

CITY OF NEWNAN, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2010

PREPARED BY: DEPARTMENT OF FINANCE

CITY OF NEWNAN, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2010

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INTRODUCTORY SECTION

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City of Newnan, Georgia Finance Department

June 8, 2011

Honorable Mayor, Members of the City Council, City Manager and Citizens of the City of Newnan:

In accordance with the laws of the State of Georgia and ordinances adopted by the governing authority of the City of Newnan, Georgia, I am pleased to present the City of Newnan's (the City's) Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2010. Both the City Ordinances and State statutes require that the City issue an annual report on its financial position and activity. State law requires that local governments publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles (GAAP) and audited in conformance with Generally Accepted Accounting Standards (GAAS) by a firm of licensed certified public accountants.

Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's Management based upon a comprehensive framework of internal controls established to provide assurance that the financial statements are free of any material misstatements. However, since the costs of internal controls should not exceed the benefits gained, the City of Newnan's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements. To the best of my knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner that fairly represents the financial position and operating results of the various funds and component units of the City of Newnan.

The comprehensive annual financial report is presented in three sections: introductory, financial and statistical. The introductory section, which is unaudited, includes this letter of transmittal, a listing of City Officials and an organization chart for the City of Newnan. The financial section includes the basic financial statements, required supplementary information, Management's Discussion and Analysis (MD & A), independent auditor's report, and the combining and individual fund financial statements and schedules. The statistical section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

The Water, Sewerage and Light Commission (Newnan Utilities) and the Downtown Development Authority (DDA) are included as component units of the City of Newnan and are discretely presented within the City's annual financial statements.

INDEPENDENT AUDIT

The City of Newnan's financial statements have been audited by the firm of Clifton, Lipford, Hardison and Parker, LLC of Macon, Georgia. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2010 are fairly represented in conformity with GAAP. The independent auditor's report is the first component of the financial section of this report.

The independent audit of financial statements of the City is sometimes part of a broader, federal and state mandated "single audit" designed to meet the special needs of federal and state grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on the administration of federal and state awards. A single audit was necessary in 2010. The requirement for a single audit is the expense of \$500,000 or more in federal funds. The City was the recipient of a Neighborhood Stabilization Program grant in the amount of approximately \$2.2 million, administered by the Georgia Department of Community Affairs. The City disbursed \$1.8 million of the grant amount in 2010. Additionally, the City was awarded \$53,550 in the form of a FEMA grant for firefighters and approximately \$2.1 million was received through Department of Treasury disbursements for confiscated assets. The information related to the single audit is included in a separately issued single audit report.

The financial statements included in this report conform with GAAP and those established by the Governmental Accounting Standards Board (GASB). This Comprehensive Annual Financial Report includes a narrative introduction from management that provides an 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 meant to complement the MD & A and should be read in conjunction with it. The City of Newnan's MD & A can be found immediately following the Independent Auditor's Report.

CITY OF NEWNAN PROFILE

Since 1960, the City of Newnan has operated under the Council-Manager form of government. The City Council sets policy and relies on the City Manager to implement policy direction. The City Council consists of a Mayor and six Council members. The Mayor is elected at large and serves a four-year term. Council members are elected by district and serve four-year staggered terms. The City Council represents the interests of citizens of Newnan by adopting public policies, determining the City's mission, scope of service, and tax levels, passing ordinances, approving new projects and programs and ratifying the budget. The City of Newnan financial statements include discretely presented data for its two component units: Newnan Utilities and the Downtown Development Authority.

The City currently employs 238 people and is organized into five (5) functions: General Government, Public Safety, Public Works, Community Development and Other Services. General Government consists of City Clerk, Human Resources, Finance, Information Technologies, and Miscellaneous. Public Safety includes the Police and Fire Departments. Public Works involves the Street, Garage, Engineering, and Cemetery departments. Community Development is comprised of Planning and Zoning, Building Inspection, Building Maintenance, and Beautification. Other Services include the Carnegie Building, Business Development and Special Events, and Main Street.

Also important in the operation of the city are the numerous boards and commissions. Preliminary issues are heard and considered before being presented to the Mayor and Council. Over one hundred citizen volunteers serve on the various Boards, Commissions, and Authorities for the City of Newnan including the Board of Zoning Appeals, Planning Commission, Downtown Development Authority, Ethics Commission, Housing Authority, Keep Newnan Beautiful Commission, Newnan Cultural Arts Commission, Newnan Convention Center Authority, Newnan Development Authority, Newnan Hospital Authority, Parks Commission, Retirement Board, Tree Commission, and Water and Light Commission. Members of these Boards, Commissions, and Authorities aid in the effectiveness of local government.

The City of Newnan prepares an annual budget document as the basis for the City's financial planning and control. All departments are required to submit appropriation requests, beginning with a zero-based budget, to the City Manager on or about August 15th. The City Manager utilizes these requests to develop a starting point for the proposed operating budget. The proposed budget is presented to the City Council

for review prior to November 20th. The Council is required to hold a public hearing on the proposed budget, which is typically done mid-December, after all budget work sessions with Council are completed but before adoption of the proposed budget by Council. The annual budget is presented by Fund, Function and Department. Budget to actual comparisons are provided in this report for each individual fund for which an appropriated budget has been adopted. For the general fund, this comparison extends to the department level. Budget to actual comparisons for all governmental funds are presented in the other Required Supplementary Information (RSI) section of the financial statements. The legal level of budgetary control is at the department level.

The City of Newnan, county seat of Coweta County, is located in the west central part of Georgia, approximately thirty-five miles southwest of Atlanta, with Interstate 85 running through the eastern part of the city. In 1828 eight streets were surveyed to form what would become downtown Newnan. The City was laid out in a grid pattern, and six of the streets still bear their original names, which honor famous Americans such as Jackson, Jefferson, Washington, and Madison. The new town was named in honor of General Daniel Newnan of Georgia. As one of the campaign leaders of the War of 1812, he survived severe wounds at Camp Defiance in 1813 to later become Georgia Adjutant General, Secretary of State, and a member of the United States Congress.

A century and a half ago the small city of Newnan was carved out of the homeland of the proud Creek Indian Nation. Newnan stands in the preserved natural beauty of its surroundings, while thriving as an independent commercial and industrial trade center. As a residential community, Newnan has become widely known for its shady tree-lined streets and a large number of historic homes. Victorian and Classical Revival styles are the most prevalent, along with Eclectic, Plantation Plain, and Plantation Variant. Local builders have strived to maintain this quality in Newnan's modern homes, creating an aesthetic balance of old and new in this tranquil city. The large number of recreational areas and the preservation of natural settings have been the finishing touches to the picture, adding completeness to its beauty.

Newnan's six historic districts, all on the national register, contain some of Georgia's most beautiful houses and commercial buildings. The houses are represented by the antebellum and Victorian style that dominated Newnan's early and mid-19th century development. Buildings that make up the Central Business District comprise several architectural styles, including Neoclassical, Italianate, Classical Revival, Romanesque, and Victorian. Newnan's six historic districts include Cole Town, College-Temple, Downtown, Greenville-LaGrange, Newnan Cotton Mill and Mill Village, and Platinum Pointe.

The City of Newnan has increased substantially in population over the past few years and has grown in total square miles, via the annexation of land. In 1990, it was estimated that the city consisted of 12.37 square miles. By the end of 2010, Newnan has grown to approximately 19.5 square miles.

The combination of the City's commitment to quality of life and attention to tax and infrastructure issues has brought many new businesses to the area and is a significant reason why so many businesses flourish in and around Newnan. The City is empowered to levy a property tax on both real and personal property located within its boundaries. It is also empowered to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

FACTORS AFFECTING FINANCIAL CONDITION

The City of Newnan enjoys a diverse economy and relatively stable unemployment rate which translates into a diverse portfolio of revenue streams and growth in population. The 2010 census indicates that the population for the City of Newnan has grown from 16,242 residents in 2000 to 33,039 residents in 2010, representing a 103% increase for the 10-year period. Governmental activities (or program revenues) are made up of revenues from property taxes, sales taxes, occupational taxes, fines and forfeitures, permits,

impact fees, excise taxes and charges for services. The City currently has no business-type activities (enterprise funds) to report, since Sanitation services were privatized in 2004.

The City is very financially stable. Targeted fund balance is 50% of budgeted expenditures. At the end of 2010, unreserved fund balance equaled approximately 89% of 2011 budgeted expenditures. This percentage has remained fairly constant over the years. Based on the excellent management of resources, assets and expenditures and a very healthy fund balance, the City is well prepared to continue operations at the prescribed service levels in spite of the current economy.

The City has a long history of operating within the annual adopted budget levels. Expenditures are controlled at the department level and budget amendments are rare. Therefore, fund balance typically remains constant or increases slightly each year.

Local Economy

Textile mills began to dot the landscape in and around Newnan in the late 1800's. By the late 1920's the Newnan Hosiery Mill, Arnall Mills, Grantville Mills, and McIntosh Mills were among the ever-growing list of entrepreneurial undertakings. Over the last one hundred years the local economy has changed from textiles to a diverse manufacturing center. Farmland and rural southern villages in west central Georgia are being transformed into a business hub as international and national corporations expand and move into the area. Giants such as Kawasaki Corporation, Yokogawa Corporation of America, William L. Bonnell, Southern Mills and Yamaha Motor Manufacturing Corporation have all established in and around Newnan. Consequently, Newnan has developed into a business and industrial community that is growing and thriving. During the past decade, the City of Newnan has grown significantly to include many fine dining and retail establishments (with specialty shops) as part of the real estate development boom that has slowed some during the past couple of years.

Additionally, Cancer Treatment Centers of America (CTCA) has selected Newnan as the location for a new facility. With more than two-thirds of its patients expected to come from outside the state of Georgia, patients and their families will contribute to the growth and vitality of the local economy. CTCA expects the new facility to generate 500 new jobs and \$500 million in economic activity over the first five years of operation. Construction is slated to begin during 2011.

Fiscal Policies

The following fiscal policies are employed by the City of Newnan:

- The City shall strive to maintain a broad and diversified revenue base that will equitably distribute the burden of supporting City services and will protect the City from short-term fluctuations in any one revenue source.
- The City will actively support economic and industrial development, recruitment and retention efforts to expand the revenue base.
- The City will maintain timely collection systems and implement necessary enforcement strategies to collect revenues.
- The City will project revenues on a conservative basis so that actual revenues will consistently meet or exceed budgeted revenues.
- Basic and essential services provided by the City will receive priority funding.
- The City will provide access to medical, dental and life insurance for its employees. The cost for these benefits will be shared between the City and its employees.
- The City will provide access to appropriate retirement plans for its employees. The City will make contributions for eligible employees at the percentage defined.

Cash Management Policy and Practices

The City adheres to treasury management practices permitted by Georgia statutes/code. The City, subsequently, limits its investments to the types of securities provided by statute/code, considering first the probable safety of capital and then the probable income to be derived. The City has investments in the Georgia State Pool and operating accounts at BB & T bank locally. Additionally, the City has a very small investment in Certificates of Deposit.

Debt and Reserve Policy

The City will pay for all capital projects and capital improvements with pay-as-you-go financing, using current revenues when possible. The City has operated debt-free for many years and has no plans to utilize debt to purchase assets. Typically, capital funds are collected and maintained until the balance available is sufficient to complete a purchase or project. If a project or improvement cannot be purchased with current revenues, long-term debt might be considered, but only as a last resort. The City currently has no debt, other than compensated absences (sick, vacation, etc). However, Newnan Utilities, a component unit of the City, does utilize bonds and other types of debt to fund growth in operations.

The City will maintain a minimum reserve in Undesignated Fund Balance which equals 50% of the General Fund annual budgeted amount. If existing reserves exceed the required level, such funds may be used to provide for non-recurring expenditures, capital assets and emergencies as approved by Council.

Employee Retirement and Health Insurance Plans

The City of Newnan participates in the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer pension plan administered by the Georgia Municipal Association (GMA). The City continues to pay 100% of the employee's portion of the retirement plan as a benefit to employees. In 2010, the City contributed \$1,003,960 to the plan on behalf of its employees, compared to the 2009 contribution of \$858,970. Employees are eligible to participate in the retirement program after one (1) year of continued service and are vested in the program after ten (10) years of service. Additional information concerning the City's pension plan and its funding progress can be found in the Required Supplementary Information section.

The City offers health and life insurance to all active employees. The City pays 100% of the life and health insurance premiums for employees who elect single coverage. Additionally, the City pays 84.9% of the cost of health insurance for employees choosing family coverage, along with 100% of their life insurance costs. The City's contributions for employee health insurance increased by 6.8% in 2010, from \$1,714,530 in 2009 to \$1,831,593 in 2010. There is also a menu of optional insurances available to employees including additional life, dental, cancer, vision and disability insurance, all of which are paid solely by the employee if selected. Health insurance premiums increased by approximately 3% for 2011; all of which was absorbed by the City. Currently, the City of Newnan offers no post-employment retirement benefits to its employees.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

The City has established the following long-term goals in support of the City's mission statement, which is "to provide cost effective programs and services while continuously focusing on preserving and enhancing the quality of life that is enjoyed by all Newnan citizens." City goals are listed in no particular order.

- Maintain quality of life for citizens
- Provide consistent services levels
- Attract, employ, train and maintain a quality workforce

- Maintain competitive salary and benefit programs
- Provide a high level of customer service to businesses and citizens
- Provide and maintain a safe, secure and clean community
- Improve service delivery without increasing taxes
- Maintain strong police and fire protection
- Improve communication, efficiencies and effectiveness through technological investments
- Continue support for downtown revitalization and enhancements

2010 Accomplishments

During fiscal year 2010, the City of Newnan began or completed many significant projects and objectives in connection with the City's overall goals. The following is a list of major accomplishments by the City's various departments, in no particular order.

- Received the Distinguished Budget Presentation Award from GFOA, the City's 21st consecutive award!
- Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the City's first Comprehensive Annual Financial Report (CAFR).
- Construction began on the widening of the Highway 34 Bypass by GDOT.
- Over \$2 million was awarded to the Newnan Housing Authority and Newnan-Coweta Habitat for Humanity to acquire and rehabilitate housing for purchase by eligible recipients through the Neighborhood Stabilization Program offered by the Department of Community Affairs.
- Completed and approved the construction and right-of-way plans for the second phase of the Greenville Street Corridor Improvement project and the conceptual plan for the Jefferson/Jackson Corridor Improvement project.
- Sprayberry Road/US 29 Intersection Improvement construction plans were finalized.
- The City acquired a vacuum truck for storm water infrastructure maintenance and a sign truck for installation of signs and other traffic control devices.
- A new city-wide camera system was installed to assist public safety with crimes and prevention.
- Replaced several culverts, upgraded street signs, and continued improvements and renovations to the Public Works facility at Boone Drive.
- Opened the new pool and pool house at Lynch Park.
- Completed full depth reclamation and paving of various streets.
- The City completed milling and paving of Eastview Cemetery streets.
- Purchased two new dump trucks for the Street department and six new vehicles for Public Safety.

Strategic Financial Planning

The City of Newnan has initiated processes to provide for the future and plan for services, programs and facilities to meet the needs of the citizens, visitors and businesses in the community. The most current budget process addresses both revenues and expenditures for its operating programs for the current year. The five-year capital plan is developed to address future needs and project financial trends in order to plan for the long-term needs of the City including personnel, equipment, facilities, operations and maintenance. This program establishes a continuing five-year look at facility and equipment needs. The City also maintains a twenty year Comprehensive Plan which provides a review of the issues and opportunities that will affect the future of the City, delineates and discusses character areas and areas of special concern, and provides a detailed analysis of existing conditions as well as future projections.

Financial Analysis and Planning is essentially a process to assess the future and determine what the needs of the City will be in the future years. The Mayor and City Council have recognized the need for this type of planning effort, which will in turn provide the roadmap for future budgeting and capital planning efforts. Such a plan provides guidance to the legislative and administrative arms of city government, but also provides a guideline for residents and businesses of the community to act upon in the development of private programs and services.

AWARDS AND ACKNOWLEDGEMENTS

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Newnan for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2009. This was the first year that the government had prepared a CAFR. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

GFOA Distinguished Budget Presentation Award

The City of Newnan was awarded, for the twenty-first consecutive year, the Government Finance Officers Association of the United States "Distinguished Budget Presentation Award" for its 2010 budget document. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device. Additionally, we have submitted our 2011 Budget document to GFOA for consideration of this award.



Acknowledgements

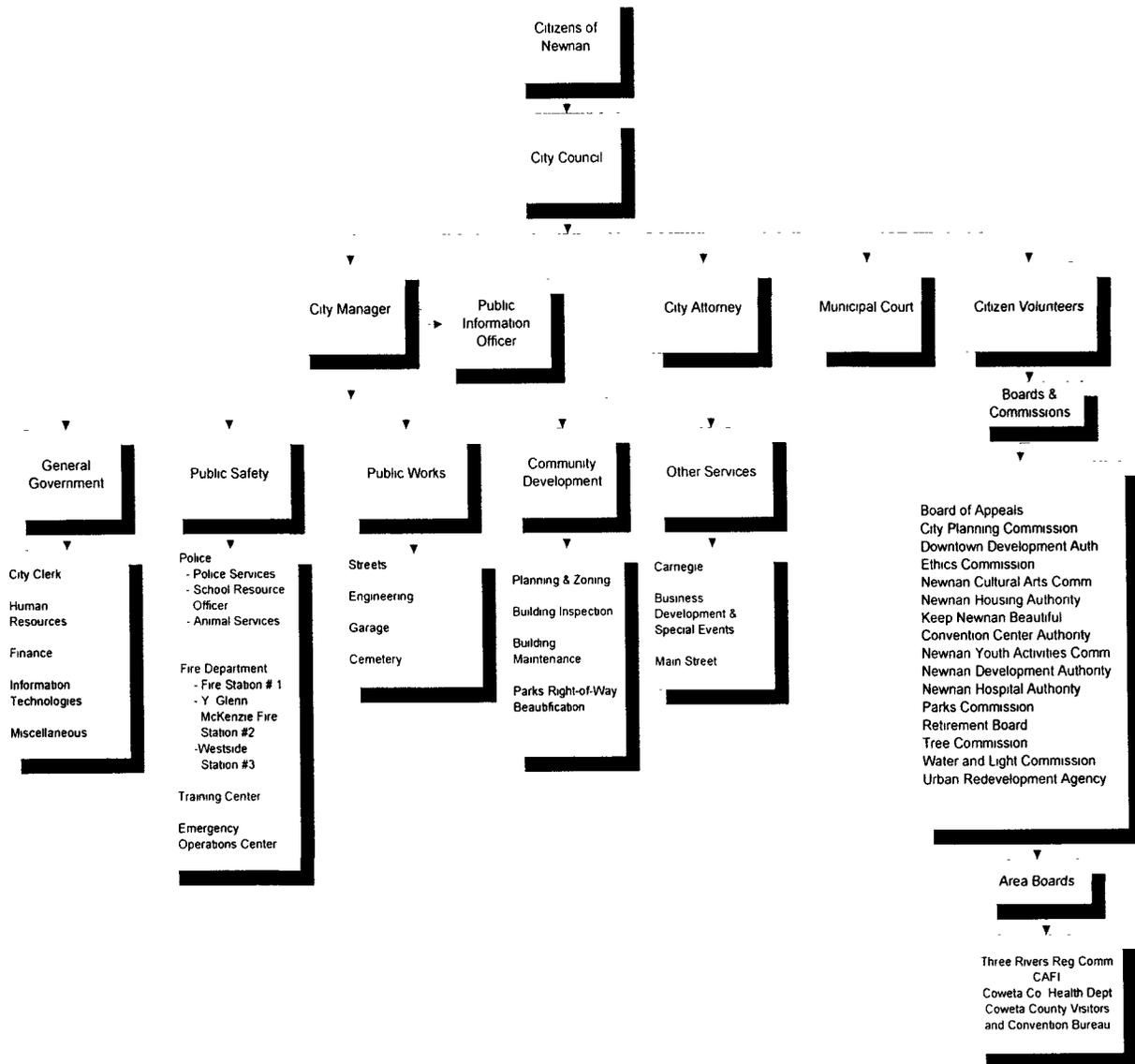
The timely preparation and publication of this Comprehensive Annual Financial Report represents significant effort and accomplishment by the Finance department, as well as the cooperation and assistance of other City of Newnan departments and employees. The independent audit firm of Clifton, Lipford, Hardison and Parker, LLC is also to be commended for their cooperation and assistance in the preparation of this document. My sincere appreciation is expressed to the City Council, City Manager and Department Heads for assistance and leadership throughout the year as it pertains to the financial affairs of the City of Newnan. Last, but not least, I wish to express my sincere appreciation to the Finance department staff: Renee Phillips, Ronda Helton, Ginny Gibson and Kim Carroll, whose dedication and support made this report and the entire year such a success.

Respectfully submitted,

Katrina Cline

Katrina Cline
Finance Director, City of Newnan

CITY OF NEWNAN ORGANIZATION CHART



City of Newnan, Georgia CITY OFFICIALS AND OFFICES

City of Newnan
P. O. Box 1193
25 LaGrange Street
Newnan, Georgia 30264
Fax #: 770-254-2353

City website:
www.ci.newnan.ga.us

MAYOR AND COUNCIL MEMBERS

District	Council Member	Year Elected
Mayor	L. Keith Brady	1994
District A:	Clayton Hicks	2006
District B:	Rhodes Shell	2006
District C:	Cynthia Jenkins, Mayor Pro Tem	2004
District D:	Robert Coggin	2008
Super District E (Districts A and B):	Ray DuBose	2006
Super District F (Districts C and D):	George Alexander	2003

CITY ADMINISTRATIVE OFFICES

Department	Physical Address	Phone Number
Beautification	57 Boone Drive	770-251-3455
Building Inspection	25 LaGrange Street	770-254-2362
Business Development	6 First Avenue	770-253-8283
Carnegie Building	1 LaGrange Street	770-683-1347
Cemetery	25 LaGrange Street	770-253-3744
City Clerk	25 LaGrange Street	770-254-2358
City Council	25 LaGrange Street	770-254-2358
City Hall	25 LaGrange Street	770-253-2682
City Manager	25 LaGrange Street	770-254-2358
Community Development	25 LaGrange Street	770-254-2354
Engineering	25 LaGrange Street	770-254-2354
Finance	25 LaGrange Street	770-254-2351
Fire	23 Jefferson Street	770-253-1851
Garage/City Shop	55 Boone Drive	770-253-0327
Human Resources	25 LaGrange Street	770-254-2358
Information Technology	25 LaGrange Street	770-254-2358
Main Street	6 First Avenue	770-253-8283
Mayor	25 LaGrange Street	770-254-2358
Newnan Utilities	70 Sewell Road	770-683-5516
Planning & Zoning	25 LaGrange Street	770-254-2354
Police	25 Jefferson Street	770-254-2355
Public Information	25 LaGrange Street	770-254-2358
Public Works	55 Boone Drive	770-253-0327
Streets	55 Boone Drive	770-253-1823

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Newnan
Georgia

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

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



President

Executive Director

FINANCIAL SECTION

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J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Council
City of Newnan, Georgia

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate discretely presented component units and the aggregate remaining fund information of the City of Newnan, Georgia as of and for the year ended December 31, 2010, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Newnan, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Newnan Water, Sewerage and Light Commission which represents 99 percent of the assets, net assets, and revenues of the aggregate component units of the City of Newnan, Georgia. Those financial statements were audited by other auditors whose report thereon was furnished to us, and our opinion, insofar as it relates to the amounts included for the Newnan Water, Sewerage and Light Commission, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate discretely presented component units and the aggregate remaining fund information of the City of Newnan, Georgia as of December 31, 2010, and the respective changes in financial position, and the respective budgetary comparison for the General Fund, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

MANAGEMENT'S DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the City of Newnan, Georgia's (the "City") comprehensive annual financial report, the City's management is pleased to provide this narrative discussion and analysis of the financial activities of the City for the calendar year ended December 31, 2010. The City's financial performance is discussed and analyzed within the context of the financial statements and disclosures following this section. Readers should also review the basic financial statements and notes to enhance their understanding of the Government's financial performance.

