number of customers digital cable	**-**	29	38	44	57	80	88	66 (1)	N/A	N/A
	Number of Internet customers	**1,774**	1,531	1,264	914	892	757	604	588	447	393
	Number of phone customers	**424 (3)**	224 (3)	20 (3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Electric											
	Number of customers	**5,978**	5,933	5,848	5,870	5,964	5,809	5,647	5,596	5,539	5,600
	Average daily consumption (KWh)	**406,702**	395,562	390,152	391,111	400,228	400,134	389,060	372,322	354,055	361,918
Natural gas											
	Number of customers	**3,720 (4)**	3,760 (4)	4,094	4,250	4,240	4,105	4,081	4,010	3,955	3,950
	Average daily consumption (MCF)	**941**	989	949	999	967	1,611	1,913	1,934	1,921	1,832
Wastewater											
	Number of customers	**6,550**	6,459	6,434	6,461	6,527	6,244	5,905	5,712	5,474	5,381
	Average daily sewage treatment (MGD)	**1.413**	1.571	1.510	1.408	1.432	2.005	2.170	1.660	1.870	1.660
Water											
	Number of customers	**8,665**	8,560	8,312	8,295	8,387	8,113	7,699	7,410	7,165	7,075
	Average daily consumption (Kgallons)	**1,658**	1,566	2,893	3,142	3,311	3,466	3,612	3,588	3,356	3,271
Solid Waste Service:											
	Refuse collected (tons)	**10,394**	11,173	11,738	11,201	12,106	11,517	12,567	12,771	N/A	N/A
	Recyclables collected (tons)	**265**	188	243	361	497	358	496	415	N/A	N/A
	Number of residential customers	**5,129**	5,120	5,168	5,231	5,331	5,142	4,917	4,802	N/A	N/A
	Number of commercial customers	**609**	604	583	573	482	477	462	437	N/A	N/A
	Number of transfer station customers	**19**	20	23	18	16	19	19	19	11	12

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

(3) Phone service started in 2009 with first full year in 2010

(4) Decrease in number of customers due to sale of Oconee County Gas System to Atlanta Gas Light in 2009

CITY OF MONROE, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function		Fiscal Year									
		2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Police:											
	Stations	**1**	1	1	1	1	1	1	1	1	1
	Vehicles	**40**	40	40	40	40	38	38	38	26	21
Fire:											
	Stations	**1**	1	1	1	1	1	1	1	1	1
Highways and streets:											
	Streets (miles)	**75**	75	75	75	75	75	75	75	73	70
	Streetlights	**1,134**	1,134	1,134	1,134	1,134	1,134	1,109	1,109	1,108	1,104
	Traffic signals	**3**	3	3	3	3	4	4	N/A	N/A	N/A
Utilities: Cable & Internet											
	Cable (miles)	**267**	267	267	267	267	240	230	220	200	178
Electric											
	Lines (miles)	**185**	185	185	185	185	180	175	170	163	160
	Substations	**3**	3	3	3	3	3	3	3	3	3
Natural gas											
	Mains (miles)	**113**	107	107 (2)	153	152	149	146	143	141	135
Wastewater											
	Sanitary sewer (miles)	**154**	153	153	153	150	141	140	115	100	95
	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)	**241**	240	240	240	240	237	235	210	190	190
	Maximum daily treatment capacity (MGD)	**10**	10	10	10	10	10	10	10	10	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	**11**	11	9	9	9	9	9	8	8	8
	Recycling trucks	**1**	1	1	1	1	1	1	1	1	1
	Transfer stations	**1**	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

(2) Decrease in mile of mains due to sale of Oconee County Gas System to Atlanta Gas Light

Since 1821
THE CITY OF
Monroe