2010 Financial Highlights

- The assets of the City of Newnan exceeded its liabilities by \$143,727,282 (net assets) at the close of the calendar year reported.
- The government's total net assets increased by \$4,716,859, or 3.4%. Total capital outlay for 2010 was \$2,712,177, with depreciation expenses of \$3,054,178. Please see page 26 of this report for detail of the other items which make up the total increase in net assets.
- Total net assets are comprised of the following:
 - (1) Capital assets totaling \$110,991,843, includes property and equipment, net of accumulated depreciation.
 - (2) Net assets of \$16,917,262 are restricted by constraints imposed from outside the City such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net assets of \$15,818,177 represent the portion available to maintain the City's continuing obligations to citizens and creditors.
- The City's governmental funds reported total combined ending fund balances of \$32,721,229 this year. This compares to the prior year combined ending fund balances of \$27,954,634, showing an increase of \$4,766,595, or 17.1%, during the current year. The Unreserved fund balance of \$15,725,307 for calendar year 2010 shows a \$1,589,794 increase when compared to the prior year. This equates to a 11.2% increase in Unreserved fund balance.
- At the end of the current calendar year, fund balance for the General Fund totaled \$14,872,441, which was a 10.6% increase from 2009. Unreserved fund balance for the General Fund was \$14,746,505, or 98% of total General Fund expenditures of \$15,049,563. In comparison, the General Fund Unreserved fund balance for 2009 was 76.02% of General Fund expenditures.
- The City operates on a pay-as-you go basis and has not incurred any debt in the acquisition of capital assets. The only long-term debt is related to employee compensated absences (earned sick and vacation leave) in the amount of \$518,633.
- Overall, the City continues to maintain a strong financial position. The ratio of current assets to current liabilities is 33.7 to 1, down from 45.1 to 1 in 2009. This decrease in ratio is mainly attributed to the increase in current liabilities.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis (MD & A) document is intended to serve as an introduction to the City's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The City also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the City's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets*. This is the government-wide statement of position presenting information that includes all of the City's assets and liabilities, with the difference 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 as a whole is improving or deteriorating. Evaluation of the overall health of the City would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of City infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the City's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by the City's taxpayers.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, community development and public works. The City has no business-type activities to report at this time.

The government-wide financial statements are presented on pages 26 and 27 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City of Newnan uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds rather than the City as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term calendar accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The City of Newnan adopts an annual appropriated budget for the general fund and all special revenue funds. Budgets are prepared for the capital project funds on a project basis, which usually covers two or more years. Fiduciary funds do not have budgets. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements are presented on pages 28 to 33 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Fiduciary Funds

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

The basic fiduciary fund financial statement can be found on page 34 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 35 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's budget presentations. Budgetary comparison statements for the general fund are included in the basic financial statements. Budgetary comparison schedules for other governmental funds can be found in a later section of this report. These schedules demonstrate compliance with the City's adopted and final revised budget. As discussed, the City reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 74.

Financial Analysis of the City as a Whole

The City's net assets at calendar year-end are \$143,727,282. The largest portion of the City's net assets (77%) reflects its investment in capital assets, net of any related debt used to acquire the assets. The following table provides a summary of the City's net assets.

The City continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 33.7 to 1, which is strong. The ratio for 2009 was 45.1 to 1. Current liabilities increased by 57.2%, mostly in accounts payable.

Summary of Net Assets

	FY 2009		FY 2010		Increase/ (Decrease) from 2009	% Increase / (Decrease) from 2009
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total		
Assets:						
Current assets	\$ 29,132,214	21%	\$ 34,268,357	24%	\$ 5,136,143	17.6%
Capital assets	111,049,663	79%	110,991,843	76%	(57,820)	-0.1%
Other Assets	-	N/A	1,466	0%	1,466	0.0%
Total assets	140,181,877	100%	145,261,666	100%	5,079,789	3.6%
Liabilities:						
Current liabilities	646,138	55%	1,015,751	66%	369,613	57.2%
Long-term liabilities	525,316	45%	518,633	34%	(6,683)	-1.3%
Total Liabilities	1,171,454	100%	1,534,384	100%	362,930	31.0%
Net assets:						
Invested in capital assets.						
net of debt	111,049,663	80%	110,991,843	77%	(57,820)	-0.1%
Restricted	12,341,221	9%	16,917,262	12%	4,576,041	37.1%
Unrestricted	15,619,539	11%	15,818,177	11%	198,638	1.3%
Total Net Assets	\$ 139,010,423	100%	\$ 143,727,282	100%	\$ 4,716,859	3.4%

The City reported positive balances in the net assets; the same held true for the prior calendar year. Total assets increased by 3.6% over 2009, while the City's liabilities increased by 31.0%. Current assets increased by 17.6% during 2010 due to an increase in cash and investments of approximately \$4.9 million. The majority of current liability increases are attributed to an increase in Accounts Payable of \$340,628. Overall, total net assets increased by 3.4%, which is a good indication of the City's overall financial position.

Note that approximately 77% of the governmental activities' net assets are tied up in capital. This has remained relatively constant over the past two years. The City uses these capital assets primarily to provide services to its citizens and to maintain the quality of those services.

Governmental Activities

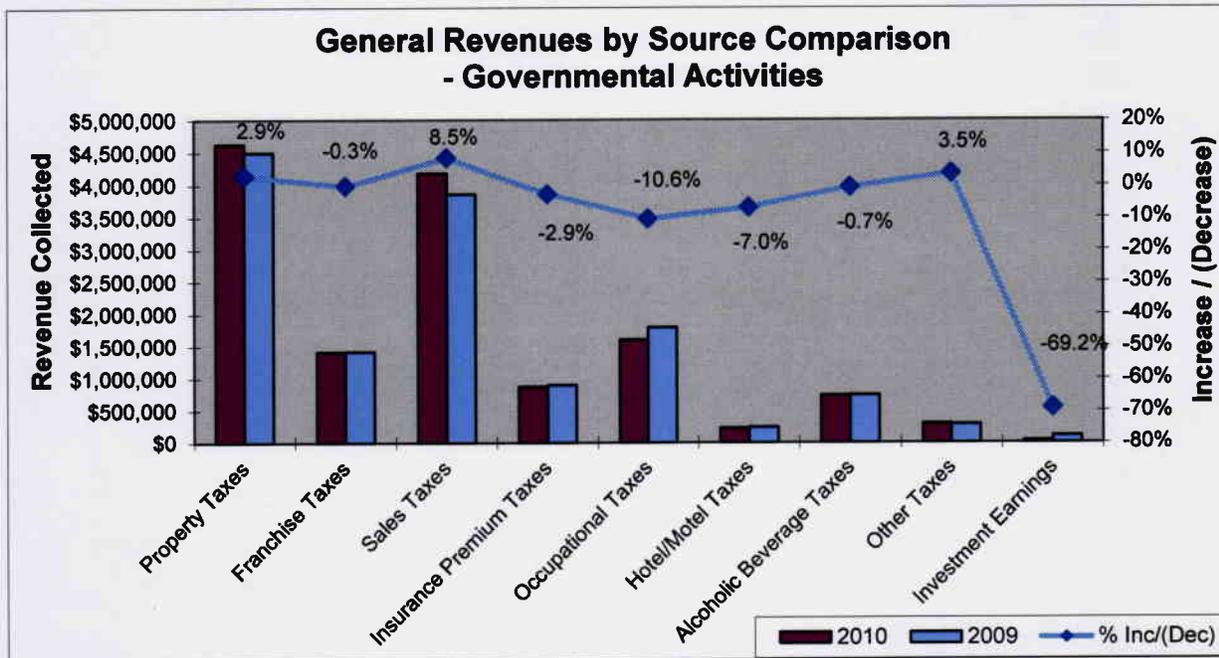
Governmental Activities increased the City of Newnan's net assets by \$4,716,859. Key elements of this increase are as follows:

City of Newnan's Changes in Net Assets

	Fiscal Year 2009			Fiscal Year 2010		
	Governmental Activities	Total	Percentage of Total	Governmental Activities	Total	Percentage of Total
Revenues:						
Program:						
Charges for services	\$ 2,979,251	\$ 2,979,251	14.1%	\$ 5,073,045	\$ 5,073,045	19.5%
Operating grants	96,152	96,152	0.5%	-	-	0.0%
Capital grants	4,260,001	4,260,001	20.1%	6,970,299	6,970,299	26.8%
Total Program Revenues:	<u>7,335,404</u>	<u>7,335,404</u>	<u>34.6%</u>	<u>12,043,344</u>	<u>12,043,344</u>	<u>46.2%</u>
General:						
Taxes	13,743,826	13,743,826	64.9%	13,966,940	13,966,940	53.6%
Other	105,671	105,671	0.5%	32,524	32,524	0.1%
Total General Revenues:	<u>13,849,497</u>	<u>13,849,497</u>	<u>65.4%</u>	<u>13,999,464</u>	<u>13,999,464</u>	<u>53.8%</u>
Total Revenues:	<u>21,184,901</u>	<u>21,184,901</u>	<u>100.0%</u>	<u>26,042,808</u>	<u>26,042,808</u>	<u>100.0%</u>
Program Expenses:						
General government	2,771,020	2,771,020	14.4%	4,360,012	4,360,012	20.4%
Tourist development	9,304	9,304	0.0%	3,691	3,691	0.0%
Public safety	9,272,838	9,272,838	48.2%	9,634,856	9,634,856	45.2%
Public works	4,679,400	4,679,400	24.3%	4,723,863	4,723,863	22.2%
Community Development	2,505,682	2,505,682	13.0%	2,603,527	2,603,527	12.2%
Total Expenses:	<u>19,238,244</u>	<u>19,238,244</u>	<u>100.0%</u>	<u>21,325,949</u>	<u>21,325,949</u>	<u>100.0%</u>
Change in net assets	1,946,657	1,946,657		4,716,859	4,716,859	
Beginning net assets	<u>137,063,766</u>	<u>137,063,766</u>		<u>139,010,423</u>	<u>139,010,423</u>	
Ending net assets	<u>\$ 139,010,423</u>	<u>\$ 139,010,423</u>		<u>\$ 143,727,282</u>	<u>\$ 143,727,282</u>	

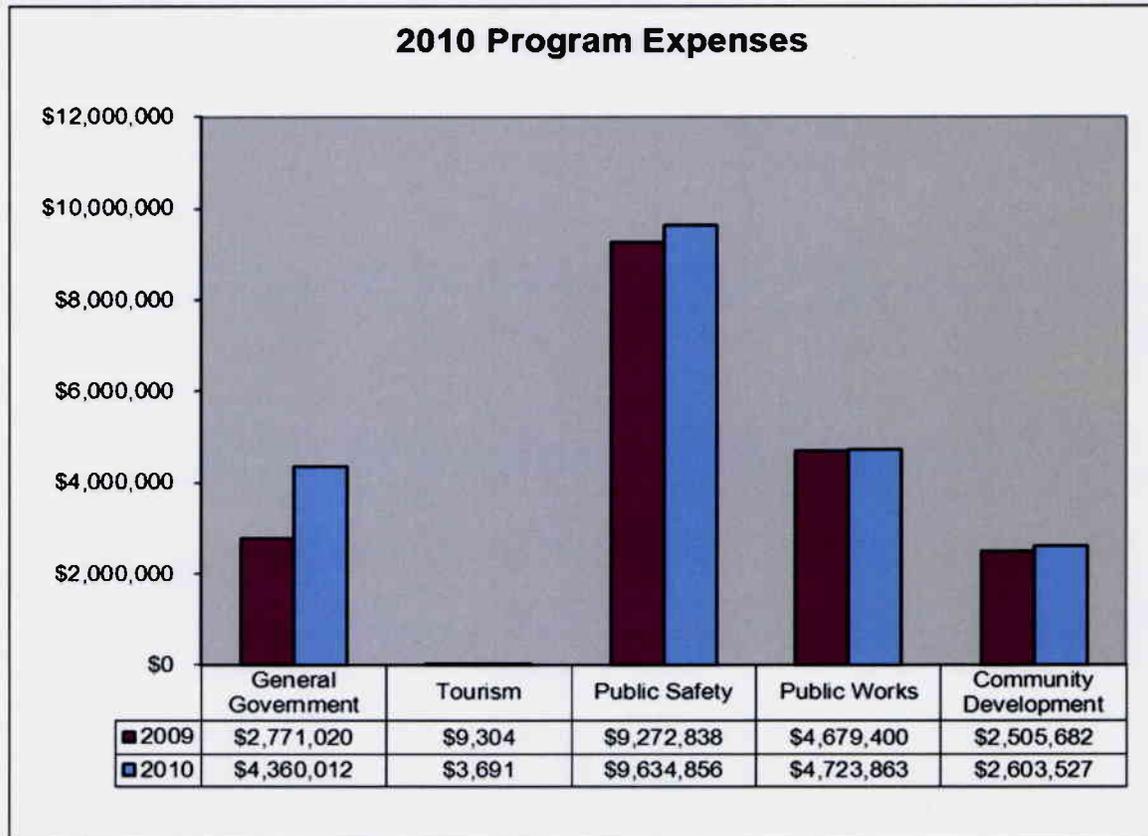
Program revenues represent 46.2% of total revenues in 2010, which is an 11.6% increase over 2009. One of the most significant changes from 2009 to 2010 related to Charges for Services, where revenues increased by \$2,093,794, or 70.3%. This increase is directly attributed to the receipt of \$2,129,542 in confiscated assets revenue. Additionally, Capital Grant revenues increased by \$2,710,298, mainly due to the receipt of NSP (Neighbor Stabilization Program) Grant Funds totaling \$1,827,754 and a miscellaneous grant for the Fire Department totaling \$53,550. SPLOST 2007 revenue (classified as intergovernmental) also increased by \$346,136 in 2010.

General Revenues make up 53.8% of total receipts, almost all of which is taxes, down from 65.4% in 2009. General revenues increased by only \$149,967 for 2010. Notice that taxes collected as a percentage of general revenues increased by 2.9% during 2010, which was about \$129,000. Additionally, Local Option Sales Taxes (LOST) were up by \$326,782 from 2009. Offsetting those increases, however, was a decrease in Occupational Tax of 10.6%, or \$189,857. Other General Revenues, which consists entirely of interest on investments, decreased by 69.2%, or \$73,147, when compared to 2009. These changes in revenues are indicative of the general economy in Newnan and nationally. Our population is still increasing, but commercial growth is still slow. The 2000 census showed Newnan's population to be 16,242. The 2010 census showed that Newnan had grown to 33,039 people, an increase of 104%. We expect to see some improvements to revenue during 2011 due to changes in the population and local economy in both the commercial and residential sectors.



Program Expenses increased by 10.85 %, or \$2,087,704, in 2010. The increase in General Government expenditures of \$1,588,992 is attributed to NSP Grant expenditures in the amount of \$1,827,754. Most other functions remained fairly consistent with 2009.

Program Expenses						
	General Government	Tourism	Public Safety	Public Works	Community Development	Total
2009	\$2,771,020	\$9,304	\$9,272,838	\$4,679,400	\$2,505,682	\$19,238,244
2010	\$4,360,012	\$3,691	\$9,634,856	\$4,723,863	\$2,603,527	\$21,325,949
Variance	\$1,588,992	\$(5,613)	\$362,018	\$44,463	\$97,845	\$2,087,705
% Change	57.34%	-60.33%	3.90%	0.95%	3.90%	10.85%



GOVERNMENTAL REVENUES

The City is heavily reliant on sales taxes to support governmental operations and capital. Property taxes are the largest general revenue source with approximately \$4.6 million of revenues, or 33.1% of the total. The City realized approximately \$129,000 more in 2010, due to diligent and aggressive collection of delinquent taxes. Sales tax, the second largest general revenue source, provided 29.9% of the City's total general revenues in 2010; by comparison, in 2009 sales taxes provided 27.9%. There was an 8.47% increase, or \$326,782, in sales tax collections in 2010.

Occupational taxes are the third largest general revenue source, producing \$1,603,104 in 2010, down from \$1,792,961 in 2009 mainly due to the economy. Due to declining interest rates, the City only earned \$32,524 in interest on investments in 2010 to support governmental activities. In 2009, by comparison, the City earned \$105,671. For 2010, \$22,885 of interest revenue was included in program revenues rather than general revenues. Therefore, total 2010 earnings reflect a 47.6% decrease, or a \$50,262 reduction, in revenue. Overall, taxes made up 99.8% of the total general revenues for 2010. Taxes made up 99.2% of total general revenues in 2009, when investment earnings were slightly higher.

Program revenues (excluding capital revenues) covered 23.8% of governmental operating expenses, up from 16% in 2009. This means that the government's taxpayers and the City's other general revenues funded about 76.2% of the governmental activities in 2010, as compared to 84% in 2009. As a result, one can see how the general economy has a major impact on the City's revenue streams. Receipt of approximately \$2.2 million in confiscated assets contributed to the increase in program revenues.

GOVERNMENTAL FUNCTIONAL EXPENSES

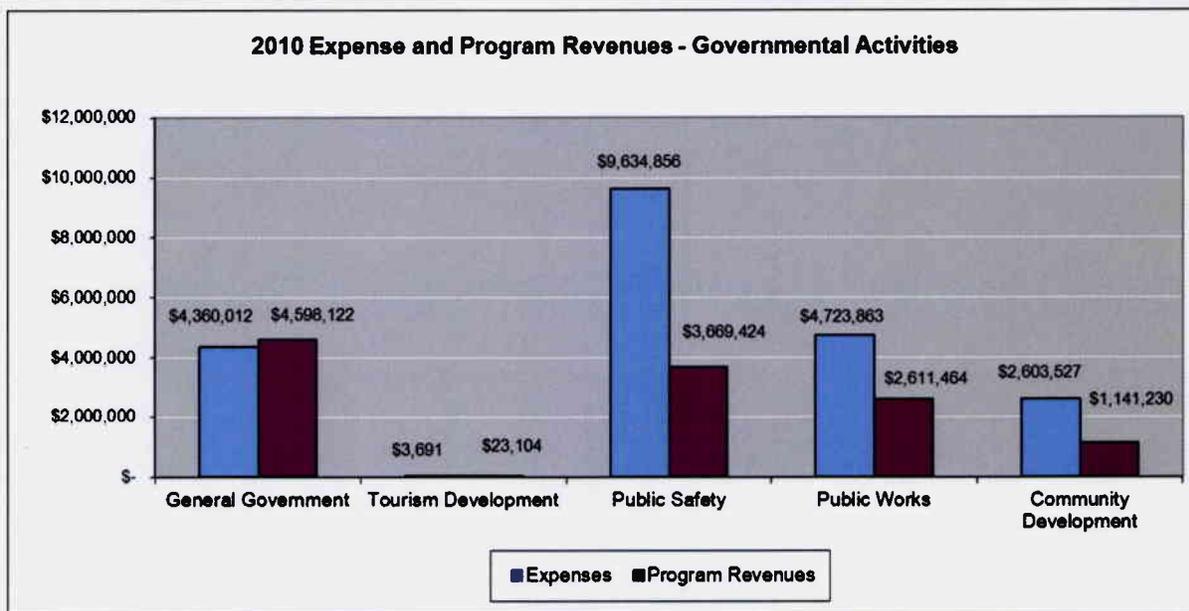
Overall, costs for Governmental Activities increased by about 10.9% during 2010, up from \$19,238,244 in 2009. However, the City shows a total cost of \$9,282,605 for these services, as compared to 2009 where the same services showed a total cost to the City of \$11,902,840. The dependence upon property and sales tax receipts is apparent as over 62% of governmental activities are supported through these general receipts. Property and sales taxes are consistently the two largest forms of general revenues for the City of Newnan, followed by Occupational taxes.

Public Safety function expenses are 45.2% of total governmental activities expenses. For 2009, Public Safety made up 48.2% of the total. Public Works makes up over 22%, Community Development is 12%, and General Government is over 20% of the total, as compared to 14.4% last year. General Government showed the only significant increase over 2009, with a 57.3% increase due to the NSP Grant expenses of \$1,827,754. All other functions, except Tourism, showed a slight increase over 2009. Please note that Other Services combined with Community Development in 2010.

The table below presents the cost of each of the City's programs, including the net costs (i.e., total cost less revenue generated by the activities). The net cost / benefit column illustrate the financial burden placed on the City's taxpayers by each of these functions. As shown, only Tourism and General Government covered 100% of their costs in 2010. The same was true in 2009. All other functions covered only a percentage of the costs required to provide services.

Governmental Activities				
	<u>Total Cost of Services</u>	<u>% of Total</u>	<u>Net (Cost)/ Benefit of Services</u>	<u>% of Costs Covered</u>
General Government	\$ 4,360,012	20.44%	\$ 238,110	105.46%
Tourist Development	3,691	0.02%	19,413	625.96%
Public Safety	9,634,856	45.18%	(5,965,432)	38.08%
Public Works	4,723,863	22.15%	(2,112,399)	55.28%
Community Development	2,603,527	12.21%	(1,462,297)	43.83%
Total	<u>\$ 21,325,949</u>	<u>100.00%</u>	<u>\$ (9,282,605)</u>	

Public Safety function's program revenues covered 38.08% of its total costs, up from 13.82% in 2009. This was due to the receipt of \$2.2 million in confiscated asset funds for 2010. The Public Works function revenues covered approximately 55% of its total costs versus 42% in 2009. An additional \$300,000 was allocated to Public Works program revenue through SPLOST revenues in 2010. Additionally, Community Development function revenues covered about 44% of its total costs, up from 23% in 2009, with an additional \$500,000 in SPLOST revenues allocated in 2010 as the contributing factor. The increase in percentage of costs covered by most functions indicates that the rate of growth the City was experiencing in recent years has started to improve.



Financial Analysis of the City's Funds

Governmental Funds

As discussed, we report governmental funds in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$32,721,229, an increase of 17.1% over the 2009 ending balance of \$27,954,634. Of this 2010 year-end total, \$15,725,307 is unreserved indicating availability for continuing City service requirements. Therefore, unreserved fund balances increased by 11.2%, or \$1,589,794, which is mainly due to the increase of \$1.4 million in the General Fund unreserved balance for 2010 as a result of operations.

Legally restricted fund balances (i.e., the reserved fund balances) included \$629,967 for program purposes such as the Cultural Arts Commission, Downtown Economic Development, Tourism and the Veteran's Memorial. Additionally, \$14,553,699 was committed to capital outlays and almost \$1.7 million was committed to Public Safety expenditures via Confiscated Assets. The total reserved fund balance at the end of 2010 was \$16,995,922, which reflects a 23.0% increase from 2009's reserved fund balance of \$13,819,121. Growth in Confiscated Assets and SPLOST 2007 fund balances was the primary reason for the increase in reserved fund balance.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The General Fund's ending fund balance increased from \$13,450,930 to \$14,872,441, which is an 10.6% increase from 2009. As indicated, 99.2% (\$14,746,505) of this balance is unreserved and available for continuing City services at the designated levels, which is consistent with 2009 at 99%. This balance is considered very adequate, representing the equivalent of 98% of annual expenditures. In comparison, the ending fund balance for 2009 represented 76.8% of annual expenditures. The increase is attributed to very tight expenditure control and diligent revenue collections. The primary use of fund balance is to cover cash flow deficiencies during the year. During 2010, unreserved fund balance increased by approximately \$1.4 million, with revenues totaling \$16.8 million and expenditures totaling only \$15.4 million, including transfers.

The Impact Fee Fund's ending balance was up from calendar year 2009 by \$194,233, or approximately 10.9%. Ending fund balance was \$1,977,603. This fund was established near the end of 2004 to account for impact fees collected by the City of Newnan. The funds have accumulated to cover estimated project expenditures as they occur, since the City operates debt-free. 2009 expenditures of \$13,089 for intersection improvements was recorded. As with other capital funds, all remaining balances are carried over to the next year for budgeting purposes. Approved capital projects for this fund included new roads and streets, new city parks, new fire and police precincts, four new fire trucks, and a new vehicle storage building for the Fire Department.

SPLOST 2002 Fund's ending balance decreased by 13.6%, or \$531,008, as compared to 2009. The ending fund balance for 2010 was \$3,378,439. Please note that this sales tax expired in December 2006 and a new special purpose local option sales tax (SPLOST 2007) was approved by the citizens of Newnan. Interest on investments totaled \$7,576 for 2010 for this fund and expenditures of \$538,584 related mostly to street and sidewalk maintenance and improvements. Remaining funds are carried over to next year for budgeting purposes. Approved capital projects for this fund included streets, drains, and sidewalks, new beautification facility, new convention center, city shop additions, fire equipment, downtown parking facility, and a new computer system.

SPLOST 2007 Fund's ending fund balance was \$9,197,657. This is an increase of 29.5% over 2009, which ended with \$7,105,007. Sales tax collected in 2010 was \$4,469,337 and interest on investments was \$15,309. These amounts represented an 8.4% (or \$346,136) increase in sales tax revenues and a 33.4% (or \$7,687) reduction in interest earnings when compared to 2009. Sales tax and interest collected is a reflection of the current economic conditions in Newnan.

SPLOST 2007 expenditures of \$2,391,996 included a new vacuum truck and new dump truck for the Street department, resurfacing of Eastview Cemetery streets, a new pool and pool house at Lynch Park, and various street and intersection improvements. Remaining balances carry over to next year for budgeting purposes. Approved capital projects for this fund included a VOIP Phone System, new computers and upgrades, Parks Master Plan, new playground equipment, new park development, various street cleaning equipment, new addition to City Hall, new Oak Hill Cemetery Office building, improvements to City shop, new pool and pool house at Lynch Park, Carnegie Library renovation, new roofs for the Wesley Street Gym and Wadsworth Auditorium, new recreation center, and approximately \$15 million in street and road improvements in the City.

Revenue Category Comparisons

Property Tax Revenues

Property tax revenue collections increased 2.9% over that of calendar year 2009. The 2009 digest was \$1,109,343,983, decreasing to \$1,104,459,815 in 2010, which is a 0.4% decrease. Property valuation reassessments reduced the 2010 digest by approximately \$17.9 million. However, additions and other changes to the digest resulted in an increase of approximately \$13 million in real property valuation, resulting in a net decrease to the digest. The City's millage rate increased from 4.32 mills per thousand in 2009 to 4.39 mills per thousand dollars of assessed value in 2010 to reflect these changes. Additionally, the City aggressively pursued collection of delinquent taxes.

Local Option Sales Taxes

Local option sales tax revenue actually increased by 8.47% when compared to calendar year 2009, from \$3,860,258 to \$4,187,040. The distribution of the local option sales tax revenue was renegotiated with Coweta County in 2002, resulting in a percentage decrease in the City's distribution from 27.9% to 21.89%. However, the County agreed to keep the City at the same dollar level as 2002 as long as the 27.9% would produce the same, or greater, proceeds. Sales taxes from all sources, including Special Purpose, showed a \$672,918 increase, or 8.4%, from 2009. The total generated in 2010 for all sales tax was \$8,656,377 as compared to \$7,983,459 in 2009. Please note that the State required reporting changes in 2009 for municipalities who receive their Special Purpose sales tax (SPLOST) distribution from the County. This revenue is now classified as intergovernmental, rather than sales tax, in the financial statements for the City of Newnan.

Occupational Taxes (formerly Business Licenses)

Occupational tax revenue decreased by 10.6%, or \$189,857, when compared to 2009. This decrease is related to the slowing commercial growth in the City and reduced gross receipts reported for the businesses. The 2000 census population for the City of Newnan was 16,242; the estimated 2010 population for the City is 33,039. This represents an approximate 103.4% increase in population in the last ten years! Therefore, the sluggish economy during 2010 was offset somewhat by the growth in population, which is continuing. The City expects to see an increase in those taxes which are tied to the population, such as insurance premiums, in future years.

Franchise (Excise) Taxes

Franchise tax collections decreased by 0.3% during 2010, from \$1,420,597 to \$1,416,636. Collection of excise taxes was basically consistent with 2009.

Hotel/Motel Taxes

Hotel/Motel tax collections for 2010 were \$223,694. In 2009, we recorded collections of \$240,642, showing a reduction of \$16,948, or 7.0%. The sluggish economy contributed to the decrease in occupancy rates during 2010.

Interest Earned on Investments

Interest on Investments (General Fund only) decreased by \$22,215 in 2010, from \$46,219 to \$24,004, which is a 48.1% decrease when compared to 2009. Overall, all funds included, interest on investments decreased by \$50,262 in 2010, which was a 47.6% decrease from 2009. Interest earnings have drastically reduced due to the state of the general economy. We do not expect to see any increased revenue from interest earnings in the next year.

Licenses and Permits Revenue

Building permits made up 58.9% of the total revenues for this category in 2010, slightly down from 59.2% in 2009. Building permit revenues increased by 2.8% in 2010; going from \$259,895 to \$267,248. Building permit valuations, residential and commercial combined, increased by 26.6% during 2010, from approximately \$45 million in 2009 to about \$57 million in 2010. The increase in building permit revenues is an indication of the economy in Newnan as it relates to housing and real estate investments. The City is starting to see an increase in the number of permits issued, however, growth remains slow.

Alcoholic beverage licenses made up the remaining 41.1% of revenues for this category. This revenue stream was consistent with 2009 at approximately \$186,355, showing only a 4% increase. This revenue stream has remained stable over the years.

Fines & Forfeitures Revenue

Police Fines decreased by 9.8%, or \$67,730, from 2009; down from \$691,911 to \$624,181 in 2010. Collections of police fines levied is lagging behind. The City of Newnan is pursuing more aggressive collection measures, including assigning a staff person to assist specifically with collections of police fines in the future.

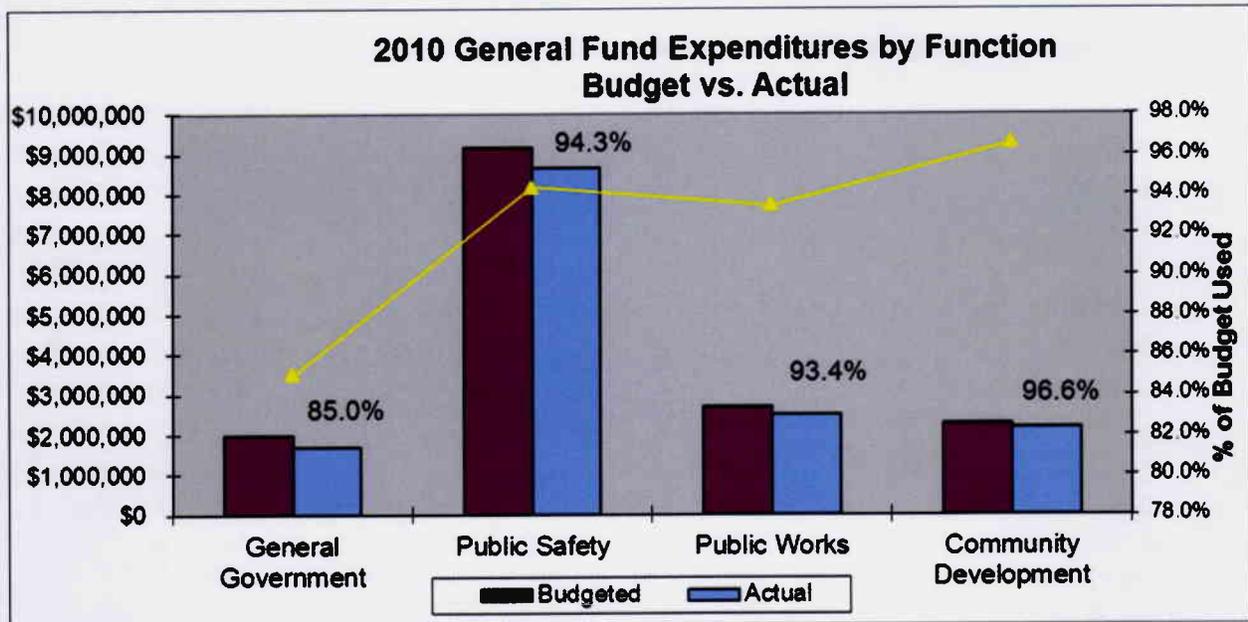
Budgetary Highlights

The General Fund – The 2010 revenue budget for the General Fund was \$16,240,120, excluding a projected transfer in from the Tourism Fund of \$150,000, representing 60% of budgeted hotel/motel tax collections retained by the General Fund. Actual revenue collections were \$16,638,383, or 102.4% of budgeted collections. The actual transfer in from the Tourism fund was \$134,216. Staff has been very aggressive in delinquent revenue collections, with an overall 98.5% collection rate for property taxes.

The 2010 expenditure budget for the General Fund was \$16,121,717, excluding a \$219,000 transfer to the Capital Equipment Fund and a \$100,000 transfer to the Street Fund. Actual expenditures for 2010 were \$15,049,563, or only 93.3% of the budgeted amount. Expenditures were tightly controlled and departmental budgeted levels maintained. The General Fund expenditure budget was amended to include an additional \$50,597, mostly for municipal court operations. The charts below show a breakdown of the 2010 General Fund budgeted versus actual expenditures.

**2010 General Fund Expenditures by Function
(excluding Interfund Transfers)**

	Budgeted	Actual	% of Budget	Budget Less Actual Exp
General Government	\$ 1,994,867	\$ 1,695,495	85.0%	\$ 299,372
Public Safety	9,179,325	8,660,439	94.3%	518,886
Public Works	2,684,987	2,508,479	93.4%	176,508
Community Development	2,262,538	2,184,725	96.6%	77,813
	<u>\$ 16,121,717</u>	<u>\$ 15,049,138</u>	93.3%	<u>\$ 1,072,579</u>



Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2010, was \$110,991,843, down slightly from 2009. The total decrease in this net investment was 0.1% for governmental activities. Construction in progress decreased by 10.1% due to the capitalization of several large projects, thus the increase in Buildings and Parks and Accumulated Depreciation. Depreciation is calculated based on the actual acquisition date of the asset. Readers who desire more detailed information on capital asset activity during 2010 may refer page 44 of this report. The table below provides a summary of capital asset activity.

Major capital asset items acquired during the current calendar year included the following.

- Two new dump trucks and a vacuum truck for the Street department.
- Six new vehicles for Public Safety.
- Accepted land and road contributions for McIntosh Parkway valued at \$281,912.
- Added diesel exhaust removal systems to fire trucks.
- Added a controlled access lock system to the Public Safety Facility.
- Upgraded the CCTV camera monitoring system for the Police department.

Additionally, there were several projects under construction as of December 31, 2010, including a new convention center, Greenville Streetscapes Phase II, Jefferson/Jackson Corridor improvements, Jackson/Roscoe Road Intersection improvements, City shop improvements, and various other street and sidewalk improvement projects. Construction in progress project expenses are capitalized in full upon completion. The total construction in progress (CIP) at December 31, 2010 was \$2,397,616.

City of Newnan's Capital Assets

	Governmental Activities		Total		Increase/ Decrease %
	2010	2009	2010	2009	
Non-depreciable assets:					
Land	\$ 19,925,697	\$ 19,858,435	\$ 19,925,697	\$ 19,858,435	0.3%
Construction in progress	2,397,615	2,668,439	2,397,615	2,668,439	-10.1%
Total non-depreciable	22,323,312	22,526,874	22,323,312	22,526,874	-0.9%
Depreciable assets:					
Buildings and Parks	18,973,361	18,001,375	18,973,361	18,001,375	5.4%
Other improvements	7,820,421	7,820,421	7,820,421	7,820,421	0.0%
Machinery and equipment	9,339,020	9,232,592	9,339,020	9,232,592	1.2%
Infrastructure	77,454,463	75,831,365	77,454,463	75,831,365	2.1%
Total depreciable assets	113,587,265	110,885,753	113,587,265	110,885,753	2.4%
Less accumulated depreciation	24,918,734	22,362,964	24,918,734	22,362,964	11.4%
Book value - depreciable assets	88,668,531	88,522,789	88,668,531	88,522,789	0.2%
Percentage depreciated	22%	20%	22%	20%	8.8%
Book value - all assets	\$ 110,991,843	\$ 111,049,663	\$ 110,991,843	\$ 111,049,663	-0.1%

At December 31, 2010, the depreciable capital assets for governmental activities were 22% depreciated. This compares to 20% at December 31, 2009. This comparison indicates that the City is replacing its assets at approximately the same rate as they are depreciating, which is a positive indicator. Please note the fact that Buildings and Parks accounted for the primary increase in the value of depreciable assets and most of the decrease in Construction in Progress. The City completed construction of the new Lynch Park pool and pool house, full depth reclamation and paving of various streets, and milling and paving of East View Cemetery streets. The change in construction in progress was a decrease of \$270,823 due to the completion of these and other projects.

Long-term Debt

At the end of the current calendar year, the City's only long-term debt relates to pay for earned vacation and sick leave and deferred holidays for Public Safety personnel. The City pays 10% of earned sick leave and 100% of earned vacation upon employee termination, with deferred holidays payable within six (6) months of accrual date. The 2010 amount payable totals \$518,633, as compared to \$525,316, at the end of 2009. Short-term debt (payable within one year) is \$344,802, with the remaining \$173,831 booked as long-term debt. Please refer to pages 46 to 48 for information concerning component unit debt.

Economic Conditions Affecting the City

The challenge for all governments is to provide quality services at a reasonable cost to its citizens. The City of Newnan remains in a relatively strong financial position, in spite of a sluggish economy. Fuel costs are rising again and interest earnings have remained stagnant over the past few years. Newnan continues to experience some growth in the commercial sector though and residential growth is slowly rebounding. The City is proactively managing resources and service strategies; infrastructure costs are being passed on to the developers to minimize the impact on the citizens of Newnan. Additionally, departments are charged with controlling expenditures based on budgeted amounts.

As this audit will show, the City's overall financial position improved during 2010. The City strives to maintain current service levels while keeping costs as low as possible. We continue to operate debt-free. Our goal is to maintain a healthy fund balance and protect the interests of the citizens in the City of Newnan.

Next Year's Budget

As of December 31, 2010, Unreserved fund balance in the General Fund was \$14,746,505. Next year's budgeted revenues are projected to be made up of Property Taxes (27.75%), Sales Taxes (26.41%), Excise (Franchise) Taxes (18.54%), Occupational Taxes and Alcohol Licenses (10.89%), with the remaining 16.41% expected to be generated by Inspections and Permits, Service Charges, Fines and Forfeitures, Other Local and Intergovernmental Revenues.

Budgeted revenues are projected to decrease by 0.67%, from \$16,390,120 in 2010 to \$16,279,900, in 2011, including interfund transfers. The primary reason for the decrease is a shortfall of \$118,000 in occupational tax revenues, which is closely tied to the general health of the economy. During the first quarter of 2011, we saw a slight increase in inspections and permits and are optimistic that growth is continuing, although at a slow rate. The City's population was 16,242 in 2000. The 2010 census showed a 103% increase; we now have 33,039 residents! Additionally, the new Cancer Treatment Centers of America hospital will have a significant and positive impact on the local economy; construction begins in May 2011.

Additionally, departmental expenditures decreased by \$160,817, from \$16,440,717 to 16,279,900. The following chart shows the major changes in budgeted expenditures from 2010 to 2011, along with 2010 actual expenditures. The most significant change was in salaries, where three (3) full-time vacant positions were deleted and one (1) part time position was added. Additionally, professional services was reduced by 15.5% due to a decrease in Municipal Court budgeted expenditures. The Capital Equipment Fund was eliminated for 2011, resulting in those purchases being budgeted within the General Fund. In the past, capital equipment acquisitions were funded through an interfund transfer from the General Fund to the Capital Equipment Fund.

General Fund Budget and Expenditures by Use

Description	2010		2011 Adopted Budget	2010-2011	2010-2011
	Adopted Budget	2010 Actual Expenditures		Budget	Budget % Change
Salaries	\$ 9,234,319	\$ 8,931,707	\$ 9,132,414	\$ (101,905)	-1.10%
Benefits	4,183,361	3,953,297	4,199,225	15,864	0.38%
Professional Services	298,355	276,798	251,980	(46,375)	-15.54%
Repairs and Maintenance	182,930	158,896	182,614	(316)	-0.17%
Bldg & Pers Liability Insurance	453,448	252,266	435,078	(18,370)	-4.05%
Communications	129,064	130,533	139,422	10,358	8.03%
Electricity	249,000	255,413	251,000	2,000	0.80%
Vehicle Fuel	287,749	327,426	304,000	16,251	5.65%
Vehicle Maintenance & Repairs	193,668	201,877	213,650	19,982	10.32%
Capital Equipment Purchases	-	-	219,000	219,000	N/A

Contacting the City's Financial Management

This financial report is designed to provide citizens, taxpayers, investors and creditors with a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, please contact the City's Finance Director, Katrina Cline, at 25 LaGrange Street, Newnan, GA 30263, or by e-mail at kcline@cityofnewnan.org. This comprehensive annual financial report (CAFR), along with the City's annual budget documents, is available on the City's website at www.ci.newnan.ga.us on the Finance Department page.

BASIC FINANCIAL STATEMENTS

CITY OF NEWNAN, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2010

	Primary Government	Component Units	
	Governmental Activities	Water Sewerage and Light Commission	Downtown Development Authority
ASSETS			
Cash and cash equivalents	\$ 28,334,494	\$ 2,960,867	\$ 19,656
Investments	3,610,867	26,102,012	-
Receivables, net of allowance	2,314,458	4,460,645	1,575
Inventory	8,538	2,001,486	-
Prepaid items	-	226,347	-
Restricted assets	-	5,897,355	-
Capital assets not being depreciated:			
Land	19,925,697	7,797,571	-
Construction in progress	2,397,615	2,287,979	-
Capital assets net of accumulated depreciation:			
Buildings and parks	14,125,781	-	-
Structures, lines and improvements	-	107,624,575	-
Other improvements	5,033,289	-	-
Machinery and equipment	3,349,573	4,728,752	-
Infrastructure	66,159,888	-	-
Other assets:			
Net pension asset	1,466	-	-
Deferred compensation funding arrangements	-	2,155,994	-
Debt issue costs-unamortized	-	650,250	-
Total assets	<u>145,261,666</u>	<u>166,893,833</u>	<u>21,231</u>
LIABILITIES			
Accounts payable	767,669	3,386,615	7,399
Accrued expenses	248,082	318,129	-
Accrued interest payable	-	656,882	-
Customer deposits	-	1,315,360	-
Noncurrent liabilities:			
Due within one year	344,802	1,132,862	-
Due in more than one year	173,831	37,623,484	-
Total liabilities	<u>1,534,384</u>	<u>44,433,332</u>	<u>7,399</u>
NET ASSETS			
Invested in capital assets, net of related debt	110,991,843	85,739,995	-
Restricted for:			
Capital outlay	14,553,699	-	-
Capital improvements and debt service	-	5,897,355	-
Public safety	1,686,320	-	-
Program purposes	677,243	-	-
Unrestricted	15,818,177	30,823,151	13,832
Total net assets	<u>\$ 143,727,282</u>	<u>\$ 122,460,501</u>	<u>\$ 13,832</u>

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

CITY OF NEWNAN, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Water, Sewerage & Light Commission	Component Units Downtown Development Authority
Primary Government:							
Governmental Activities							
General government	\$ 4,360,012	\$ 1,863,821	\$ -	\$ 2,734,301	\$ 238,110		
Tourism development	3,691	23,104	-	-	19,413		
Public safety	9,634,856	2,918,872	-	750,552	(5,965,432)		
Public works	4,723,863	-	-	2,611,464	(2,112,399)		
Community development	2,603,527	267,248	-	873,982	(1,462,297)		
Total governmental activities	<u>\$21,325,949</u>	<u>\$ 5,073,045</u>	<u>\$ -</u>	<u>\$ 6,970,299</u>	<u>(9,282,605)</u>		
Component Units							
Water, Sewerage & Light Commission	\$44,562,171	\$ 44,396,519	\$ -	\$ 1,796	\$ (163,856)	\$ -	
Downtown Development Authority	133,726	134,338	-	-	-	-	612
Total component units	<u>\$44,695,897</u>	<u>\$ 44,530,857</u>	<u>\$ -</u>	<u>\$ 1,796</u>	<u>(163,856)</u>		<u>612</u>
General revenues:							
Property taxes				4,630,433	-		-
Sales taxes				4,187,040	723,258		-
Occupational taxes				1,603,104	-		-
Franchise taxes				1,416,636	-		-
Insurance premium taxes				874,336	-		-
Hotel/Motel taxes				223,694	-		-
Alcoholic beverage taxes				737,209	-		-
Other taxes				294,488	-		-
Investment earnings				32,524	396,603		38
Total General Revenues				<u>13,999,464</u>	<u>1,119,861</u>		<u>38</u>
Change in net assets				4,716,859	956,005		650
Net assets - beginning of year				<u>139,010,423</u>	<u>121,504,496</u>		<u>13,182</u>
Net assets - ending of year				<u>\$ 143,727,282</u>	<u>\$ 122,460,501</u>		<u>\$ 13,832</u>

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

CITY OF NEWNAN, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010

	General	Impact Fees	2002 SPLOST	2007 SPLOST	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 13,999,199	\$ 1,978,626	\$ 3,513,876	\$ 8,823,379	\$ 19,414	\$ 28,334,494
Investments	226,349	-	-	-	3,384,518	3,610,867
Due from other funds	31,164	-	-	-	-	31,164
Taxes receivable	683,939	-	-	-	51,941	735,880
Intergovernmental	407,477	-	-	735,443	-	1,142,920
Other receivables	435,658	-	-	-	-	435,658
Inventories	8,538	-	-	-	-	8,538
Total assets	\$ 15,792,324	\$ 1,978,626	\$ 3,513,876	\$ 9,558,822	\$ 3,455,873	\$ 34,299,521
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 154,270	\$ 1,023	\$ 135,437	\$ 361,165	\$ 115,774	\$ 767,669
Accrued expenditures	248,082	-	-	-	-	248,082
Due to other funds	-	-	-	-	31,164	31,164
Deferred revenues	517,531	-	-	-	13,846	531,377
Total liabilities	919,883	1,023	135,437	361,165	160,784	1,578,292
Fund balances:						
Reserved for:						
Encumbrances	70,122	-	-	-	-	70,122
Inventories	8,538	-	-	-	-	8,538
Public safety	-	-	-	-	1,686,320	1,686,320
Program purposes	47,276	-	-	-	629,967	677,243
Capital outlay	-	1,977,603	3,378,439	9,197,657	-	14,553,699
Unreserved, designated for:						
Capital outlay	222,572	-	-	-	-	222,572
Unreserved, reported in						
General fund	14,523,933	-	-	-	-	14,523,933
Capital project funds	-	-	-	-	978,802	978,802
Total fund balances	14,872,441	1,977,603	3,378,439	9,197,657	3,295,089	32,721,229
Total liabilities and fund balances	\$ 15,792,324	\$ 1,978,626	\$ 3,513,876	\$ 9,558,822	\$ 3,455,873	\$ 34,299,521

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

CITY OF NEWNAN, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
DECEMBER 31, 2010

Total fund balances per balance sheet of governmental funds		\$ 32,721,229
<p>Amounts reported for governmental activities in the Statement of Net Assets differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:</p>		
<p>Net Pension Obligation</p>		
Net pension assets are not financial resources and therefore are not reported in the funds.		1,466
<p>Capital Assets</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Cost of the assets	\$ 135,910,577	
Accumulated depreciation	<u>(24,918,734)</u>	
		110,991,843
<p>Revenues</p>		
Some of the government's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.		531,377
<p>Long-term Liabilities</p>		
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. All liabilities both current and long-term are reported in the Statement of Net Assets. Long-term liabilities at year-end consist of the following:</p>		
Compensated absences		<u>(518,633)</u>
Total net assets of governmental activities		<u>\$ 143,727,282</u>

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

CITY OF NEWNAN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	General	Impact Fees	2002 SPLOST	2007 SPLOST	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Property	\$ 4,630,498	\$ -	\$ -	\$ -	\$ -	\$ 4,630,498
Franchise	1,416,636	-	-	-	-	1,416,636
Sales	4,187,040	-	-	-	-	4,187,040
Insurance premium	874,336	-	-	-	-	874,336
Occupational	1,603,104	-	-	-	-	1,603,104
Hotel/motel	-	-	-	-	223,694	223,694
Alcoholic Beverage	737,209	-	-	-	-	737,209
Other taxes	294,488	-	-	-	-	294,488
License and permits	453,603	-	-	-	-	453,603
Impact fees	-	203,581	-	-	-	203,581
Court condemnations	-	-	-	-	2,129,542	2,129,542
Intergovernmental	160,075	-	-	4,469,337	2,048,518	6,677,930
Intergovernmental-utility	1,389,848	-	-	-	-	1,389,848
Fines and forfeitures	624,181	-	-	-	-	624,181
Investment earnings	24,004	3,741	7,576	15,309	4,779	55,409
Miscellaneous	243,361	-	-	-	-	243,361
Total revenues	16,638,383	207,322	7,576	4,484,646	4,406,533	25,744,460
EXPENDITURES						
Current:						
General government	1,695,495	-	-	13,330	1,941,349	3,650,174
Tourism development	-	-	-	-	3,691	3,691
Public safety	8,657,181	-	-	-	565,604	9,222,785
Public works	2,508,168	-	-	-	-	2,508,168
Community development	2,188,719	-	-	1,700	-	2,190,419
Intergovernmental	-	-	-	715,094	-	715,094
Capital outlay	-	13,089	538,584	1,661,872	491,464	2,705,009
Total expenditures	15,049,563	13,089	538,584	2,391,996	3,002,108	20,995,340
Excess (deficiency) of revenues over (under) expenditures	1,588,820	194,233	(531,008)	2,092,650	1,404,425	4,749,120
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	17,475	-	-	-	-	17,475
Transfers in	134,216	-	-	-	319,000	453,216
Transfers out	(319,000)	-	-	-	(134,216)	(453,216)
Total other financing sources (uses)	(167,309)	-	-	-	184,784	17,475
Net change in fund balances	1,421,511	194,233	(531,008)	2,092,650	1,589,209	4,766,595
Fund balances - beginning of year	13,450,930	1,783,370	3,909,447	7,105,007	1,705,880	27,954,634
Fund balances - end of year	\$ 14,872,441	\$ 1,977,603	\$ 3,378,439	\$9,197,657	\$ 3,295,089	\$ 32,721,229

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

CITY OF NEWNAN, 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, 2010

Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses Per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances \$ 4,766,595

Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:

Net pension asset is not available during the current period and therefore is not reported in the funds

Change in net pension asset	1,466
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Capital Assets

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.

Total capital outlays	\$ 2,712,177	
Total depreciation	<u>(3,054,178)</u>	(342,001)

The net effect of various transactions involving capital assets (i.e. sales, disposals, trade-ins, and donations) is to increase net assets.	284,181
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Long-term Debt

Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. The adjustments for these items are as follows:

Compensated absences	6,683
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Revenues

Because some revenues will not be collected for several months after the government's fiscal year end, they are not considered available revenues and are deferred in the governmental funds. Deferred revenues decreased by this amount during the year.

	<u>(65)</u>
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Change in net assets of governmental activities	<u>\$ 4,716,859</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF NEWNAN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes:				
Property	\$ 4,190,120	\$ 4,190,120	\$ 4,630,498	\$ 440,378
Franchise	1,454,000	1,454,000	1,416,636	(37,364)
Sales	4,300,000	4,300,000	4,187,040	(112,960)
Insurance premium	900,000	900,000	874,336	(25,664)
Occupational	1,714,000	1,714,000	1,603,104	(110,896)
Alcoholic beverage	732,000	732,000	737,209	5,209
Other taxes	275,000	275,000	294,488	19,488
License and permits	404,400	404,400	453,603	49,203
Intergovernmental	174,000	174,000	160,075	(13,925)
Intergovernmental-utility	1,225,000	1,225,000	1,389,848	164,848
Fines and forfeitures	716,000	716,000	624,181	(91,819)
Interest earnings	40,000	40,000	24,004	(15,996)
Miscellaneous	115,600	115,600	243,361	127,761
Total revenues	16,240,120	16,240,120	16,638,383	398,263
EXPENDITURES				
Current:				
General government:				
Council	153,254	153,254	136,726	16,528
Manager	250,299	250,299	218,545	31,754
Public information officer	85,199	85,199	79,535	5,664
Attorney	92,500	94,357	94,208	149
Clerk	79,306	79,306	78,342	964
Finance	351,927	360,282	352,318	7,964
Human resources	156,155	156,155	148,757	7,398
Information technologies	141,052	141,052	139,459	1,593
Municipal court	135,373	172,367	172,100	267
Other - unclassified	502,596	502,596	275,505	227,091
Total general government	1,947,661	1,994,867	1,695,495	299,372
Public safety:				
Police	5,483,769	5,483,769	5,077,243	406,526
School resources officer	316,058	316,058	315,894	164
Animal services	61,014	61,014	53,796	7,218
Fire	3,318,484	3,318,484	3,213,506	104,978
Total public safety	9,179,325	9,179,325	8,660,439	518,886

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

CITY OF NEWNAN, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)

GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

	Budget		Actual	Variance with Final Budget
	Original	Final		
Public works:				
Administration	\$ 169,627	\$ 173,018	\$ 170,457	\$ 2,561
Engineer	268,250	268,250	208,905	59,345
Streets	1,444,684	1,444,684	1,346,485	98,199
Garage	369,414	369,414	361,956	7,458
Cemetery	429,621	429,621	420,676	8,945
Total public works	2,681,596	2,684,987	2,508,479	176,508
Community development:				
Administration	218,328	218,328	218,163	165
Planning and zoning	222,516	222,516	219,527	2,989
Business development and special events	151,691	151,691	139,290	12,401
Library	100,004	100,004	87,245	12,759
Parks & ROW beautification	715,222	715,222	701,718	13,504
Building inspection	564,921	564,921	564,231	690
Building maintenance	289,856	289,856	254,552	35,304
Total community development	2,262,538	2,262,538	2,184,726	77,812
Total expenditures	16,071,120	16,121,717	15,049,139	1,072,578
Excess (deficiency) of revenue over (under) expenditure	169,000	118,403	1,589,244	1,470,841
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	-	-	17,475	17,475
Transfers in	150,000	150,000	134,216	(15,784)
Transfers out	(319,000)	(319,000)	(319,000)	-
Total other financing sources (uses)	(169,000)	(169,000)	(167,309)	1,691
Net change in fund balances	\$ -	\$ (50,597)	1,421,935	\$ 1,472,532
Fund balances - beginning of year			13,380,150	
Fund balances - end of year			\$ 14,802,085	

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

CITY OF NEWNAN, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITY
FIDUCIARY FUND
DECEMBER 31, 2010

	<u>Agency Fund</u>
ASSETS	
Cash	\$ 74,251
Total assets	<u>\$ 74,251</u>
LIABILITY	
Payable from Assets	
Confiscated assets pending disposition	<u>\$ 74,251</u>

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

NOTES TO THE FINANCIAL STATEMENTS

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Newnan, Georgia (hereinafter the City) was chartered by an act of the General Assembly of the State of Georgia. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), public works (highways and streets), planning and zoning, general administrative services, public improvements and community development. Sanitation services have been outsourced.

The accompanying financial statements present the City and its discretely presented component units, entities for which the City is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. The criteria used to determine financial accountability is evidenced by the following:

1. Ability to impose will on an organization by being able to significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization.
2. Financial benefit to or burden on the primary government including responsibility for financing debts, entitlements to surpluses and guarantees or moral responsibility for debt.
3. Fiscal dependency for matters including authority over funds and budgetary appropriations.
4. Ability of the primary government to appoint a voting majority of an organization's governing body.

Discretely Presented Component Units

The Newnan Water, Sewerage and Light Commission (hereinafter the NWSL Commission) governing board is appointed by the City Council. The City Council also approves bond issue authorizations. By letter of agreement dated September 14, 1993 between the NWSL Commission and the City, the method of calculating cash contributions from the NWSL Commission was established. The NWSL Commission makes monthly transfers equal to 5% of the prior month's billing for electrical energy, excluding sales tax, fuel costs adjustments, special rates and streetlights. Additionally, the NWSL Commission remits monthly an additional 3% of the prior month's billing for water and sewer revenues. Separately issued financial statements may be obtained by writing the Newnan Water, Sewerage and Light Commission, P.O. Box 578, Newnan, GA 30264.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

The Downtown Development Authority of the City of Newnan (hereinafter the Authority) governing board is appointed primarily by the City Council. The Authority is also financially dependent upon the City. The Authority is reported as a governmental fund type, with a general fund only, and has not issued separate financial statements for this year.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

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

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Fiduciary funds are reported using the accrual basis of accounting and have no measurement focus. 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.

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 with 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.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Expenditures generally are 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, local option sales taxes, franchise taxes, other taxes, licenses and permits, intergovernmental revenues, interest and charges for services 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 revenues are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General 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.

Impact Fees Fund – In 2004, the citizens adopted a Development Impact Fee Ordinance as a means of recovering costs of public facility and service demands made by new development within the City.

The 2002 Special Purpose Local Option Sales Tax Fund – In 2001, the citizens of Newnan re-approved a 1% SPLOST for the purpose of funding capital improvement projects. Approved projects include park acquisitions and development, convention center, downtown parking facilities, fire equipment, computer systems and transportation improvements.

The 2007 Special Purpose Local Option Sales Tax Fund – In 2006, the citizens of Newnan re-approved a 1% SPLOST for the purpose of funding capital improvement projects. Approved projects include public safety, information system, building maintenance/structure, parks and recreation, streets and equipment.

Additionally, the City reports the following fund types:

Special Revenues Funds – to account for specific revenues that are legally restricted to expenditures for particular purposes.

Capital Projects Funds – to account for the acquisition and construction of capital assets.

Fiduciary Fund – accounts for money confiscated and held pending disposition by courts.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

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.

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are administrative charges between the City's Impact Fee Capital Projects Fund and the General Fund. Eliminations of these charges would distort the direct costs and program revenues for the various functions concerned.

Amounts reported as program revenues include 1) charges for services or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Other revenue sources not properly included with program revenues are reported as general revenues of the City.

D. Deposits and Investments

Deposits

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments for the City are reported at fair value.

E. Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received including property taxes, amounts due from other funds and grants.

In the fund financial statements, deferred revenue accounts are used to offset receivables to the extent revenue is not recognized under the City's policy.

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

F. Interfund Receivables, Payables and Transfers

In the fund financial statements balances that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "interfund

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

receivables/interfund payables.” In the government-wide financial statements these balances are netted and reported as “internal balances.”

G. Inventories

All inventories are recorded at cost using the first-in/first-out method and consist of expendable materials held for consumption. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

H. Restricted Assets and Reserves

Encumbrances, inventories, public safety, program purposes and capital outlay that are accounted for in governmental funds are offset by a fund balance reserve because these amounts do not constitute “expendable available financial resources.”

I. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and other similar items), are reported 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. Capital assets are valued at historical costs or estimated historical cost if actual cost is not available. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the City chose to include all such items regardless of their acquisition date or amount. The City’s recording of these assets was through historical costs and city records. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at the estimated fair value of the item at the date of donation.

Preliminary and interim costs incurred by governmental funds for capital projects are reported as “construction in progress.” Cost related to abandoned projects are expensed when the project is abandoned.

Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed, if material.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010
 (CONTINUED)

Capital assets are depreciated over their estimated useful lives using the straight-line method. These estimated useful lives are as follows:

<u>Asset Class</u>	<u>Years</u>
Buildings and parks	15-125
Other improvements	25
Machinery and equipment	5-25
Infrastructure	50

J. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when earned in the government-wide financial statements. Sick pay is accrued at the rate of ten percent of the employees earned balance and paid upon termination. 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.

K. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net assets.

L. Fund Equity

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

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Process

An annual operating budget is prepared for the general fund and all special revenue funds. The general fund is subject to budgetary control on a departmental basis, while the special revenue funds are subject to budgetary control on an individual fund basis. Budgets are prepared for the capital projects funds on a project basis, which usually covers two or more years. Fiduciary funds do not have budgets. The budget resolution reflects the total of each department's appropriation in each fund. The governmental fund budgets are adopted on a non-GAAP budgetary basis. Expenditures charged against the budget include outstanding encumbrances at year-end. Revenues are reported on a GAAP basis.

Department heads, with the approval of the city manager, may transfer appropriations within their department. Interdepartmental transfers require the approval of city council.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010
 (CONTINUED)

B. Budget to GAAP Reconciliation

The schedule below reconciles the excess of revenues and other sources over (under) expenditures and other uses with amounts presented on the budget basis for the General Fund.

	<u>General Fund</u>
Budgetary basis - excess revenues and other financing sources over (under) expenditures and other financing uses	\$ 1,421,935
Add: Current year encumbrances	5,141
Deduct: Prior year encumbrances paid in the current year	<u>(5,565)</u>
Generally accepted accounting principles basis-excess revenues and other financing sources over expenditures and other financing uses	<u>\$ 1,421,511</u>
Budgetary basis-fund balance, ending	\$ 14,802,085
Add: Current year encumbrances	5,141
Add: Prior year encumbrances outstanding at year-end	64,981
Add: Prior year encumbrances voided	<u>234</u>
Generally accepted accounting principles basis-fund balance, ending	<u>\$ 14,872,441</u>

NOTE 3 – DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Custodial Credit Risk - Deposits

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the City's deposits may not be recovered.

The City's bank balances of deposits as of December 31, 2010, are entirely insured or collateralized with securities held by the City's agent in the City's name.

State statute require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

At December 31, 2010, the Newnan Water, Sewerage and Light Commission, a discretely presented component unit's bank balances were entirely insured or collateralized with securities held by the Commission's agent in the Commission's name.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Investments - Primary Government

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Investment Value Value</u>	<u>Weighted Average Maturity</u>
Georgia Fund I	AAAm rated	<u>\$ 3,610,867</u>	24 days

Custodial Credit Risk - For an investment, the custodial credit risk is the risk that in the event of the failure of the counter-party to a transaction, an entity will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Georgia Fund I is not required to disclose custodial credit risk. The City has no such investments with such risks as of December 31, 2010.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. 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.

Credit Risk - Georgia law allows investments in obligations of the U.S. Treasury, other U.S. Governmental Agencies, State of Georgia, other states, prime banker's acceptances, repurchase agreements, other political subdivisions of Georgia and the State Georgia Fund I investment pool. The Georgia Fund I is not registered with the SEC. The State of Georgia Office of Treasury operates Georgia Fund I in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Shares sold and redeemed are based on \$1.00 per share. The reported value of the pool is the same as the fair value of the pool shares. Georgia Fund I is a stable net asset value investment pool that follows Standard & Poor's criteria for AAAm rated money market funds.

Investments - Component Unit

Custodial Credit Risk - As of December 31, 2010, the Commission had the following investments:

<u>Investment</u>	<u>Maturities in Years</u>			
	<u>Under One</u>	<u>One-Three</u>	<u>Three-Seven</u>	<u>Total</u>
U.S. Government securities	\$ 1,153,577	\$ 4,734,447	\$ 513,667	\$ 6,401,691
U.S. Government agency notes and bonds	4,070,324	6,666,545	763,617	11,500,486
Money market mutual funds and certificates of deposit	6,801,515	1,398,320	-	8,199,835
Total investments	<u>\$ 12,025,416</u>	<u>\$ 12,799,312</u>	<u>\$ 1,277,284</u>	<u>\$ 26,102,012</u>

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Interest Rate Risk – The Commission’s formal investment policy limits investment maturities as a means of managing exposure to fair value losses arising from interest rates. The investment policy limits the maturity of individual securities to 7 years or less. In addition, the overall weighted average duration of principal return for the entire portfolio shall be maintained at 3 years or less. The investment policy also prohibits investments in reverse purchase agreements and derivative instruments.

Credit Risk – State statutes authorize the Commission to invest in obligations of the State of Georgia; 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 Georgia Fund I established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The investment policy implemented by the Commission further restricts the types, amounts, and allocation of assets, as defined in the investment policy.

Concentration of Credit Risk – The Commission’s investment policy limits the exposure to credit risk by placing maximum exposure restrictions by security type. External investments with one issuer that comprised 5% or more of the Commission’s investments portfolio (excluding those issued or explicitly guaranteed by the U.S. Government as well as mutual funds) as of December 31, 2010 are Federal Home Loan Bank 9.3%, Federal National Mortgage Association 11.8%, Federal Farm Credit Bank 7.9% and Federal Home Loan Mortgage Corporation 9.6%.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

B. Capital Assets

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

Primary Government

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Governmental Activities					
Capital assets not being depreciated:					
Land	\$ 19,858,435	\$ 67,262	\$ -	\$ -	\$ 19,925,697
Construction in progress	2,668,439	2,102,210	-	(2,373,034)	2,397,615
Total capital assets, not being depreciated	22,526,874	2,169,472	-	(2,373,034)	22,323,312
Capital assets, being depreciated:					
Buildings and parks	18,001,375			971,986	18,973,361
Other improvements	7,820,421		-	-	7,820,421
Machinery and equipment	9,232,592	619,066	(512,638)	-	9,339,020
Infrastructure	75,831,365	222,050	-	1,401,048	77,454,463
Total capital assets being depreciated	110,885,753	841,116	(512,638)	2,373,034	113,587,265
Less accumulated depreciation for:					
Buildings and parks	(4,472,365)	(375,215)	-	-	(4,847,580)
Other improvements	(2,426,650)	(360,482)	-	-	(2,787,132)
Machinery and equipment	(5,811,016)	(676,839)	498,408	-	(5,989,447)
Infrastructure	(9,652,933)	(1,641,642)	-	-	(11,294,575)
Total accumulated depreciation	(22,362,964)	(3,054,178)	498,408	-	(24,918,734)
Total capital assets, being depreciated, net	88,522,789	(2,213,062)	(14,230)	2,373,034	88,668,531
Governmental activities capital assets, net	\$ 111,049,663	\$ (43,590)	\$ (14,230)	\$ -	\$ 110,991,843

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

General government	\$ 7,290
Public safety	414,744
Public works	2,218,368
Community development and leisure services	413,776
Total governmental activities depreciation expense	\$ 3,054,178

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Component Unit				
Capital assets, not being depreciated:				
Land	\$ 7,797,571	\$ -	\$ -	\$ 7,797,571
Construction in progress	3,905,972	3,951,034	(5,569,027)	2,287,979
Total capital assets, not being depreciated	11,703,543	3,951,034	(5,569,027)	10,085,550
Capital assets, being depreciated:				
Machinery and equipment	14,055,610	1,018,226	(3,002,333)	12,071,503
Structures, lines and improvements	152,319,586	5,832,504	(3,490,843)	154,661,247
Total capital assets, being depreciated	166,375,196	6,850,730	(6,493,176)	166,732,750
Less accumulated depreciation for:				
Machinery and equipment	(9,418,087)	(910,690)	2,986,026	(7,342,751)
Structures, lines and improvements	(45,937,955)	(4,591,357)	3,492,640	(47,036,672)
Total accumulated depreciation	(55,356,042)	(5,502,047)	6,478,666	(54,379,423)
Total capital assets, being depreciated, net	111,019,154	1,348,683	(14,510)	112,353,327
Component unit, capital assets, net	\$ 122,722,697	\$ 5,299,717	\$ (5,583,537)	\$ 122,438,877

C. Interfund Receivables, Payables and Transfers

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

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor Governmental Fund	\$ 31,164
		<u>\$ 31,164</u>

Interfund receivables of the General fund consist of amounts due the general fund at year-end from the Hotel/Motel Tourism Enhancement special revenue fund.

Interfund transfers for the year ended December 31, 2010, are as follows:

Transfer out:	Transfers in:		
	General	Nonmajor Governmental	Total
General fund	\$ -	\$ 319,000	\$ 319,000
Nonmajor governmental funds	134,216	-	134,216
Total	<u>\$ 134,216</u>	<u>\$ 319,000</u>	<u>\$ 453,216</u>

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010
 (CONTINUED)

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) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

D. Long-term Debt

Primary Government

As of December 31, 2010, the City’s governmental activities had no outstanding long-term debt other than compensated absences in the amount of \$518,633.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	\$ 525,316	\$ 357,857	\$ 364,540	\$ 518,633	\$ 344,802

For the governmental activities, compensated absences are generally liquidated by the general fund.

Component Unit

Long-Term Debt – The Newnan Water, Sewerage and Light Commission had two types of long-term debt outstanding at December 31, 2010, notes payable and revenue bonds.

Notes Payable – The Newnan Water, Sewerage and Light Commission has arrangements with the Georgia Environmental Facilities Authority and Caterpillar to lease assets as capital leases.

Georgia Environmental Facilities Authority – The Commission entered into an \$8,550,000 loan agreement dated February 16, 2007 with the Georgia Environmental Facilities Authority to finance the costs of improving the Hershall B. Norred Water Plant. The loan commitment will be advanced during the construction period of the project. Interest accrued during the construction period at the rate of 3 percent per annum. On March 1, 2010, the loan converted to permanent status with the total outstanding balance of \$9,046,798 due in 240 monthly payments of \$50,173 consisting of principal and interest at 3 percent until maturity on March 1, 2030. As of December 31, 2010, the outstanding loan balance was \$8,797,232, plus accrued interest of \$22,415.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Total debt service requirements to maturity are as follows:

Year	Principal	Interest	Total
2011	\$ 342,862	\$ 259,218	\$ 602,080
2012	353,216	248,864	602,080
2013	364,092	237,988	602,080
2014	375,108	226,972	602,080
2015	386,518	215,562	602,080
2016-2020	2,116,174	894,226	3,010,400
2021-2025	2,458,278	552,122	3,010,400
2026-2030	2,400,984	159,382	2,560,366
	<u>\$ 8,797,232</u>	<u>\$ 2,794,334</u>	<u>\$ 11,591,566</u>

Revenue Bonds

Series 2006 Bonds

During the year, 2006, the NWSL Commission issued revenue bonds, Series A 2006 for the purpose of refinancing the 1998 and 2001 revenue bonds and Series B for the purpose of capital improvements. The bonds are dated December 1, 2006 with a face value of \$28,030,000 and bear interest from 4.5% to 5.125%.

The bond proceeds are being used to advance refund and defease outstanding bonds, purchase securities to provide for future debt service payments, acquire, construct and install certain additions, extensions and improvements to the water and sewer portion of the combined water, sewerage and electric distribution system of the City of Newnan and pay certain issuance costs.

The maturities of the 2006 bonds excluding, premiums, discounts and deferred refunding losses of \$975,607, (\$11,097) and \$(907,860), respectively, are as follows:

Year	Principal	Interest	Total
2011	\$ 565,000	\$ 1,255,519	\$ 1,820,519
2012	820,000	1,227,500	2,047,500
2013	850,000	1,197,525	2,047,525
2014	885,000	1,166,663	2,051,663
2015	1,220,000	1,120,675	2,340,675
2016-2020	7,650,000	4,595,083	12,245,083
2021-2025	7,720,000	2,644,190	10,364,190
2026-2030	3,595,000	1,368,844	4,963,844
2031-2035	3,695,000	620,439	4,315,439
2036	845,000	19,013	864,013
Total	<u>\$ 27,845,000</u>	<u>\$ 15,215,451</u>	<u>\$ 43,060,451</u>

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Component Unit

The changes in long-term debt are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Deferred Compensation	\$ 2,133,820	\$ 148,644	\$ (225,000)	\$ 2,057,464	\$ 225,000
Notes payable	8,543,272	503,526	(249,566)	8,797,232	342,862
Capital lease obligations	4,418	-	(4,418)	-	-
Revenue bonds	28,093,328	-	(191,678)	27,901,650	565,000
Total	\$ 38,774,838	\$ 652,170	\$ (670,662)	\$ 38,756,346	\$ 1,132,862

E. Property Taxes

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property (including motor vehicles) is valued as of January 1 of each year and must be returned for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Coweta County.

Exemptions are permitted for certain inventories. A homestead exemption is allowed for each taxpayer that is a homeowner and resides in the household as of January 1. There are other exemptions provided by state and local laws.

Upon completion of all assessments and tax returns, the information is turned over to the County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. The Commissioner has the option to withhold certain state funding if the mandated 40% level is not reached.

The City distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. The 2010 property taxes were levied on August 25th, mailed on September 15th, with a due date of October 29th.

Property taxes receivable have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a direct reduction of the related revenue amount at the end of the period.

F. Hotel/Motel Taxes

The City levies and collects a 5% lodging tax which is reported in the Hotel/Motel Tourism Enhancement Fund. The City retains 60% of the funds collected. Of the current year expenditures \$3,691 was relative to repairs and maintenance for the Newnan Male Academy Museum, and \$206,843 were for professional and legal fees for construction of the Convention Center. Tax receipts for the year were \$223,694. The balance of funds not

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

expended as of year end is \$629,967. The City is currently reevaluating this fund and potential uses relative to the promotion of tourism as required by O.C.G.A. 48-13-51.

G. Risk Management

The City is exposed to various risks of loss related to torts, personal property (i.e., theft, damage and destruction) and injury to employees. The City has insurance coverage with The Georgia Interlocal Risk Management Agency (GIRMA). Losses relative to these risks are limited to a \$5,000 deductible provided for in the GIRMA contracts. During the past three years, settlements have not exceeded the coverages.

The City has joined together with other municipalities in the state as part of GIRMA and the Workers' Compensation Self-Insurance Fund, a public entity risk pool operating as a common risk management and insurance program for member local governments. As part of the risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with the any coverage descriptions issued, all incidents, which could result in the funds being required to pay any claim or loss. The City is also to allow the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protections furnished by the funds. The fund is to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation laws of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The City also participates in the Georgia Municipal Employees Benefit System's Life and Health Insurance Program (GMEBS). GMEBS is the policy holder with BlueShield of Georgia (BCBSB) and the City subscribes to the program. GMEBS is the City's administrator for health (HMO), dental and life insurance coverage and they engage the insurance company to process and pay claims.

The City joined the program by ordinance and participation is effectively perpetual unless the City initiates a termination. The premiums that are paid to GMEBS cover the cost of all eligible claims incurred while the City is a participating employer and the cost of the services of GMEBS.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorized Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities. GIRMA establishes and administers one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of a municipal government. GIRMA, in

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

accordance with the member government contract and related coverage descriptions, is to defend and protect any member of GIRMA against liability or loss.

The City of Newnan must participate at all times in at least one fund established by GIRMA. The City retains the first \$5,000 of each risk of loss in the form of a deductible. The City files all worker's compensation claims with GIRMA. GIRMA bills the City for any risk of loss up to the \$5,000 deductible.

The basis for estimating the liabilities for unpaid claims is "IBNR" or "incurred but not reported" established by an actuary. As of December 31, 2010, the City is not aware of any deductible amounts which were outstanding and unpaid. No provisions have been made in the financial statements for the year ended relative to estimates for unpaid claims.

H. Contingent Liabilities

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

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

I. Joint Venture

Under Georgia law, the City, in conjunction with other cities and counties in the ten county RC membership, is a member of the Three Rivers Regional Commission (RC) and is required to pay annual dues thereto. Membership in a RC is required by O.C.G.A. 50-8-34 which provides for the organization structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the Three Rivers Regional Commission, P.O. Box 818, Griffin, Georgia 30224.

J. Related Organizations

The Mayor of the City of Newnan, Georgia is responsible for appointing the members of the Newnan Housing Authority. The Newnan Housing Authority has a five-member board with staggered terms.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

K. Public Retirement Systems and Pension Plans

Each qualified employee is included in at least one of the three retirement plans in which the City participates. The plans are as follows:

- (a) The City of Newnan Retirement Plan (a defined benefit pension plan)
- (b) The City of Newnan's Deferred Compensation Plan
- (c) The City of Newnan's Trust Plan

Plans (b) and (c) are both deferred compensation plans funded 100% by employee contributions to provide retirement income and other deferred benefits in accordance with the provisions of Section 457 of the Internal Revenue Code of 1986, as amended.

Pension Plan

Plan Description

The City's defined benefit pension plan, City of Newnan Retirement Plan, (the Plan) provides retirement, disability and death benefits to plan members and beneficiaries. These retirement provisions were established by an adoption agreement executed by City Council. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS) an agent multiple-employer pension plan administered by the Georgia Municipal Association. The Georgia Municipal Association issues a publicly available financial report on GMEBS that includes financial statements and required supplementary information. That report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street, Atlanta, Georgia, 30303-3606.

Significant Accounting Policies

Basis of Accounting. The City of Newnan financial statements are prepared using the modified accrual basis. Employer contributions are recognized in the period that the contributions are due.

Funding Policy

The plan members are not required to contribute to the plan. The City is required to contribute at an actuarially determined rate; the current rate is 10.44% of annual covered payroll. The contribution requirements of the City are established and may be amended by the GMEBS Board of Trustees.

Annual Pension Cost

For the plan year, the City's annual pension cost of \$886,889 was equal to the City's required and actual contribution.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Three-Year Trend Information for the Plan

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
12/31/2010	\$ 1,108,909	90.5%	\$ (1,466)
12/31/2009	752,015	114.2%	(107,255)
12/31/2008	699,439	100.0%	(300)

The required contribution was determined as part of the July 1, 2010 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), and (b) projected salary increases of 3.5% per year. The Plan's unfunded actuarial accrued liability is being amortized (closed level dollar method) over 30 years from 1990 and changes in the unfunded actuarial accrued liabilities over 15 years for actuarial gains and losses, 20 years for plan provisions and 30 years for actuarial assumptions and cost methods.

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2010	\$10,368,620	\$ 13,299,795	\$ 2,931,175	77.96%	\$ 8,352,005	35.10%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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 December 31, 2010.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010
 (CONTINUED)

Additional Information

Additional information as of the latest actuarial valuation follows:

Valuation date	7/1/2010	
Actuarial cost method	Projected unit credit	
Amortization method	Closed level dollar for remaining unfunded liability	
Remaining amortization period	10 years	
Asset valuation method	Sum of actuarial value at the beginning of the year and the cash flows during the year, plus the assumed investment return adjusted by 10% of the amount that the value exceeds or is less than the market value at the end of the year. The actuarial value is adjusted, if necessary, to be within 50% of market value for 2009, 44% of market value for 2010, 38% of market value for 2011, 32% of market value for 2012, 26% of market value for 2013, and 20% of market value for 2014 and later years.	
Actuarial assumptions:		
Investment rate-of-return	7.75%	
Projected salaries increases	3.50%	plus age and service based merit increases
COLAs	0.00%	
Membership of the plan:		
Retirees and beneficiaries	60	
Terminated plan members entitled to, but not yet receiving benefits	54	
Active plan members	217	
Total	<u>331</u>	

Changes in Assumptions

The following assumptions and methods were changed in this valuation:

- The mortality table for healthy participants was changed from the 1983 Group Annuity Mortality Table without Margin to the sex-distinct RP-2000 Combined Morality Table set forward two years in age for males and one year in age for females.
- The mortality table for disabled participants was changed from the 1944 Railroad Retirement Board Male Ultimate Disabled Mortality to the sex-distinct RP-2000 Disabled Retiree Mortality Table set forward two years in age for males and one year in age for females.
- The salary increase assumption was changed from 5.50% each year to a table of rate based on age and service.

CITY OF NEWNAN, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
 DECEMBER 31, 2010
 (CONTINUED)

- The investment return assumption was changed from 8.00% to 7.75% per annum.
- The inflation assumption was changed from 5.00% to 3.5% per annum.
- The asset method was changed to temporarily widen the corridor.

The City's annual pension costs and net pension obligation (asset) for the current year were determined as follows:

Normal Costs	\$ 476,377
Payment on unfunded actuarial accrued liability	<u>632,532</u>
Annual required contribution	1,108,909
Contribution made	<u>1,003,120</u>
Increase (decrease) in net pension obligation	105,789
Net pension obligation (asset) December 31, 2009	<u>(107,255)</u>
Net pension obligation (asset) December 31, 2010	<u><u>\$ (1,466)</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NEWNAN, GEORGIA

RETIREMENT PLAN

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ration (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2010	\$ 10,368,620	\$ 13,299,795	\$ 2,931,175	77.96%	\$ 8,352,005	35.10%
7/1/2009	7,753,820	12,815,730	5,061,910	60.50%	8,408,381	60.20%
7/1/2008	9,026,909	11,902,569	2,875,660	75.84%	7,573,160	37.97%

SCHEDULE OF EMPLOYER'S CONTRIBUTIONS

Year Ended	Annual Required Contribution	Percentage Contributed
12/31/2010	\$ 1,108,909	90.5%
12/31/2009	752,015	114.2%
12/31/2008	699,439	100.0%

SUPPLEMENTARY INFORMATION

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes				
Property Tax Current	\$ 4,100,000	\$ 4,100,000	\$ 4,519,815	\$ 419,815
Delinquent Property Tax	120	120	-	(120)
Motor Vehicle Tax	250,000	250,000	249,579	(421)
Fi Fa for Property Taxes	-	-	18,402	18,402
Franchise Tax - Georgia Power	320,000	320,000	282,583	(37,417)
Franchise Tax - EMC	470,000	470,000	420,935	(49,065)
Franchise Tax - Gas	250,000	250,000	246,944	(3,056)
Franchise Tax - Cable TV	300,000	300,000	264,586	(35,414)
Franchise Tax - Telephone	114,000	114,000	201,588	87,588
Local Option Sales Tax	4,300,000	4,300,000	4,187,040	(112,960)
Insurance Premiums Tax	900,000	900,000	874,336	(25,664)
Occupational Tax	1,500,000	1,500,000	1,404,665	(95,335)
Professional Tax	59,000	59,000	59,200	200
Financial Institution Tax	125,000	125,000	99,497	(25,503)
Insurance Agents Tax	30,000	30,000	39,742	9,742
Beer and Wine Tax	660,000	660,000	667,031	7,031
Alcoholic Beverage Excise Tax	72,000	72,000	70,178	(1,822)
Public Utility Tax	60,000	60,000	70,106	10,106
Intangible Tax	30,000	30,000	22,175	(7,825)
Interest and Penalties	25,000	25,000	44,909	19,909
Total Taxes	13,565,120	13,565,120	13,743,311	178,191

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
License and Permits				
Alcoholic Beverage License	27,000	27,000	36,355	9,355
Spiritous Liquor Bev License	150,000	150,000	150,000	-
Residential Construction Permits	80,000	80,000	143,984	63,984
Commercial Construction Permits	50,000	50,000	19,992	(30,008)
Building Plan Review	24,000	24,000	18,879	(5,121)
Variance/Appeal/Spec Exception	4,000	4,000	6,050	2,050
Zoning Certification Fee	300	300	450	150
Rezoning/Annexation Fee	500	500	3,630	3,130
Sign Permit	3,600	3,600	2,765	(835)
Site Preparation Fee	6,000	6,000	6,350	350
Land Disturbance Permit	9,000	9,000	1,558	(7,442)
Demolition Permit	400	400	350	(50)
Mechanical Permit	8,000	8,000	8,934	934
Tree Removal Permit	200	200	290	90
Environmental Protection Fee	2,000	2,000	250	(1,750)
Plumbing Permit	9,000	9,000	14,400	5,400
Construction Plan Review	200	200	-	(200)
Electrical Permit	15,000	15,000	20,710	5,710
Gas Permit	600	600	1,370	770
Re-Inspect Fee	5,000	5,000	3,500	(1,500)
Subdivision Plat Fee	100	100	650	550
Site Development Plan Fee	6,000	6,000	6,736	736
Sidewalk Inspections/Re-Inspect	3,500	3,500	6,400	2,900
Total Licenses & Permits	404,400	404,400	453,603	49,203

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2010

(CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Intergovernmental				
Real Estate Transfer Tax	24,000	24,000	9,975	(14,025)
School Resource Officer	115,000	115,000	89,719	(25,281)
Police Vest Grant	-	-	2,995	2,995
Cultural Arts Commission	-	-	23,104	23,104
Payments in Lieu of Tax	35,000	35,000	34,282	(718)
Total Intergovernmental	174,000	174,000	160,075	(13,925)
Intergovernmental - Utility				
Water & Light Commission	1,225,000	1,225,000	1,389,848	164,848
Total Intergovernmental - Utility	1,225,000	1,225,000	1,389,848	164,848
Fines and Forfeitures				
Police Fines	680,000	680,000	594,965	(85,035)
Parking Fines	21,000	21,000	15,696	(5,304)
Tech Fees from Fines	15,000	15,000	13,520	(1,480)
Total Fines and Forfeitures	716,000	716,000	624,181	(91,819)
Interest Earnings	40,000	40,000	24,004	(15,996)
Miscellaneous				
Admin Fee for Impact Fee Coll	2,500	2,500	4,333	1,833
Monument Setting Fee	100	100	705	605
Cemetery Services	50,000	50,000	65,500	15,500
Cemetery Lot Sales	28,000	28,000	70,493	42,493
Rental Fees	9,000	9,000	11,916	2,916
Miscellaneous Revenue	26,000	26,000	90,414	64,414
Total Miscellaneous	115,600	115,600	243,361	127,761
Total Revenues	16,240,120	16,240,120	16,638,383	398,263

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
EXPENDITURES				
General Government				
City Council				
Wages - Part Time/Temp	43,000	43,000	43,000	-
Employee Insurance	68,515	68,515	67,257	1,258
Social Security	3,290	3,290	3,290	-
Retirement	4,898	4,898	4,941	(43)
Worker's Compensation	151	151	137	14
Printing and Binding	500	500	-	500
Travel	30,000	30,000	16,743	13,257
Training	2,500	2,500	1,300	1,200
Office Supplies	400	400	58	342
Total City Council	153,254	153,254	136,726	16,528
City Manager				
City Manager Admin				
Wages - Full Time	172,100	172,100	179,553	(7,453)
Employee Insurance	22,866	22,866	11,299	11,567
Social Security	11,423	11,423	11,262	161
Retirement	20,372	20,372	4,664	15,708
Unemployment Insurance	4	4	3	1
Worker's Compensation	1,134	1,134	1,031	103
Other Employee Benefits	4,800	4,800	4,800	-
Public Relations	5,000	5,000	2,825	2,175
Bldg & Pers Liability Insurance	1,000	1,000	521	479
Communications	1,000	1,000	-	1,000
Printing & Binding	3,500	3,500	-	3,500
Travel	2,500	2,500	1,942	558
Dues and Fees	1,000	1,000	-	1,000
Materials and Supplies	800	800	-	800
Office Supplies	1,300	1,300	335	965
Books & Periodicals	500	500	277	223
Professional Services	-	-	33	(33)
Minor Equipment	1,000	1,000	-	1,000
Total City Manager Admin	250,299	250,299	218,545	31,754

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public Information Officer				
Wages - Full Time	47,674	47,674	48,774	(1,100)
Employee Insurance	11,433	11,433	11,299	134
Social Security	3,640	3,640	3,497	143
Retirement	5,430	5,430	5,478	(48)
Unemployment Insurance	2	2	1	1
Worker's Compensation	170	170	155	15
Public Relations	8,000	8,000	7,390	610
Bldg & Pers Liability Insurance	300	300	156	144
Communications	400	400	388	12
Advertising	1,200	1,200	38	1,162
Printing & Binding	4,500	4,500	1,175	3,325
Travel	1,000	1,000	741	259
Dues and Fees	450	450	375	75
Training	850	850	-	850
Materials and Supplies	150	150	68	82
Total Public Information	85,199	85,199	79,535	5,664
Total City Manager	335,498	335,498	298,080	37,418
Attorney				
Professional Services	90,000	90,000	89,851	149
Travel	2,500	4,357	4,357	-
Total Attorney	92,500	94,357	94,208	149
City Clerk				
Wages - Full Time	56,576	56,576	57,882	(1,306)
Employee Insurance	5,291	5,291	5,154	137
Social Security	4,328	4,328	4,391	(63)
Retirement	6,400	6,400	6,457	(57)
Unemployment Insurance	2	2	1	1
Worker's Compensation	199	199	181	18
Professional Services	500	500	352	148
Other Contractual Services	400	400	400	-
Bldg & Pers Liability Insurance	140	140	73	67
Surety Bonds	100	100	100	-
Printing & Binding	4,000	4,000	3,068	932
Materials and Supplies	250	250	159	91
Dues and Fees	100	100	-	100
Books & Periodicals	120	120	124	(4)
Minor Equipment	900	900	-	900
Total City Clerk	79,306	79,306	78,342	964

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Finance				
Wages - Full Time	205,795	210,545	210,544	1
Wages - Overtime	400	400	-	400
Employee Insurance	44,881	44,881	44,206	675
Social Security	15,820	15,820	15,285	535
Retirement	23,200	23,405	23,405	-
Unemployment Insurance	10	10	7	3
Worker's Compensation	728	728	662	66
Professional Services	34,580	35,012	35,012	-
Other Contractual Services	12,438	15,121	15,121	-
Repairs and Maintenance	400	400	186	214
Bldg & Pers Liability Insurance	1,525	1,525	794	731
Advertising	2,550	2,550	1,260	1,290
Printing & Binding	800	800	576	224
Travel	1,325	1,325	955	370
Dues and Fees	525	810	810	-
Training	1,350	1,350	380	970
Materials and Supplies	2,725	2,725	1,038	1,687
Office Supplies	2,000	2,000	1,943	57
Books & Periodicals	125	125	124	1
Minor Equipment	250	250	-	250
Computer Hardware & Software	300	300	-	300
Miscellaneous	200	200	10	190
Total Finance	351,927	360,282	352,318	7,964
Human Resources				
Wages - Full Time	95,306	95,306	97,226	(1,920)
Employee Insurance	16,724	16,724	16,453	271
Social Security	7,300	7,300	7,198	102
Retirement	10,370	10,370	10,461	(91)
Unemployment Insurance	4	4	3	1
Worker's Compensation	330	330	300	30
Employee Recognition	9,900	9,900	6,330	3,570
Professional Services	8,136	8,136	6,198	1,938
Bldg & Pers Liability Insurance	1,200	1,200	625	575
Advertising	2,000	2,000	628	1,372
Printing & Binding	450	450	8	442
Travel	1,200	1,200	1,169	31
Dues and Fees	485	485	445	40
Training	650	650	650	-
Materials and Supplies	250	250	128	122
Office Supplies	900	900	479	421
Medical Supplies	100	100	9	91
Books & Periodicals	500	500	372	128
Computer Hardware & Software	350	350	75	275
Total Human Resources	156,155	156,155	148,757	7,398

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2010

(CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Information Technology				
Wages - Full Time	68,806	68,806	70,394	(1,588)
Employee Insurance	11,433	11,433	11,299	134
Social Security	5,264	5,264	5,153	111
Retirement	7,800	7,800	7,869	(69)
Unemployment Insurance	2	2	1	1
Worker's Compensation	242	242	220	22
Other Contractual Services	3,000	3,000	-	3,000
Repairs and Maintenance	39,200	39,200	40,573	(1,373)
Bldg & Pers Liability Insurance	350	350	182	168
Communications	1,200	1,200	1,210	(10)
Travel	1,000	1,000	651	349
Dues and Fees	75	75	75	-
Training	1,000	1,000	399	601
Materials and Supplies	500	500	489	11
Office Supplies	300	300	203	97
Books & Periodicals	380	380	278	102
Minor Equipment	500	500	463	37
Total Information Technology	141,052	141,052	139,459	1,593
Municipal Court				
Wages - Full Time	27,872	28,615	28,615	-
Wages - Part Time/Temp	10,335	11,848	11,848	-
Employee Insurance	269	269	246	23
Social Security	2,943	3,074	3,074	-
Retirement	3,150	3,178	3,178	-
Unemployment Insurance	4	4	3	1
Worker's Compensation	135	135	123	12
Professional Services	90,000	124,204	124,203	1
Printing and Binding	150	150	123	27
Travel	75	75	22	53
Training	250	625	625	-
Dues and Fees	40	40	-	40
Office Supplies	150	150	40	110
Total Municipal Court	135,373	172,367	172,100	267

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Miscellaneous				
Professional Services	1,620	1,620	309	1,311
Public Relations	10,000	10,000	-	10,000
Repairs and Maintenance	6,000	6,000	4,389	1,611
Equipment & Vehicle Rental	3,000	3,000	3,192	(192)
Bldg & Pers Liability Insurance	207,000	207,000	107,792	99,208
Communications	65,000	65,000	68,672	(3,672)
Dues and Fees	10,925	10,925	9,191	1,734
Office Supplies	5,000	5,000	3,818	1,182
Miscellaneous	161,551	161,551	46,497	115,054
Cultural Arts Commission	-	-	592	(592)
Payments to Other Agencies	22,500	22,500	21,000	1,500
Keep Newnan Beautiful	10,000	10,000	10,053	(53)
Total Miscellaneous	502,596	502,596	275,505	227,091
Total General Government	1,947,661	1,994,867	1,695,495	299,372

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public Safety				
Police				
Wages - Full Time	3,259,413	3,259,413	3,086,641	172,772
Wages - Part Time/Temp	19,608	19,608	16,990	2,618
Wages - Overtime	40,000	40,000	8,331	31,669
Employee Insurance	691,328	691,328	652,282	39,046
Social Security	255,435	255,435	227,042	28,393
Retirement	355,500	355,500	358,642	(3,142)
Unemployment Insurance	164	164	103	61
Worker's Compensation	168,027	168,027	152,836	15,191
Other Employee Benefits	30,350	30,350	28,468	1,882
Professional Services	35,000	35,000	19,420	15,580
Other Contractual Services	3,550	3,550	1,262	2,288
Repairs and Maintenance	60,000	60,000	51,459	8,541
Vehicle Insurance	35,000	35,000	28,779	6,221
Bldg & Pers Liability Insurance	180,000	180,000	103,732	76,268
Communications	29,090	29,090	24,232	4,858
Cable TV	28,520	28,520	2,550	25,970
Printing & Binding	2,000	2,000	2,102	(102)
Travel	1,000	1,000	693	307
Dues and Fees	700	700	100	600
Training	2,000	2,000	1,563	437
Materials and Supplies	20,489	20,489	12,976	7,513
Office Supplies	8,000	8,000	8,648	(648)
Cleaning Supplies & Chemicals	2,500	2,500	2,604	(104)
Protective Equipment	4,895	4,895	2,994	1,901
Vehicle Gasoline/Diesel	150,000	150,000	186,097	(36,097)
Books & Periodicals	100	100	25	75
Minor Equipment	10,100	10,100	190	9,910
Computer Hardware & Software	3,000	3,000	1,674	1,326
Vehicle Maintenance	88,000	88,000	94,808	(6,808)
Total Police	5,483,769	5,483,769	5,077,243	406,526

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
School Resources Officer				
Wages - Full Time	209,248	209,248	214,670	-
Wages - Overtime	1,500	1,500	-	1,500
Employee Insurance	38,739	38,739	38,061	678
Social Security	16,237	16,237	15,817	420
Retirement	23,540	23,540	23,748	(208)
Unemployment Insurance	10	10	6	4
Worker's Compensation	11,534	11,534	10,491	1,043
Other Employee Benefits	2,000	2,000	1,999	1
Vehicle Insurance	3,000	3,000	1,627	1,373
Bldg & Pers Liability Insurance	3,200	3,200	1,666	1,534
Printing and Binding	400	400	-	400
Travel	-	-	228	(228)
Dues and Fees	150	150	150	-
Training	200	200	350	(150)
Materials and Supplies	100	100	-	100
Protective Equipment	500	500	-	500
Vehicle Gasoline/Diesel	3,700	3,700	5,389	(1,689)
Vehicle Maintenance	2,000	2,000	1,692	308
Total School Resources Officer	316,058	316,058	315,894	164
Animal Service				
Wages - Full Time	30,722	30,722	29,732	990
Wages - Overtime	1,800	1,800	-	1,800
Employee Insurance	11,433	11,433	11,299	134
Social Security	2,488	2,488	2,054	434
Retirement	3,450	3,450	3,480	(30)
Unemployment Insurance	2	2	1	1
Worker's Compensation	669	669	609	60
Professional Services	1,300	1,300	720	580
Repairs and Maintenance	150	150	106	44
Vehicle Insurance	2,000	2,000	1,085	915
Bldg & Pers Liability Insurance	1,500	1,500	781	719
Communications	370	370	389	(19)
Printing & Binding	200	200	172	28
Travel	250	250	200	50
Dues and Fees	100	100	-	100
Training	150	150	90	60
Materials and Supplies	300	300	50	250
Protective Equipment	75	75	-	75
Vehicle Gasoline/Diesel	2,500	2,500	2,316	184
Minor Equipment	405	405	164	241
Other Supplies/Uniform Rental	400	400	143	257
Vehicle Maintenance	750	750	405	345
Total Animal Service	61,014	61,014	53,796	7,218

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2010

(CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Fire				
Wages - Full Time	2,163,929	2,163,929	2,136,112	27,817
Wages - Overtime	16,500	16,500	12,792	3,708
Employee Insurance	462,214	462,214	439,031	23,183
Social Security	166,803	166,803	155,800	11,003
Retirement	243,600	243,600	245,753	(2,153)
Unemployment Insurance	100	100	63	37
Worker's Compensation	84,788	84,788	77,116	7,672
Other Employee Benefits	17,350	17,350	15,101	2,249
Employee Recognition	300	300	-	300
Other Contractual Services	2,400	2,400	603	1,797
Repairs and Maintenance	10,000	10,000	10,977	(977)
Vehicle Insurance	18,000	18,000	10,308	7,692
Bldg & Pers Liability Insurance	8,500	8,500	6,561	1,939
Communications	6,000	6,000	6,349	(349)
Cable TV	600	600	722	(122)
Printing & Binding	300	300	104	196
Travel	1,200	1,200	500	700
Dues and Fees	500	500	224	276
Training	3,000	3,000	1,829	1,171
Materials and Supplies	3,100	3,100	2,934	166
Office Supplies	1,200	1,200	1,519	(319)
Cleaning Supplies & Chemicals	3,500	3,500	2,757	743
Medical Supplies	6,400	6,400	6,704	(304)
Protective Equipment	6,200	6,200	4,273	1,927
Vehicle Gasoline/Diesel	25,000	25,000	20,193	4,807
Food Supplies	200	200	-	200
Minor Equipment	4,000	4,000	3,013	987
Computer Hardware & Software	1,900	1,900	346	1,554
Vehicle Maintenance	25,000	25,000	26,333	(1,333)
Cable TV	-	-	639	(639)
Other Contractual Services	200	200	300	(100)
Repairs and Maintenance	5,000	5,000	195	4,805
Communications	1,400	1,400	2,199	(799)
Cable TV	600	600	639	(39)
Materials and Supplies	1,500	1,500	-	1,500
Office Supplies	250	250	229	21
Cleaning Supplies & Chemicals	1,000	1,000	162	838
Natural Gas	12,000	12,000	5,419	6,581
Electricity	9,000	9,000	11,689	(2,689)
Minor Equipment	-	-	154	(154)
Other Contractual Services	300	300	275	25
Repairs and Maintenance	1,850	1,850	248	1,602
Communications	1,000	1,000	2,169	(1,169)
Cable TV	600	600	-	-
Materials and Supplies	-	-	188	(188)
Office Supplies	-	-	15	(15)
Cleaning Supplies & Chemicals	1,200	1,200	969	231
Total Fire	3,318,484	3,318,484	3,213,506	104,978
Total Public Safety	9,179,325	9,179,325	8,660,439	518,886

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Public Works				
Administration				
Wages - Full Time	122,470	125,297	125,297	-
Employee Insurance	16,724	16,724	16,453	271
Social Security	9,369	9,369	9,359	10
Retirement	13,780	13,902	13,902	-
Unemployment Insurance	4	4	3	1
Worker's Compensation	740	740	673	67
Vehicle Insurance	410	410	222	188
Bldg & Pers Liability Insurance	1,100	1,100	573	527
Communications	980	980	736	244
Printing & Binding	100	100	39	61
Travel	1,100	1,100	869	231
Dues and Fees	350	350	141	209
Training	800	800	755	45
Materials and Supplies	100	100	-	100
Office Supplies	400	400	293	107
Vehicle Gasoline/Diesel	600	949	949	-
Books & Periodicals	500	500	-	500
Vehicle Maintenance	100	193	193	-
Total Administration	169,627	173,018	170,457	2,561
City Engineer				
Wages - Full Time	180,170	180,170	140,927	39,243
Employee Insurance	22,284	22,284	16,699	5,585
Social Security	13,783	13,783	10,529	3,254
Retirement	20,500	20,500	20,681	(181)
Unemployment Insurance	8	8	5	3
Worker's Compensation	7,910	7,910	7,195	715
Other Contractual Services	6,325	6,325	757	5,568
Repairs and Maintenance	880	880	312	568
Vehicle Insurance	1,250	1,250	678	572
Bldg & Pers Liability Insurance	1,650	1,650	859	791
Communications	2,000	2,000	1,334	666
Printing & Binding	1,140	1,140	570	570
Travel Expenses	200	200	4	196
Dues and Fees	750	750	445	305
Training	1,000	1,000	405	595
Materials and Supplies	1,300	1,300	555	745
Office Supplies	500	500	422	78
Vehicle Gasoline/Diesel	3,500	3,500	3,142	358
Books & Periodicals	250	250	180	70
Minor Equipment	1,350	1,350	2,088	(738)
Vehicle Maintenance	1,500	1,500	1,118	382
Total City Engineer	268,250	268,250	208,905	59,345

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2010

(CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Streets				
Wages - Full Time	617,947	617,947	586,951	30,996
Wages - Part Time/Temp	5,500	5,500	5,264	236
Wages - Overtime	10,000	10,000	6,977	3,023
Employee Insurance	165,538	165,538	148,093	17,445
Social Security	48,612	48,612	43,800	4,812
Retirement	69,600	69,600	70,215	(615)
Unemployment Insurance	46	46	32	14
Worker's Compensation	62,769	62,769	57,094	5,675
Other Employee Benefits	8,970	8,970	2,230	6,740
Solid Waste Disposal	36,000	36,000	17,577	18,423
Vehicle Insurance	10,342	10,342	10,357	(15)
Bldg & Pers Liability Insurance	2,950	2,950	2,106	844
Communications	2,440	2,440	1,872	568
Training	975	975	320	655
Materials and Supplies	36,500	36,500	32,646	3,854
Office Supplies	500	500	209	291
Protective Equipment	3,000	3,000	2,908	92
Electricity	240,000	240,000	243,723	(3,723)
Vehicle Gasoline/Diesel	57,500	57,500	63,759	(6,259)
Minor Equipment	5,495	5,495	2,260	3,235
Vehicle Maintenance	60,000	60,000	48,092	11,908
Total Streets	1,444,684	1,444,684	1,346,485	98,199
Garage				
Wages - Full Time	220,750	220,750	210,104	10,646
Wages - Overtime	1,500	1,500	1,038	462
Employee Insurance	50,172	50,172	55,505	(5,333)
Social Security	17,117	17,117	15,566	1,551
Retirement	24,970	24,970	25,191	(221)
Unemployment Insurance	12	12	8	4
Worker's Compensation	9,353	9,353	8,508	845
Other Contractual Services	360	360	336	24
Repairs and Maintenance	1,250	1,250	-	1,250
Vehicle Insurance	2,000	2,000	1,085	915
Bldg & Pers Liability Insurance	1,900	1,900	989	911
Communications	2,500	2,500	2,100	400
Travel	1,000	1,000	-	1,000
Training	1,500	1,500	-	1,500
Materials and Supplies	16,150	16,150	13,397	2,753
Office Supplies	500	500	253	247
Protective Equipment	500	500	488	12
Natural Gas	7,500	7,500	8,384	(884)
Vehicle Gasoline/Diesel	5,000	5,000	5,281	(281)
Minor Equipment	-	-	1,404	(1,404)
Other Supplies/Uniform Rental	3,380	3,380	3,437	(57)
Vehicle Maintenance	2,000	2,000	8,882	(6,882)
Total Garage	369,414	369,414	361,956	7,458

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Cemetery				
Wages - Full Time	246,376	246,376	254,307	(7,931)
Wages - Part Time/Temp	6,000	6,000	5,753	247
Wages - Overtime	12,000	12,000	5,892	6,108
Employee Insurance	55,732	55,732	54,798	934
Social Security	20,821	20,821	19,645	1,176
Retirement	27,700	27,700	27,945	(245)
Unemployment Insurance	20	20	13	7
Worker's Compensation	21,856	21,856	19,883	1,973
Other Contractual Services	336	336	336	-
Repairs and Maintenance	700	700	-	700
Vehicle Insurance	5,200	5,200	2,820	2,380
Bldg & Pers Liability Insurance	4,000	4,000	2,083	1,917
Communications	3,620	3,620	3,190	430
Dues and Fees	100	100	-	100
Materials and Supplies	5,000	5,000	5,325	(325)
Office Supplies	500	500	106	394
Cleaning Supplies & Chemicals	300	300	212	88
Medical Supplies	100	100	40	60
Protective Equipment	300	300	-	300
Vehicle Gasoline/Diesel	10,000	10,000	8,586	1,414
Minor Equipment	2,600	2,600	2,191	409
Other Supplies/Uniform Rental	2,860	2,860	2,769	91
Vehicle Maintenance	2,000	2,000	4,726	(2,726)
Landscaping Supplies	1,500	1,500	56	1,444
Total Cemetery	429,621	429,621	420,676	8,945
Total Public Works	2,681,596	2,684,987	2,508,479	176,508
Community Development				
Administration				
Wages - Full Time	118,622	118,622	121,360	(2,738)
Wages - Part Time/Temp	16,120	16,120	16,251	(131)
Employee Insurance	22,866	22,866	22,598	268
Social Security	10,308	10,308	10,067	241
Retirement	13,400	13,400	13,518	(118)
Unemployment Insurance	6	6	4	2
Worker's Compensation	474	474	431	43
Other Employee Benefits	3,600	3,600	3,600	-
Bldg & Pers Liability Insurance	725	725	378	347
Communications	360	360	390	(30)
Printing & Binding	100	100	-	100
Travel	1,170	1,170	71	1,099
Dues and Fees	500	500	490	10
Training	635	635	-	635
Office Supplies	160	160	38	122
Books & Periodicals	75	75	-	75
Minor Equipment	50	50	104	(54)
Computer Hardware and Software	300	300	6	294
Chatt Flint RDC	28,857	28,857	28,857	-
Total Administration	218,328	218,328	218,163	165

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Planning and Zoning				
Wages - Full Time	157,644	157,644	161,303	(3,659)
Employee Insurance	22,015	22,015	21,607	408
Social Security	12,061	12,061	12,020	41
Retirement	17,800	17,800	17,957	(157)
Unemployment Insurance	6	6	4	2
Worker's Compensation	555	555	505	50
Vehicle Insurance	800	800	434	366
Bldg & Pers Liability Insurance	1,800	1,800	937	863
Communications	360	360	389	(29)
Advertising	1,200	1,200	860	340
Printing & Binding	1,000	1,000	619	381
Travel	1,725	1,725	453	1,272
Dues and Fees	700	700	463	237
Training	800	800	475	325
Materials and Supplies	1,000	1,000	455	545
Office Supplies	1,500	1,500	526	974
Vehicle Gasoline/Diesel	600	600	273	327
Books & Periodicals	100	100	-	100
Computer Hardware & Software	100	100	-	100
Vehicle Maintenance	250	250	72	178
Planning Commission	500	500	175	325
Total Planning and Zoning	222,516	222,516	219,527	2,989
Business Development and Special Events				
Wages - Full Time	93,288	93,288	94,973	(1,685)
Employee Insurance	16,724	16,724	10,308	6,416
Social Security	7,137	7,137	7,164	(27)
Retirement	10,500	10,500	10,593	(93)
Unemployment Insurance	-	-	3	(3)
Worker's Compensation	657	657	597	60
Other Employee Benefits	3,600	3,600	3,600	-
Public Relations	3,000	3,000	910	2,090
Repairs and Maintenance	3,300	3,300	1,312	1,988
Bldg & Pers Liability Insurance	1,000	1,000	521	479
Communications	1,340	1,340	4,254	(2,914)
Cable TV	240	240	-	240
Advertising	1,800	1,800	1,414	386
Printing & Binding	1,000	1,000	115	885
Travel	1,200	1,200	-	1,200
Dues and Fees	1,530	1,530	1,241	289
Training	600	600	70	530
Materials and Supplies	350	350	165	185
Office Supplies	1,750	1,750	920	830
Books & Periodicals	200	200	99	101
Minor Equipment	1,425	1,425	842	583
Computer Hardware & Software	800	800	-	800
Miscellaneous	250	250	189	61
Total Business Development & Special Events	151,691	151,691	139,290	12,401

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Library				
Wages - Full Time	37,357	37,357	34,434	2,923
Wages - Part Time	14,313	14,313	16,559	(2,246)
Employee Insurance	269	269	246	23
Social Security	3,953	3,953	3,690	263
Retirement	4,255	4,255	4,293	(38)
Unemployment Insurance	4	4	-	4
Worker's Compensation	181	181	164	17
Professional Services	1,050	1,050	700	350
Other Contractual Services	5,884	5,884	5,884	-
Repairs and Maintenance	700	700	550	150
Equipment and Vehicle Rental	1,416	1,416	1,326	90
Bldg & Pers Liability Insurance	1,629	1,629	848	781
Communications	4,656	4,656	5,092	(436)
Travel	450	450	206	244
Dues and Fees	210	210	35	175
Training	155	155	155	-
Materials and Supplies	2,000	2,000	1,563	437
Office Supplies	1,000	1,000	768	232
Cleaning Supplies & Chemicals	500	500	321	179
Food Supplies	181	181	200	(19)
Books & Periodicals	18,281	18,281	9,111	9,170
Minor Equipment	1,000	1,000	997	3
Computer Hardware & Software	560	560	103	457
Total Library	100,004	100,004	87,245	12,759
Parks & ROW Beautification				
Wages - Full Time	413,088	413,088	404,618	8,470
Employee Insurance	98,642	98,642	92,445	6,197
Social Security	31,601	31,601	29,862	1,739
Retirement	46,500	46,500	46,911	(411)
Unemployment	28	28	19	9
Worker's Compensation	42,895	42,895	39,019	3,876
Other Contractual Services	13,000	13,000	7,793	5,207
Repairs and Maintenance	3,500	3,500	3,003	497
Vehicle Insurance	5,659	5,659	3,262	2,397
Bldg & Pers Liability Insurance	1,409	1,409	4,167	(2,758)
Communications	2,000	2,000	2,061	(61)
Travel	500	500	245	255
Dues and Fees	850	850	435	415
Training	1,000	1,000	374	626
Materials and Supplies	-	-	10	(10)
Office Supplies	500	500	163	337
Cleaning Supplies & Chemicals	2,900	2,900	2,789	111
Medical Supplies	300	300	24	276
Protective Equipment	700	700	634	66
Vehicle Gasoline/Diesel	12,000	12,000	13,721	(1,721)
Books & Periodicals	150	150	-	150
Minor Equipment	5,000	5,000	3,326	1,674
Other Supplies/Uniform Rental	2,500	2,500	3,146	(646)
Vehicle Maintenance	7,500	7,500	9,452	(1,952)
Landscaping Supplies	23,000	23,000	9,835	13,165
Veterans Memorial	-	-	24,404	(24,404)
Total Parks & ROW Beautification	715,222	715,222	701,718	13,504

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Building Inspection				
Wages - Full Time	377,874	377,874	386,655	(8,781)
Employee Insurance	60,754	60,754	59,668	1,086
Social Security	28,907	28,907	29,064	(157)
Retirement	42,500	42,500	42,876	(376)
Unemployment Insurance	16	16	12	4
Worker's Compensation	17,178	17,178	15,627	1,551
Vehicle Insurance	5,360	5,360	3,381	1,979
Bldg & Pers Liability Insurance	3,570	3,570	1,859	1,711
Communications	2,648	2,648	2,730	(82)
Advertising	1,200	1,200	1,440	(240)
Printing & Binding	625	625	334	291
Travel	600	600	147	453
Dues and Fees	470	470	310	160
Training	3,000	3,000	515	2,485
Materials and Supplies	500	500	426	74
Office Supplies	1,500	1,500	486	1,014
Vehicle Gasoline/Diesel	12,000	12,000	13,454	(1,454)
Food Supplies	630	630	-	630
Books & Periodicals	1,400	1,400	251	1,149
Minor Equipment	200	200	642	(442)
Computer Hardware & Software	300	300	-	300
Other Supplies/Uniform Rental	714	714	-	714
Vehicle Maintenance	2,975	2,975	4,354	(1,379)
Total Building Inspection	564,921	564,921	564,231	690

CITY OF NEWNAN, GEORGIA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 GENERAL FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010
 (CONTINUED)

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Building and Maintenance				
Wages - Full Time	103,896	103,896	99,938	3,958
Wages - Overtime	500	500	-	500
Employee Insurance	28,157	28,157	25,287	2,870
Social Security	7,986	7,986	7,375	611
Retirement	11,700	11,700	11,803	(103)
Unemployment Insurance	6	6	4	2
Worker's Compensation	6,327	6,327	5,754	573
Other Contractual Services	11,592	11,592	11,782	(190)
Repairs and Maintenance	50,000	50,000	45,585	4,415
Vehicle Insurance	1,400	1,400	759	641
Bldg & Pers Liability Insurance	27,000	27,000	14,060	12,940
Communications	700	700	777	(77)
Office Supplies	100	100	-	100
Cleaning Supplies & Chemicals	2,600	2,600	2,434	166
Natural Gas	30,900	30,900	22,574	8,326
Vehicle Gasoline/Diesel	5,000	5,000	4,266	734
Other Supplies/Uniform Rental	492	492	404	88
Vehicle Maintenance	1,500	1,500	1,750	(250)
Total Building and Maintenance	289,856	289,856	254,552	35,304
Total Community Development	2,262,538	2,262,538	2,184,726	77,812
Total Expenditures	16,071,120	16,121,717	15,049,139	1,072,578
Excess (deficiency) of revenues Over (under) expenditure	169,000	118,403	1,589,244	1,470,841
OTHER FINANCING SOURCES (USES)				
Sale of Capital Assets	-	-	17,475	17,475
Transfer from Tourism Fund	150,000	150,000	134,216	(15,784)
Transfer to Capital Fund	(219,000)	(219,000)	(219,000)	-
Transfer to Street Fund	(100,000)	(100,000)	(100,000)	-
Total Other Financing Sources (Uses)	(169,000)	(169,000)	(167,309)	1,691
Net change in fund balances	\$ -	\$ (50,597)	\$ 1,421,935	\$ 1,472,532
Fund balances - beginning of year			13,380,150	
Fund balances - end of year			\$ 14,802,085	

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Confiscated Assets Fund – This fund accounts for cash received from the sale of confiscated assets and confiscated assets that are no longer subject to court jurisdiction.

Miscellaneous Grants Fund – This fund accounts for other grants not used to finance general government operations.

Hotel/Motel Tourism Enhancement Fund – This fund accounts for the hotel/motel taxes collected and expenditures relative to tourism.

NSP Grant Fund – This fund accounts for funds received from the Georgia Department of Community Affairs Neighborhood Stabilization Program which are passed-through to the Newnan Housing Authority and Newnan-Coweta Habitat for Humanity, Inc.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition of capital assets or construction of major capital facilities.

Street Improvement Fund – This fund accounts for the construction and expansion of roads and bridges.

Capital Equipment Fund – This fund is used to account for the acquisition of capital assets and the acquisition and construction of major capital facilities.

CITY OF NEWNAN, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2010

	Special Revenue Funds					Capital Projects Funds			Total Nonmajor Governmental Funds
	Confiscated Assets	Miscellaneous Grants	Hotel/Motel Tourism Enhancement	NSP Grant	Total	Street Improvement	Capital Equipment	Total	
ASSETS									
Cash and cash equivalents	\$ 4,559	\$ 11,565	\$ -	\$ 2,281	\$ 18,405	\$ 1,009	\$ -	\$ 1,009	\$ 19,414
Investments	1,734,816	-	666,518	-	2,401,334	589,205	393,979	983,184	3,384,518
Taxes receivable	-	-	51,941	-	51,941	-	-	-	51,941
Total assets	\$ 1,739,375	\$ 11,565	\$ 718,459	\$ 2,281	\$ 2,471,680	\$ 590,214	\$ 393,979	\$ 984,193	\$ 3,455,873
LIABILITIES									
Accounts payable	\$ 53,055	\$ -	\$ 57,328	\$ -	\$ 110,383	\$ 2,819	\$ 2,572	\$ 5,391	\$ 115,774
Due to other funds	-	-	31,164	-	31,164	-	-	-	31,164
Deferred revenue	-	11,565	-	2,281	13,846	-	-	-	13,846
Total liabilities	53,055	11,565	88,492	2,281	155,393	2,819	2,572	5,391	160,784
FUND BALANCES									
Reserved for program purposes:									
Public safety	1,686,320	-	-	-	1,686,320	-	-	-	1,686,320
Tourism enhancement	-	-	629,967	-	629,967	-	-	-	629,967
Unreserved	-	-	-	-	-	587,395	391,407	978,802	978,802
Total fund balances	1,686,320	-	629,967	-	2,316,287	587,395	391,407	978,802	3,295,089
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,739,375	\$ 11,565	\$ 718,459	\$ 2,281	\$ 2,471,680	\$ 590,214	\$ 393,979	\$ 984,193	\$ 3,455,873

CITY OF NEWNAN, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Special Revenue Funds					Capital Projects Funds			Total Nonmajor Governmental Funds
	Confiscated Assets	Miscellaneous Grants	Hotel/Motel Tourism Enhancement	NSP Grant	Total	Street Improvement	Capital Equipment	Total	
REVENUES									
Hotel/motel taxes	\$ -	\$ -	\$ 223,694	\$ -	\$ 223,694	\$ -	\$ -	\$ -	\$ 223,694
Court condemnations	2,129,542	-	-	-	2,129,542	-	-	-	2,129,542
Intergovernmental	75,430	55,553	-	1,827,754	1,958,737	89,781	-	89,781	2,048,518
Investment earnings	2,011	-	1,326	-	3,337	831	611	1,442	4,779
Total revenues	<u>2,206,983</u>	<u>55,553</u>	<u>225,020</u>	<u>1,827,754</u>	<u>4,315,310</u>	<u>90,612</u>	<u>611</u>	<u>91,223</u>	<u>4,406,533</u>
EXPENDITURES									
Current									
General government	-	2,003	-	1,827,754	1,829,757	76,891	34,701	111,592	1,941,349
Tourism development	-	-	3,691	-	3,691	-	-	-	3,691
Public safety	565,604	-	-	-	565,604	-	-	-	565,604
Capital outlay	91,224	53,550	206,843	-	351,617	5,057	134,790	139,847	491,464
Total expenditures	<u>656,828</u>	<u>55,553</u>	<u>210,534</u>	<u>1,827,754</u>	<u>2,750,669</u>	<u>81,948</u>	<u>169,491</u>	<u>251,439</u>	<u>3,002,108</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,550,155</u>	<u>-</u>	<u>14,486</u>	<u>-</u>	<u>1,564,641</u>	<u>8,664</u>	<u>(168,880)</u>	<u>(160,216)</u>	<u>1,404,425</u>
Other financing sources (uses)									
Transfers in	-	-	-	-	-	100,000	219,000	319,000	319,000
Transfers out	-	-	(134,216)	-	(134,216)	-	-	-	(134,216)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(134,216)</u>	<u>-</u>	<u>(134,216)</u>	<u>100,000</u>	<u>219,000</u>	<u>319,000</u>	<u>184,784</u>
Net change in fund balances	<u>1,550,155</u>	<u>-</u>	<u>(119,730)</u>	<u>-</u>	<u>1,430,425</u>	<u>108,664</u>	<u>50,120</u>	<u>158,784</u>	<u>1,589,209</u>
Fund balances - beginning of year	<u>136,165</u>	<u>-</u>	<u>749,697</u>	<u>-</u>	<u>885,862</u>	<u>478,731</u>	<u>341,287</u>	<u>820,018</u>	<u>1,705,880</u>
Fund balances - end of year	<u>\$ 1,686,320</u>	<u>\$ -</u>	<u>\$ 629,967</u>	<u>\$ -</u>	<u>\$ 2,316,287</u>	<u>\$ 587,395</u>	<u>\$ 391,407</u>	<u>\$ 978,802</u>	<u>\$ 3,295,089</u>

CITY OF NEWNAN, GEORGIA

CONFISCATED ASSETS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Court condemnations	\$ 133,000	2,129,542	\$ 1,996,542
Intergovernmental	-	75,430	75,430
Investment earnings	1,500	2,011	511
Total Revenues	134,500	2,206,983	2,072,483
EXPENDITURES			
Current			
Public safety	570,631	565,604	5,027
Capital outlay	91,224	91,224	-
Total Expenditures	661,855	656,828	5,027
Net change in fund balance	<u>\$ (527,355)</u>	1,550,155	<u>\$ 2,077,510</u>
Fund balances - beginning of year		<u>136,165</u>	
Fund balances - end of year		<u>\$ 1,686,320</u>	

CITY OF NEWNAN, GEORGIA

MISCELLANEOUS GRANTS SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 7,500	\$ 55,553	\$ 48,053
Total Revenues	7,500	55,553	48,053
EXPENDITURES			
Current			
General government	10,864	2,003	8,861
Capital outlay	53,550	53,550	-
Total Expenditures	64,414	55,553	8,861
Net change in fund balance	<u>\$ (56,914)</u>	-	<u>\$ 56,914</u>
Fund balances - beginning of year		<u>-</u>	
Fund balances - end of year		<u>\$ -</u>	

CITY OF NEWNAN, GEORGIA

HOTEL/MOTEL TOURISM ENHANCEMENT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Hotel/motel taxes	\$ 250,000	\$ 223,694	\$ (26,306)
Investment earnings	4,500	1,326	(3,174)
Total Revenues	254,500	225,020	(29,480)
EXPENDITURES			
Current			
Tourism development	96,000	3,691	92,309
Capital outlay	206,843	206,843	-
Total Expenditures	302,843	210,534	92,309
Excess (deficiency) of revenues over (under) expenditures	(48,343)	14,486	62,829
Other Financing Use			
Transfer out	(150,000)	(134,216)	15,784
Net change in fund balances	<u>\$ (198,343)</u>	(119,730)	<u>\$ 78,613</u>
Fund balances - beginning of year		<u>749,697</u>	
Fund balances - end of year		<u><u>\$ 629,967</u></u>	

CITY OF NEWNAN, GEORGIA

NSP GRANT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL (NON-GAAP BUDGET BASIS)
 FOR THE YEAR ENDED DECEMBER 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 1,827,754	\$ 1,827,754	\$ -
Total Revenues	<u>1,827,754</u>	<u>1,827,754</u>	<u>-</u>
EXPENDITURES			
Current			
General government	1,827,754	1,827,754	-
Total Expenditures	<u>1,827,754</u>	<u>1,827,754</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other Financing Use			
Transfer out	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>\$ -</u></u>
Fund balances - beginning of year		<u>-</u>	
Fund balances - end of year		<u><u>\$ -</u></u>	

CITY OF NEWNAN, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITY
 AGENCY FUND
 FOR THE YEAR ENDED DECEMBER 31, 2010

	December 31, 2009	Additions	Deletions	December 31, 2010
<u>Police Pre-Confiscated Assets Fund</u>				
ASSETS				
Cash	\$ -	\$ 79,704	\$ 5,453	\$ 74,251
Total assets	\$ -	\$ 79,704	\$ 5,453	\$ 74,251
LIABILITY				
Payable from assets				
Confiscated assets pending disposition	\$ -	\$ 79,704	\$ 5,453	\$ 74,251

STATISTICAL SECTION

This part of the City of Newnan's comprehensive annual financial reports 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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	81-87
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.	88-94
Debt Capacity 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.	95-96
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	97-99
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	100-101

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2004; schedules presenting government-wide information include information beginning in that year.

City of Newnan, Georgia
Net Assets by Component
Last Seven Calendar Years
(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010
Governmental activities							
Invested in capital assets, net of related debt	\$ 36,870,914	\$ 48,202,095	\$ 59,950,866	\$ 99,720,483	\$ 107,970,772	\$ 111,049,663	\$ 110,991,843
Restricted	7,370,329	10,247,870	10,017,489	12,310,604	11,890,374	12,341,221	16,917,262
Unrestricted	9,536,630	11,056,237	14,484,797	16,050,074	17,202,620	15,619,539	15,818,177
Total governmental activities net assets	<u>\$ 53,777,873</u>	<u>\$ 69,506,202</u>	<u>\$ 84,453,152</u>	<u>\$ 128,081,161</u>	<u>\$ 137,063,766</u>	<u>\$ 139,010,423</u>	<u>\$ 143,727,282</u>
 Change in Net Assets							
Governmental Activities	\$ 13,051,613	\$ 15,728,329	\$ 14,946,950	\$ 43,628,009	\$ 8,982,605	\$ 1,946,657	\$ 4,716,859

Note: Information above has been presented as of the date of GASB 34 Implementation.
The City of Newnan has no business-type activities, therefore the Governmental activities totals and the Primary government totals are the same.

City of Newnan, Georgia
Changes in Net Assets, Last Seven Calendar Years
(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010
Expenses:							
Governmental activities:							
General Government	\$ 1,499,242	\$ 1,692,563	\$ 2,164,887	\$ 2,823,373	\$ 2,747,236	\$ 4,139,290	\$ 4,360,012
Community Development	1,785,109	1,761,614	2,233,473	2,697,243	2,610,332	1,137,412	2,603,527
Public Safety	7,081,640	7,522,020	8,076,362	8,638,598	9,341,701	9,272,838	9,634,856
Public Works	1,892,188	3,364,415	3,535,165	4,405,650	4,285,367	4,679,400	4,723,863
Tourist Development	658	20,511	14,955	2,292	4,274	9,304	3,691
Other Services	484,281	801,434	-	-	-	-	-
Total governmental activities expenses	12,743,118	15,162,557	16,024,842	18,567,156	18,988,910	19,238,244	21,325,949
Total primary government expenses	\$ 12,743,118	\$ 15,162,557	\$ 16,024,842	\$ 18,567,156	\$ 18,988,910	\$ 19,238,244	\$ 21,325,949
Program Revenues:							
Governmental activities							
Charges for Services							
General government	\$ 1,213,279	\$ 1,566,857	\$ 1,654,084	\$ 1,939,390	\$ 1,921,215	\$ 1,730,602	\$ 1,863,821
Tourism Development	-	-	-	-	21,504	17,560	23,104
Public safety	436,422	448,967	588,846	632,359	835,169	855,249	2,918,872
Public works	-	1,426,765	-	-	-	-	-
Community development	-	-	2,851,031	1,957,224	1,015,521	375,840	267,248
Operating grants and contributions	1,181,639	1,204,398	74,084	103,045	91,128	96,152	-
Capital grants and contributions	9,817,232	10,840,515	8,626,666	4,238,389	4,198,787	4,260,001	6,970,299
Total governmental activities program revenues	12,648,572	15,487,502	13,794,711	8,870,407	8,083,324	7,335,404	12,043,344
Total primary government program revenues	\$ 12,648,572	\$ 15,487,502	\$ 13,794,711	\$ 8,870,407	\$ 8,083,324	\$ 7,335,404	\$ 12,043,344
Net (Expenses)/Revenue							
Governmental activities	\$ (94,546)	\$ 324,945	\$ (2,230,131)	\$ (9,696,749)	\$(10,905,586)	\$(11,902,840)	\$ (9,282,605)
Total primary government net (expense)/revenue	\$ (94,546)	\$ 324,945	\$ (2,230,131)	\$ (9,696,749)	\$(10,905,586)	\$(11,902,840)	\$ (9,282,605)

City of Newnan, Georgia
Changes in Net Assets, Last Seven Calendar Years (Continued)
(accrual basis of accounting)

	2004	2005	2006	2007	2008	2009	2010
General Revenue and Other Changes in Net Assets							
Governmental activities:							
Taxes							
Property Taxes	\$ 2,971,012	\$ 3,436,171	\$ 3,832,526	\$ 4,203,214	\$ 4,398,384	\$ 4,501,655	\$ 4,630,433
Sales Taxes	6,411,198	6,658,437	7,517,296	9,552,987	9,576,131	3,860,258	4,187,040
Occupational Taxes	1,206,741	1,321,047	1,472,479	1,732,989	1,838,252	1,792,961	1,603,104
Franchise Taxes	977,592	935,535	1,004,528	1,226,762	1,324,724	1,420,597	1,416,636
Insurance Premium Taxes	756,092	813,456	851,078	887,770	909,036	900,507	874,336
Hotel Motel Taxes	174,947	200,101	211,120	329,900	258,001	240,642	223,694
Alcoholic Beverage Taxes	584,315	636,993	700,717	733,406	731,681	742,731	737,209
Other Taxes	29,340	236,725	222,331	280,303	304,305	284,475	294,488
Interest Revenue	189,916	540,821	1,008,500	1,170,885	547,677	105,671	32,524
Miscellaneous	220,441	329,590	-	-	-	-	-
Special items - Dissolution of Sanitation Fund	(375,436)	-	-	-	-	-	-
Total governmental activities	13,146,159	15,108,876	16,820,575	20,118,216	19,888,191	13,849,497	13,999,464
Total Primary Government	\$ 13,146,159	\$ 15,108,876	\$ 16,820,575	\$ 20,118,216	\$ 19,888,191	\$ 13,849,497	\$ 13,999,464
Change in Net Assets							
Governmental Activities	\$ 13,051,613	\$ 15,433,821	\$ 14,590,444	\$ 10,421,467	\$ 8,982,605	\$ 1,946,657	\$ 4,716,859
Total Primary Government	\$ 13,051,613	\$ 15,433,821	\$ 14,590,444	\$ 10,421,467	\$ 8,982,605	\$ 1,946,657	\$ 4,716,859

Notes: Information above has been presented as of the date of GASB 34 Implementation.

Special Purpose Local Option Sales Tax (SPLOST) was reported as sales taxes prior to 2009, the State now requires the taxes and earning thereof to be reported as intergovernmental revenue by cities who receive their disbursements from the County.

City of Newnan, Georgia
Program Revenues by Function/Program
Last Seven Calendar Years
(accrual basis of accounting)

	Program Revenues						
	2004	2005	2006	2007	2008	2009	2010
Function/Program							
Governmental activities:							
General Government	\$ 2,156,208	\$ 2,994,494	\$ 1,654,084	\$ 1,939,390	\$ 3,086,953	\$ 3,503,579	\$ 4,598,122
Community Development	-	-	2,851,031	1,987,224	1,025,521	568,304	1,141,230
Public Safety	492,764	472,358	669,170	741,655	958,454	1,281,257	3,669,424
Public Works	9,958,000	12,020,650	8,597,644	4,202,138	2,990,892	1,964,704	2,611,464
Tourist Development	-	-	22,782	-	21,504	17,560	23,104
Other Services	41,600	-	-	-	-	-	-
Subtotal governmental activities	12,648,572	15,487,502	13,794,711	8,870,407	8,083,324	7,335,404	12,043,344
Total primary government	\$ 12,648,572	\$ 15,487,502	\$ 13,794,711	\$ 8,870,407	\$ 8,083,324	\$ 7,335,404	\$ 12,043,344

Note: Information above has been presented as of the date of GASB 34 Implementation.

City of Newnan, Georgia
Fund Balances, Governmental Funds
Last Seven Calendar Years
(modified accrual basis of accounting)

	Calendar Year						
	2004	2005	2006	2007	2008	2009	2010
General Fund							
Reserved	\$ 148,146	\$ 255,509	\$ 273,734	\$ 458,929	\$ 227,287	\$ 135,435	\$ 125,936
Unreserved	9,673,201	10,983,435	12,848,952	14,168,420	14,885,077	13,315,495	14,746,505
Total General Fund	\$ 9,821,347	\$ 11,238,944	\$ 13,122,686	\$ 14,627,349	\$ 15,112,364	\$ 13,450,930	\$ 14,872,441
All Other Governmental Funds							
Reserved	\$ 830,759	\$ 3,182,981	\$ 10,038,294	\$ 13,090,613	\$ 13,211,566	\$ 13,683,686	\$ 16,869,986
Unreserved:							
Special Revenue Funds	(248,504)	(54,378)	1,935	1,746	120,612	-	-
Capital Projects Funds	6,788,074	6,947,242	1,278,564	658,091	519,701	820,018	978,802
Total all other governmental funds	\$ 7,370,329	\$ 10,075,845	\$ 11,318,793	\$ 13,750,450	\$ 13,851,879	\$ 14,503,704	\$ 17,848,788
Total Fund Balances	\$ 17,191,676	\$ 21,314,789	\$ 24,441,479	\$ 28,377,799	\$ 28,964,243	\$ 27,954,634	\$ 32,721,229

Note: Information above has been presented as of the date of GASB 34 Implementation.

City of Newnan, Georgia
Changes in Fund Balances, Governmental Funds
Last Seven Calendar Years
(modified accrual basis of accounting)

	Calendar Year						
	2004	2005	2006	2007	2008	2009	2010
Revenues							
Taxes:							
Alcohol Taxes	\$ 584,316	\$ 636,993	\$ 700,717	\$ 733,406	\$ 731,681	\$ 742,731	\$ 737,209
Excise (Franchise) Taxes	977,592	935,536	1,004,528	1,226,762	1,324,724	1,420,597	1,416,636
Hotel/Motel Taxes	174,947	200,101	211,120	329,900	258,001	240,642	223,694
Insurance Premium Taxes	756,092	813,456	851,078	887,770	909,036	900,507	874,336
Occupational Taxes	1,206,741	1,321,047	1,472,479	1,732,989	1,838,252	1,792,961	1,603,104
Other Taxes	107,912	199,194	222,331	280,303	304,305	284,475	294,488
Property Taxes	3,038,631	3,194,225	3,751,885	4,145,848	4,141,896	4,592,154	4,630,498
Sales Taxes	6,411,197	6,658,437	7,517,296	9,552,987	9,576,131	3,860,258	4,187,040
Court Condemnations	5,596	11,832	6,240	6,251	165,240	163,338	2,204,972
Fines and Forfeitures	430,826	448,967	588,846	632,359	669,929	691,911	624,181
Grants/Private Donations	2,961	23,391	2,253	-	150,000	-	-
Impact Fees	291,546	1,414,933	1,505,448	1,118,593	529,396	115,945	203,581
Indirect Cost Allocations	1,028,939	1,139,329	-	-	-	-	-
Intergovernmental	328,517	461,148	848,571	476,377	499,968	4,300,078	6,602,500
Intergovernmental - Utility	853,126	966,488	1,094,453	1,161,112	1,165,377	1,172,781	1,389,848
Investment Earnings	189,916	540,821	1,008,923	1,170,885	547,677	105,671	55,409
Alcohol Licenses	152,425	236,183	174,700	180,038	183,775	179,050	186,354
Other Revenues	220,440	329,589	268,163	370,732	185,955	315,606	243,361
Permits & Inspections	1,060,854	1,330,674	1,345,583	838,630	486,125	259,895	267,249
Total Revenues	17,822,574	20,862,344	22,574,614	24,844,942	23,667,468	21,138,600	25,744,460
Expenditures							
General government	1,543,473	1,639,077	2,088,268	2,675,463	2,179,436	4,238,749	3,650,174
Community Development	2,325,998	2,725,073	2,615,532	2,337,153	2,365,981	2,335,471	2,190,419
Public Safety	7,249,855	7,809,982	7,697,555	8,314,508	8,910,093	8,858,915	9,215,617
Public Works	1,870,359	2,469,203	2,371,824	2,637,747	2,722,862	2,561,396	2,508,168
Tourist Development	658	20,511	14,955	2,292	4,274	9,304	3,691
Intergovernmental	-	-	-	-	793,530	659,712	715,094
Capital Outlay	1,878,426	2,397,282	5,016,296	4,953,459	6,104,848	3,484,662	2,712,177
Total Expenditures	14,868,769	17,061,128	19,804,430	20,920,622	23,081,024	22,148,209	20,995,340
Excess of revenues over (under) expenditures	2,953,805	3,801,216	2,770,184	3,924,320	586,444	(1,009,609)	4,749,120

City of Newnan, Georgia
Changes in Fund Balances, Governmental Funds
Last Seven Calendar Years
(modified accrual basis of accounting)

	Calendar Year						
	2004	2005	2006	2007	2008	2009	2010
Other Financing Sources (Uses)							
Transfers from other Funds	349,652	1,107,770	1,110,359	1,350,890	861,413	867,985	453,216
Transfers to other Funds	(725,088)	(1,107,770)	(1,110,359)	(1,350,890)	(861,413)	(867,985)	(453,216)
Sale of Capital Assets	81,500	27,390	-	12,000	-	-	17,475
Total Other Financing Sources (Uses)	(293,936)	27,390	-	12,000	-	-	17,475
 Net Change in Fund Balances	\$ 2,659,869	\$ 3,828,606	\$ 2,770,184	\$ 3,936,320	\$ 586,444	\$ (1,009,609)	\$ 4,766,595
 Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Note: Information above has been presented as of the date of GASB 34 Implementation.

⁽¹⁾ Impact fee assessment was implemented during the last quarter of 2004.

City of Newnan, Georgia
Tax Revenues by Source, Governmental Funds
Last Seven Calendar Years
(modified accrual basis of accounting)

Tax Revenues									
Calendar Year	General Property⁽¹⁾	Franchise	Insurance Premium	Occupational	Alcoholic Beverage	Hotel/Motel	Sales Tax⁽²⁾	Other	Total
2004	\$ 3,038,631	\$ 977,592	\$ 756,092	\$ 1,206,741	\$ 584,315	\$ 174,947	\$ 6,411,198	\$ 107,912	\$ 13,257,428
2005	3,194,225	935,536	813,456	1,321,047	636,993	200,101	6,658,437	199,194	13,958,989
2006	3,751,885	1,004,528	851,078	1,472,479	700,717	211,120	7,517,296	222,331	15,731,434
2007	4,145,848	1,226,762	887,770	1,732,989	733,406	329,900	9,552,987	280,303	18,889,965
2008	4,141,896	1,324,724	909,036	1,838,252	731,681	258,001	9,576,131	304,305	19,084,026
2009	4,592,154	1,420,597	900,507	1,792,961	742,731	240,642	3,860,258	284,475	13,834,325
2010	4,630,498	1,416,636	874,336	1,603,104	737,209	223,694	4,187,040	294,488	13,967,005
% Change 2004 - 2010	52.4%	44.9%	15.6%	32.8%	26.2%	27.9%	-34.7%	172.9%	5.4%

Note: Information above has been presented as of the date of GASB 34 Implementation.

⁽¹⁾ Includes motor vehicle and property taxes. The City was able to keep its property tax rates very stable for the last seven years due mainly to the growth in property tax values. See the table on the next page for more information.

⁽²⁾ Special Purpose Local Option Sales Tax (SPLOST) was reported in this category until 2009; the State requires that it now be reported as Intergovernmental revenue by those cities who receive their disbursement from the County.

City of Newnan, Georgia
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Calendar Year Ended December 31,	Real Property	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2001	\$ 370,138,594	\$ 72,248,981	\$ 37,735,660	\$ 404,651,915	3.80	\$ 1,125,903,488	35.94%
2002	407,483,256	73,098,452	57,814,296	422,767,412	3.78	1,341,922,274	31.50%
2003	483,938,998	67,053,380	56,877,150	494,115,228	4.50	1,519,504,229	32.52%
2004	543,812,319	70,378,615	60,293,937	553,896,997	4.50	1,536,961,091	36.04%
2005	646,586,820	74,698,651	62,774,553	658,510,918	4.40	1,804,495,817	36.49%
2006	746,226,460	78,323,568	64,763,547	759,786,481	4.34	2,068,050,397	36.74%
2007	840,838,199	93,716,664	65,963,681	868,591,182	4.32	2,338,359,915	37.15%
2008	928,082,597	91,674,717	62,073,670	957,683,644	4.32	2,565,220,948	37.33%
2009	949,769,939	95,116,548	66,807,005	978,079,482	4.32	2,636,081,482	37.10%
2010	953,353,123	92,771,473	66,643,892	979,480,704	4.39	2,621,838,417	37.36%

Source: Based on information obtained from Coweta County Tax Commissioner and Assessor's Offices.

Notes: The City assesses property at 40 percent of actual value.

City of Newnan, Georgia
Direct and Overlapping Property Tax Rates
Last Ten Calendar Years

Calendar Year	City Direct Rates			Overlapping Rates				
	Basic Rate	General Obligation Debt Service	Total Direct Rate	State of Georgia	Coweta County	School System	School Bond	Total
2001	3.80	0.00	3.80	0.25	6.20	17.87	2.25	30.37
2002	3.78	0.00	3.78	0.25	5.02	15.61	1.60	26.26
2003	4.50	0.00	4.50	0.25	5.00	17.94	-	27.69
2004	4.50	0.00	4.50	0.25	5.13	18.61	-	28.49
2005	4.40	0.00	4.40	0.25	5.12	18.59	-	28.36
2006	4.34	0.00	4.34	0.25	6.31	18.59	-	29.49
2007	4.32	0.00	4.32	0.25	6.74	18.59	-	29.90
2008	4.32	0.00	4.32	0.25	7.76	18.59	-	30.92
2009	4.32	0.00	4.32	0.25	7.66	18.59	-	30.82
2010	4.39	0.00	4.39	0.25	7.79	18.59	-	31.02

Source: Coweta County Tax Commissioner's Office; data reported by Calendar Year.

Notes: The City's basic property tax rate is established by the City Council each year in July/August. The overlapping rates are those of State and County governments that apply to property owners within the City.

**City of Newnan, Georgia
Principal Property Tax Payers
Current Year and Six Years Ago**

Taxpayer	2004			2010		
	Taxable Assessed Value	Rank	Percentage of Total City Tax Levy	Taxable Assessed Value	Rank	Percentage of Total City Tax Levy
Fourth Quarter Properties	\$ 11,235,310	1	1.83%	\$ 37,998,248	1	3.62%
Peachtree City Holdings	9,003,555	2	1.46%	-		-
Inland Southeast Newnan LLC	7,167,218	3	1.17%	15,095,837	2	1.44%
BellSouth Telecommunications	6,985,040	4	1.14%	-		-
Lullwater Apartments LLC	5,713,418	5	0.93%	-		-
Wal-Mart	5,132,135	6	0.83%	8,178,150	5	0.78%
S.G. Preston Mill	4,801,604	7	0.78%	-		-
JDN Realty Corporation	4,765,717	8	0.78%	-		-
Newnan Crossing LLP	3,946,052	9	0.64%	-		-
Out Med LLC	2,998,488	10	0.49%	-		-
EGO Products	-		-	8,498,923	3	0.81%
Coweta Fayette EMC	-		-	8,334,679	4	0.79%
Bon L Manufacturing	-		-	8,039,380	6	0.77%
WPRE	-		-	7,497,444	7	0.71%
HC Cable (NuLink)	-		-	7,226,872	8	0.69%
Newnan Development Partners	-		-	6,784,077	9	0.65%
Diplomat Hotels	-		-	6,490,309	10	0.62%
Total	\$ 61,748,537		10.05%	\$ 114,143,919		10.88%

Source: Based on information obtained from the Coweta County Tax Assessor's Office.

Note: Information above is presented with a comparison to 2004, information for years prior to 2004 is unavailable.

**City of Newnan, Georgia
Property Tax Levies and Collections
Last Ten Calendar Years**

<u>Year</u>	<u>Taxes Levied for the Calendar Year</u>	<u>Collected within the Calendar Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2001 ⁽¹⁾	\$ 1,674,059	\$ 165,788	9.90%	\$ 1,508,271	\$ 1,674,059	100.00%
2002	1,731,972	1,573,831	90.87%	158,141	1,731,972	100.00%
2003	2,372,354	2,011,336	84.78%	361,018	2,372,354	100.00%
2004	2,766,530	2,541,109	91.85%	225,421	2,766,530	100.00%
2005	3,175,913	2,778,148	87.48%	396,597	3,174,745	99.96%
2006	3,596,135	3,224,897	89.68%	365,582	3,590,479	99.84%
2007	4,040,685	3,710,009	91.82%	316,910	4,026,919	99.66%
2008	4,432,702	4,036,118	91.05%	312,894	4,349,012	98.11%
2009	4,507,635	4,090,388	90.74%	352,983	4,443,371	98.57%
2010	4,597,973	4,191,653	91.16%	-	4,191,653	91.16%

Source: Coweta County Tax Assessors' Office and the City of Newnan Finance Department.

⁽¹⁾ The Assessment data was not provided to the City in time to bill and collect by December 31, 2001.

**City of Newnan, Georgia
Taxable Sales by Category
Last Seven Calendar Years**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Accommodations ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,972	\$ 83,090
Apparel	461,044	533,442	588,132	526,930	499,819	234,779	-
Automotive	2,454,885	2,659,181	3,198,730	3,488,306	4,392,034	2,816,514	2,198,045
Construction ⁽¹⁾	-	-	-	-	-	31,972	94,584
Food	2,962,989	3,503,092	4,087,686	4,604,069	4,057,615	3,351,960	3,118,289
General	2,144,151	2,313,315	2,430,145	2,599,136	2,533,278	2,792,283	2,809,106
Home	882,624	1,027,193	1,267,542	1,224,669	1,023,933	1,305,365	1,305,236
Lumber	1,744,453	1,934,414	2,306,011	1,987,379	1,277,892	391,677	-
Manufacturing	636,663	629,316	819,626	1,013,401	931,172	1,059,659	762,408
Miscellaneous	853,233	969,429	1,328,957	1,299,463	1,408,688	472,311	-
Miscellaneous Service	775,472	834,674	772,407	811,870	965,907	1,088,761	1,185,083
Other Retail ⁽¹⁾	-	-	-	-	-	1,471,919	2,448,746
Other Services ⁽¹⁾	-	-	-	-	-	151,802	226,837
Utilities	2,250,243	2,620,842	3,211,321	3,356,457	3,808,788	3,255,225	3,010,243
Wholesale ⁽¹⁾	-	-	-	-	-	922,109	1,651,568
Total	<u>\$ 15,165,757</u>	<u>\$ 17,024,898</u>	<u>\$ 20,010,557</u>	<u>\$ 20,911,680</u>	<u>\$ 20,899,126</u>	<u>\$ 19,400,308</u>	<u>\$ 18,893,235</u>

Source: Georgia Department of Revenue, Local Government Services Division

Note: Information prior to 2004 is unavailable. Since the City of Newnan does not have a City sales tax, all sales tax reported to the Georgia Department of Revenue is accumulated by commodity as Coweta County. The above numbers are taken from commodity reports issued by the Georgia Department of Revenue for Coweta County and represent the County as a whole.

⁽¹⁾ The data was reported utilizing SIC codes until mid-2009, when the Georgia Department of Revenue implemented the NAICS system, which supports a greater number of categories than does the SIC system.

**City of Newnan, Georgia
Direct and Overlapping Sales Tax Rates
Last Ten Calendar Years**

Calendar Year	City Direct Rate	Coweta County
2001	0.00%	7.00%
2002	0.00%	7.00%
2003	0.00%	7.00%
2004	0.00%	7.00%
2005	0.00%	7.00%
2006	0.00%	7.00%
2007	0.00%	7.00%
2008	0.00%	7.00%
2009	0.00%	7.00%
2010	0.00%	7.00%

Source: Local sales tax is imposed countywide (Coweta County)

Note: In 2006, the citizens voted to impose a 1% SPLOST. A portion of this 1% is shared by all the cities in Coweta County.

City of Newnan, Georgia
Direct and Overlapping Governmental Activities Debt
As of December 31, 2010

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>	<u>Percentage Applicable To Government</u>
Direct		
City of Newnan General Obligation Bonds	\$ -	
Capital Leases	-	
Total Direct Debt	-	
Overlapping		
General Obligation Debt:		
City of Newnan ⁽¹⁾	95,963,338	100%
Coweta County School District	37,000,000	100%
Total Overlapping Debt	132,963,338	100%
Total Direct and Overlapping Debt	\$ 132,963,338	

Source: Debt outstanding data provided by Coweta County School System, Newnan Utilities and Coweta County Finance Department.

(1) This amount represents Newnan's portion of the Municipal Electric Authority of Georgia's (MEAG) debt. Newnan has never levied taxes to make payments under its Intergovernmental Contract.

The percentage of overlapping debt applicable is calculated by taking the share of each individual project that Newnan participates in and multiply that share percentage by the total principal outstanding in each project.

**City of Newnan, Georgia
Legal Debt Margin Information
Last Ten Calendar Years**

	Calendar Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net Assessed Value	\$ 440,539,446	\$ 478,933,559	\$ 550,924,541	\$ 614,784,436	\$ 721,798,327	\$ 827,220,159	\$ 935,343,966	\$ 1,026,088,379	\$ 1,054,432,593	\$ 1,048,735,367
Debt Limit - 10% of Assessed Value	44,053,945	47,893,356	55,092,454	61,478,444	72,179,833	82,722,016	93,534,397	102,608,838	105,443,259	104,873,537
Debt Applicable to Debt Limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 44,053,945	\$ 47,893,356	\$ 55,092,454	\$ 61,478,444	\$ 72,179,833	\$ 82,722,016	\$ 93,534,397	\$ 102,608,838	\$ 105,443,259	\$ 104,873,537
Legal debt margin as a percentage of the debt limit	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

City of Newnan, Georgia
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population¹	Personal Income (amounts expressed in thousands)	Per Capita Personal Income^{2,5}	Median Age^{1,2,6}	School Enrollment^{2,4}	Unemployment Rate^{2,3}
2001	17,291	\$ 484,805	\$ 28,038	N/A	16,766	3.4%
2002	19,324	535,797	27,727	N/A	17,515	4.3%
2003	20,546	577,918	28,128	N/A	18,389	4.4%
2004	22,525	645,476	28,656	33.7	19,035	4.1%
2005	25,392	750,359	29,551	34.4	19,685	4.8%
2006	27,704	836,605	30,198	33.9	20,519	4.1%
2007	29,885	954,557	31,941	34.2	21,352	4.0%
2008	30,349	969,074	31,931	33.4	21,790	5.7%
2009	31,732	1,032,182	32,528	N/A	22,151	9.5%
2010	33,039	1,094,926	33,140	N/A	22,464	9.8%

¹ Per 2000 Census and the City's estimate; N/A indicates no data available from any source we found

² Information available at the county level only (Coweta County)

³ Data obtained from Georgia Department of Labor

⁴ Coweta County Board of Education

⁵ BEA Regional Economic Analysis

⁶ Georgia Statistics System, Georgia County Guide, and The University of Georgia

Note: Personal income information is a total for the year and was estimated for 2009 and 2010 since data was not available.

**City of Newnan, Georgia
Principal Employers
Current and Six Years Ago**

2004 Employers	2010 Employers
<p>ACS Business Process Solutions, Inc. Capital Products Corporation Coweta County Board of Education Coweta County, Georgia Eckerd Drugs Excel Corporation Georgia Power Newnan Hospital Wal-Mart Supercenter Yamaha Motor Manufacturing Yokogawa Industrial Automation</p>	<p>Bonnel Aluminum Cargill Meat Solutions Coweta County, Georgia Coweta County Board of Education Georgia Power Kmart Distribution Center Petsmart Distribution Center Piedmont Newnan Hospital Relyco Securities Wal-Mart Supercenter Yamaha Motor Manufacturing</p>

Source: Georgia Department of Labor

Notes: Employers are listed in alphabetical order only and not ranked in any way.
 Number of employees cannot be listed due to privacy issues.
 Information available at county level only (Coweta County).
 Information above is presented with a comparison to 2004; information for years prior to 2004 is unavailable.

City of Newnan, Georgia
Full-time Equivalent City Government Employees by Function/Program
Last Ten Years

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
City Manager ⁽²⁾	3	3	3	3	2	2	2	2	2	2
City Attorney	1	1	1	1	1	1	1	1	1	1
Administrative										
Finance ⁽¹⁾	0	0	4	4	4	4	5	5	5	5
City Clerk ⁽¹⁾	5	5	1	1	1	1	1	1	1	1
Human Resources	2	2	2	2	2	2	2	2	2	2
Information Technology	1	1	1	1	1	1	1	1	1	1
Public Information ⁽²⁾	0	0	0	0	1	1	1	1	1	1
Municipal Court ⁽³⁾	0	0	0	0	0	1	1	1	1	1
Public Safety										
Police										
Officers	64	66	66	65	69	71	75	75	75	75
Civilians	5	5	5	5	5	5	5	6	6	6
Administrative	3	3	3	3	3	3	3	3	3	3
Fire Department										
Firefighters	38	41	41	41	44	44	47	49	49	49
Administrative	1	1	1	1	1	1	1	1	1	1
Community Development										
Administration ⁽⁴⁾	0	0	2	2	2	2	2	2	2	2
Planning & Zoning	3	3	3	3	3	3	3	3	3	3
Parks & ROW Beautification	10	10	10	10	10	13	14	14	14	14
Building Inspection	8	9	8	8	9	9	9	9	9	8
Building Maintenance	2	3	2	2	3	3	3	3	3	3
Public Works										
Administration ⁽⁴⁾	0	0	1	2	2	2	2	2	2	2
Streets ⁽⁷⁾	15	15	14	16	21	23	23	23	22	20
Garage	6	6	6	6	6	6	6	6	6	6
Cemetery	8	8	8	8	8	8	8	8	8	8
Engineering ⁽⁷⁾	1	0	3	3	3	3	4	4	4	3
Other Services										
Carnegie Building ⁽⁵⁾	0	0	0	0	0	0	0	0	2	2
Business Development & Main Street (& Special Events)	1	1	2	2	2	2	2	2	2	2
Sanitation ⁽⁶⁾	40	42	42	0						
Total	217	225	229	189	203	211	221	224	225	221

Source: Payroll records and Human Resources

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).
Full-time equivalent employment is calculated by dividing total labor hours by 2,080.

(1) Finance Department established in 2002; split from City Clerk.

(2) Assistant to City Manager eliminated in 2005; PIO added.

(3) Added a Municipal Court Clerk in 2006.

(4) Function established in 2003.

(5) Building renovated & reopened in 2009.

(6) Sanitation privatized in 2003.

(7) Two vacant positions in Street Department and one vacant position in Engineering deleted in 2010.

City of Newnan, Georgia
Operating Indicators by Function/Program
Last Ten Calendar Years

Function/Program	Calendar Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government										
Occupational Tax Certificates Issued	1,518	1,551	1,618	1,709	1,792	1,951	2,122	2,186	1,819	1,807
Alcohol Licenses Issued	103	94	89	87	94	95	90	91	92	99
Property Tax Bills Issued	8,350	8,816	9,191	9,735	11,058	12,456	13,298	13,714	13,856	13,896
Community Development										
Building Permits Issued - Commercial	20	15	17	32	27	48	32	14	3	6
Building Permits Issued - Residential	610	566	643	799	1,023	802	350	188	69	122
Police										
Physical Arrests	563	577	602	599	625	615	631	698	804	1,352
Parking Violations	1,481	1,592	1,433	2,258	2,101	1,435	1,889	1,691	1,545	1,254
Traffic Violations	5,491	4,090	4,499	4,476	5,640	5,922	6,461	5,921	6,216	6,191
Fire										
Emergency Responses	1,187	1,837	2,201	2,253	2,231	1,858	2,415	3,308	2,631	3,590
Fires Extinguished	120	123	100	99	107	95	95	98	69	101
Public Works										
Streets Resurfaced (Miles) ⁽¹⁾										
-- Full Depth Reclamation (FDR)	-	-	-	-	-	-	1.0169	0.6750	3.6565	0.9130
-- LARP Resurfacing	-	-	-	-	5.0000	2.3600	0.0000	2.5270	3.4750	0.0000
-- Other Resurfacing	-	-	-	-	0.2400	0.0000	0.3500	0.6938	0.8269	2.3450

Source: Various City Departments.

City of Newnan, Georgia
Capital Asset Statistics by Function/Program
Last Ten Calendar Years

Function/Program	Calendar Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Police										
Stations	2	2	2	2	3	3	3	3	3	3
Patrol Cars	58	58	63	60	62	64	66	66	66	68
Fire										
Stations	2	2	2	2	2	2	3	3	3	3
Trucks	5	5	5	5	5	5	6	6	6	6
Fire Hydrants	1,259	1,387	1,462	1,711	1,857	1,937	1,963	1,963	1,964	2,005
Recreation										
Community Centers	0	0	0	0	0	0	0	0	1	0
Parks	8	8	8	8	8	8	9	10	10	10
Park Acreage	27	27	27	27	27	27	31	33	33	33
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Public Works										
Streets (miles)	N/A	136	143	155	168	177	182	185	185	172
Sidewalks (miles)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3.26
Number of Streets	440	452	484	527	586	624	641	651	651	618
Number of Streets Lights	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
New Sidewalk Construction (LF)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	3,806

Source: Various City departments., Newnan Utilities

GOVERNMENTAL REPORTS

CITY OF NEWNAN, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2002)
FOR THE YEAR ENDED DECEMBER 31, 2010

Project	Expenditures					Estimated Percentage of Completion
	Original Estimated Cost	Current Estimated Costs	Prior Years Costs	Current Year	Total	
Streets, drains, and sidewalks	\$ 3,800,000	\$ 3,478,292	\$ 2,741,185	\$ 505,459	\$ 3,246,644	93%
Park acquisition and development	2,500,000	2,350,000	2,276,307	-	2,276,307	97%
Convention Center	2,500,000	2,110,965	867,405	-	867,405	41%
Construction of downtown parking facilities	1,760,000	1,319,731	209,176	-	209,176	16%
Fire equipment (serial and pumper)	800,000	800,000	460,543	-	460,543	58%
Additions to shop	1,120,000	415,000	31,675	33,125	64,800	16%
Storage facility (Lower Fayetteville Road)	350,000	-	-	-	-	0%
New facility or renovation (beaut. Facility)	200,000	528,208	528,208	-	528,208	100%
Computers	200,000	198,500	198,500	-	198,500	100%
Transfer to Water, Sewerage and Light Commission	2,520,000	1,960,022	1,960,022	-	1,960,022	100%
	<u>\$ 15,750,000</u>	<u>\$ 13,160,718</u>	<u>\$ 9,273,021</u>	<u>\$ 538,584</u>	<u>\$ 9,811,605</u>	

CITY OF NEWNAN, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS (2007)
FOR THE YEAR ENDED DECEMBER 31, 2010

Project	Expenditures					Estimated Percentage of Completion
	Original Estimated Cost	Current Estimated Costs	Prior Years	Current Year	Total	
Public Safety	\$ 580,000	\$ 580,000	\$ 164,861	\$ -	\$ 164,861	28%
Information System	325,000	325,000	55,396	33,213	88,609	27%
Building Maintenances/Structure	6,650,000	6,650,000	810,848	961,552	1,772,400	27%
Parks and Recreation	1,200,000	1,200,000	88,893	1,700	90,593	8%
Streets	14,925,333	15,097,120	3,584,475	364,602	3,949,077	26%
Equipment	1,625,000	1,625,000	329,327	315,835	645,162	40%
Transfer to Water, Sewerage and Light Commission	4,820,063	4,820,063	2,245,804	715,094	2,960,898	61%
	<u>\$ 30,125,396</u>	<u>\$ 30,297,183</u>	<u>\$ 7,279,604</u>	<u>\$ 2,391,996</u>	<u>\$ 9,671,600</u>	

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SINGLE AUDIT SECTION

CITY OF NEWNAN, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal/Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Program or Award Amount	Federal Expenditures
<u>U.S. Department of Justice</u>				
Direct Programs				
Federal Forfeiture Program	GA 0380100	16.000	N/A	\$ 634,854
Total U.S. Department of Justice				<u>634,854</u>
<u>U.S. Department of Homeland Security</u>				
Federal Emergency Management Agency				
Assistance to Fire Fighters	EMW-2009-FO-00051	97.044	\$ 53,550	<u>53,550</u>
Total U.S. Department of Homeland Security				<u>53,550</u>
<u>U.S. Department of Housing and Urban Development</u>				
<u>Pass-Through Program from:</u>				
Georgia Department of Community Affairs				
Neighborhood Stabilization Program	08-NS-5067	14.228	2,184,039	<u>1,827,754</u>
Total U.S. Department of Housing and Urban Development				<u>1,827,754</u>
Total Expenditures of Federal Awards				<u><u>\$ 2,516,158</u></u>

The accompanying notes are an integral part of these financial statements

CITY OF NEWNAN, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of the City of Newnan, Georgia under programs of the federal government for the year ended December 31, 2010. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City of Newnan, Georgia, it is not intended to and does not present the financial position, changes in net assets or cash flows of the City of Newnan, Georgia.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the (identify basis of accounting) basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE 3 – SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the City of Newnan, Georgia provided federal awards to subrecipients as follows:

<u>CFDA Number</u>	<u>Program Name</u>	<u>Amount Provided to Subrecipients</u>
14.228	Neighborhood Stabilization Program	\$ 1,827,754

CITY OF NEWNAN, GEORGIA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

FEDERAL AWARD FINDINGS

Findings noted on the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with *OMB Circular A-133*:

NOT APPLICABLE – NO SINGLE AUDIT FOR 2009



J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
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Truman W. Clifton (1902-1989)

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

Honorable Mayor and Council
City of Newnan, Georgia

We have audited the financial statements of the governmental activities, each major fund, the aggregate discretely presented component units and the aggregate remaining fund information of the City of Newnan, Georgia as of and for the year ended December 31, 2010, which collectively comprise the City of Newnan, Georgia's basic financial statements and have issued our report thereon dated June 8, 2011. 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. Other auditors, audited the financial statements of the Newnan Water, Sewerage and Light Commission, as described in our report on the City of Newnan's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be a material weakness.



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**REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Mayor and Council
City of Newnan, Georgia

Compliance

We have audited the City of Newnan, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Newnan, Georgia's major federal programs for the year ended December 31, 2010. The City of Newnan, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Newnan, Georgia's management. Our responsibility is to express an opinion on the City of Newnan, Georgia's compliance based on our audit.

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

In our opinion, the City of Newnan, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

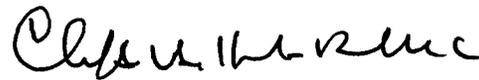
Management of the City of Newnan, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City of Newnan, Georgia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133; but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Newnan, Georgia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of control deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, City Council, the U.S. Department of Justice, the U.S. Department of Homeland Security and the U.S. Department of Housing and Urban Development; and is not intended to be and should not be used by anyone other than these specified parties.

Macon, Georgia
June 8, 2011

A handwritten signature in black ink, appearing to read "Chris [unclear]".

CITY OF NEWMAN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)	Yes
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None Reported
Type of auditor’s report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?	No

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
16.000	Federal Forfeiture Program
14.228	Neighborhood Stabilization Program

Dollar threshold used to distinguish between Type A and Type B program	\$ 300,000
Auditee qualified as low-risk auditee	No

CITY OF NEWNAN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Section II – Financial Statement Findings

Findings noted on the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*:

2010-1 Control Environment – Fines and Forfeitures

CRITERIA

Tickets issued by officers should reconcile/agree with ticket receipts reports generated by Courtware Solutions software program. All tickets issued should be accounted for by the department.

CONDITION

The City does not have control procedures in place to properly reconcile tickets issued to receipts reports or verify that all tickets issued had been accounted for in a timely manner.

EFFECT

The lack of reconciliations decreases the effectiveness of the system of internal controls. This condition results in a reduced ability to detect and correct errors and increases the possibility that irregularities, including fraud, could exist and continue without notice.

CAUSE

Management has not implemented a policy/procedure to ensure that all tickets are accounted for and reconciled monthly.

RECOMMENDATION

The City should implement a procedure to reconcile tickets issued to the ticket receipts report reflecting tickets paid or dismissed. All tickets issued should be accounted for and any unaccounted for tickets should be investigated on a timely basis. This procedure should be monitored by management.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTION

We concur with the finding regarding fines and forfeitures. The following steps are being taken to insure all tickets are accounted for going forward: Any case that is submitted on a Uniform Traffic Citation will be docketed as a T case. The T indicates a traffic case. Previously, any non-traffic offenses submitted on a UTC (Public Drunk, Minor in Possession of Alcohol, etc.) were docketed as an M (misdemeanor) case. Due to the fact that the M cases are listed separately, this gives the perception that there are missing tickets. Cases submitted on City Arrest Warrants are docketed with an MW code (misdemeanor warrant).

Ticket books will be issued to officers in sequential order. All voided tickets will be turned in to the Clerk's office at the Police department so they can be accounted for, including tickets that are damaged or destroyed. A monthly audit of ticket numbers will be conducted to identify any gaps and/or missing tickets. Explanations will be provided.

CITY OF NEWNAN, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010
(CONTINUED)

Component Unit – City of Newnan Downtown Development Authority

2010-2 Control Environment – Check signing

CRITERIA

The City of Newnan DDA bylaws require, all drafts, debits, checks, etc. drawn against accounts of the Authority not exceeding \$1,000 shall be signed by the Executive Director. Any drafts, debits, checks, etc. drawn against the accounts of the Authority exceeding \$1,000 shall be signed by the Executive Director along with one acting Authority member.

CONDITION

During 2010, the Authority issued six checks over the \$1,000 limit with only one signature.

EFFECT

The Authority violated the policy relative to two signatures on checks over \$1,000.

CAUSE

The Executive Director did not properly oversee the disbursements of the Authority.

RECOMMENDATION

The Authority should abide by the current policy.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTION

We concur with the finding regarding check signing by the DDA. We are currently in the process of hiring a new Executive Director, along with a new Main Street Coordinator, unrelated to this finding, but related to the corrective action. The new Executive Director will be given explicit instructions by both the City of Newnan management and the DDA board in regard to issuing and signing checks. Internally, the City will review bank statements monthly to ensure that appropriate signatures are obtained and deficiencies can be corrected in a timely manner. Copies of the monthly bank statements will be submitted to the Finance Director for review as they become available.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

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