CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Public Safety (Continued)					
Justice and Law (Continued)					
Travel	$ 1,000	$ 1,000	$ 911	$ 89	$ 519
Jury fees	1,000	1,000	510	490	1,000
Maintenance contracts	1,800	1,800	1,800	-	1,800
Small equipment purchases	400	400	448	(48)	-
Rental/lease of equipment	1,142	1,606	1,647	(41)	1,370
Employee training	200	200	91	109	-
Legal services	12,254	12,294	6,760	5,534	6,292
Totals	374,836	504,967	515,213	(10,246)	368,880
Fire Department					
Salaries and wages	663,401	662,243	660,954	1,289	631,530
Training pay	6,000	6,000	4,895	1,105	7,172
Volunteer pay	10,000	10,000	4,756	5,244	12,478
Overtime	1,000	1,000	95	905	174
Callbacks	15,000	15,000	9,852	5,148	12,234
Printing	1,100	1,100	990	110	935
Office supplies	2,500	2,500	2,302	198	1,889
Postage	625	625	462	163	513
Membership, dues and subscriptions	1,230	1,230	765	465	752
Travel	5,528	5,528	5,621	(93)	5,013
Vehicle fuel	12,797	12,797	11,535	1,262	12,823
Vehicle repair	10,000	11,600	15,738	(4,138)	8,896
Tires and tubes	3,620	3,620	2,976	644	2,245
Utilities	32,365	30,500	29,646	854	30,479
Telephone	4,000	4,000	3,127	873	3,447
Maintenance contracts	10,424	10,424	9,717	707	7,991
Equipment repair	4,750	4,750	4,283	467	7,110
Fire extinguishers	800	800	172	628	553
Building and fixture repairs	7,500	7,500	7,356	144	7,368
Small hand tools	2,620	2,620	2,209	411	1,635
Small equipment purchases	10,000	10,000	9,135	865	5,007
Radio supplies and maintenance	5,000	5,000	6,476	(1,476)	7,092
Uniforms	7,000	7,000	6,756	244	6,593
Safety equipment	14,100	14,100	13,332	768	7,470
Safety training/hygiene	1,000	1,000	861	139	793
Dry cleaning and laundry	600	600	299	301	309
Cleaning and sanitation supplies	2,000	2,000	1,967	33	1,979
Janitorial services	350	350	160	190	232
Medical and lab services	925	925	448	477	217
Advertising	500	500	385	115	497
Rental/lease of equipment	6,654	6,654	7,142	(488)	5,836

(Continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Public Safety (Continued)					
Fire Department (Continued)					
Employee training	$ 3,075	$ 3,075	$ 2,958	$ 117	$ 3,456
Physical exams	4,500	7,600	7,200	400	2,645
Fire hose supplies	2,000	2,000	1,827	173	10,518
Boarding supplies	3,000	3,000	2,807	193	2,710
Photo supplies	300	300	24	276	107
Fire investigation unit	400	400	270	130	284
Fire prevention	6,000	6,000	5,183	817	5,977
Volunteer firemen	1,700	1,700	1,544	156	1,402
Explorer scout post	200	200	132	68	177
Fire equipment reserve	12,756	12,756	-	12,756	-
Machines and equipment	129,290	129,290	24,705	104,585	-
Totals	1,006,610	1,008,287	871,062	137,225	818,538
Public Works					
Public Works Administration					
Salaries and wages	91,566	91,917	91,986	(69)	87,530
Overtime	75	75	23	52	38
Office supplies	1,000	1,000	979	21	953
Postage	100	100	48	52	27
Membership, dues and subscriptions	260	260	-	260	85
Travel	475	375	21	354	18
Vehicle fuel	1,500	1,500	1,593	(93)	1,556
Vehicle repair	150	250	148	102	85
Tires and tubes	160	160	-	160	239
Utilities	17,000	17,000	12,001	4,999	12,990
Telephone	2,200	3,160	2,054	1,106	1,592
Maintenance contracts	2,776	2,776	983	1,793	1,962
Equipment repair	200	200	293	(93)	69
Radio maintenance	150	150	-	150	-
Safety equipment	780	780	634	146	607
Safety training and hygiene	100	100	-	100	-
Cleaning and sanitation	150	100	77	23	128
Advertising	1,300	1,300	1,451	(151)	1,648
Rental/lease of equipment	1,410	1,410	3,384	(1,974)	1,236
Employee training	500	500	40	460	140
Computer programming	200	200	42	158	-
Machines and equipment	-	-	-	-	5,100
Totals	122,052	123,313	115,757	7,556	116,003

(Continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Streets					
Salaries and wages	$ 247,852	$ 219,543	$ 215,913	$ 3,630	$ 217,358
Holiday pay	100	100	121	(21)	-
Overtime	5,000	5,000	4,456	544	2,753
Travel	150	150	-	150	-
Vehicle fuel	15,000	16,500	16,187	313	16,319
Vehicle repair	4,000	5,000	6,055	(1,055)	2,420
Tires and tubes	4,300	4,300	4,165	135	2,454
Maintenance contracts	260	260	-	260	-
High school contract	5,061	5,061	3,852	1,209	3,781
Equipment repair	12,000	12,000	9,755	2,245	14,159
Small hand tools	650	650	534	116	287
Small equipment purchases	6,800	6,800	4,596	2,204	4,860
Cement and masonry	1,000	1,000	347	653	160
Sidewalk repair	10,000	10,000	9,304	696	10,205
Storm drain and pipe	1,500	1,500	102	1,398	265
Asphalt supplies and gravel	3,000	3,000	3,000	-	3,409
Radio maintenance	300	300	-	300	-
Uniforms	1,040	1,040	973	67	425
Safety equipment	1,200	1,500	1,134	366	1,107
Safety training/hygiene	1,400	1,100	235	865	93
Chemicals	8,000	8,000	8,227	(227)	4,079
Signs	4,000	4,000	1,458	2,542	2,687
Employee training	300	300	108	192	100
General supplies	2,000	2,000	1,285	715	1,087
Rights of way	4,670	21,970	17,463	4,507	32,240
Street paving/resurfacing	90,000	90,000	81,650	8,350	97,200
Parking lot improvements	33,200	33,200	-	33,200	-
Stormwater management	125,280	96,700	15,093	81,607	-
Automotive equipment	23,000	-	-	-	132,229
Machines and equipment	-	-	-	-	14,421
Totals	611,063	550,974	406,013	144,961	564,098
Sanitation					
Salaries and wages	187,402	185,957	179,580	6,377	168,912
Holiday	750	750	608	142	618
Overtime	10,000	11,000	9,603	1,397	8,817
Vehicle fuel	47,500	47,455	50,608	(3,153)	46,182
Vehicle repair	17,000	17,000	21,370	(4,370)	4,617
Tires and tubes	12,600	12,600	18,451	(5,851)	15,544
Maintenance contracts	2,768	2,768	-	2,768	-
Equipment repair	27,500	27,500	17,043	10,457	25,652
Small hand tools	150	150	155	(5)	62
Small equipment purchases	10,167	9,190	9,190	-	24,979

(Continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Public Works (Continued)					
Sanitation (Continued)					
Radio maintenance	$ 175	$ 175	$ -	$ 175	$ 44
Uniforms	680	680	296	384	472
Safety equipment	400	400	328	72	439
Safety training/hygiene	532	532	232	300	231
Chemicals	300	300	244	56	208
Employee training	100	100	154	(54)	-
General supplies	1,500	1,500	749	751	461
Automotive equipment	190,000	171,900	171,900	-	-
Machines and equipment	-	-	-	-	8,899
Totals	509,524	489,957	480,511	9,446	306,137
Building Maintenance					
Salaries and wages	54,280	45,073	44,601	472	48,354
Overtime	300	300	151	149	20
Vehicle fuel	2,561	1,700	1,616	84	2,210
Vehicle repair	350	350	122	228	171
Tires and tubes	250	250	233	17	390
Equipment repairs	150	150	50	100	83
Building and fixture repairs	2,000	2,000	1,303	697	561
Small hand tools	350	350	349	1	476
Small equipment purchases	960	890	890	-	-
Radio maintenance	50	50	-	50	-
Uniforms	350	350	389	(39)	-
Safety equipment	125	225	155	70	53
General supplies	550	550	538	12	319
Totals	62,276	52,238	50,397	1,841	52,637
Garage					
Salaries and wages	100,759	100,906	101,543	(637)	97,950
Holiday pay	100	100	68	32	33
Overtime	1,300	1,700	1,353	347	1,018
Membership, dues and subscriptions	25	25	25	-	25
Travel	200	200	12	188	11
Vehicle fuel	1,883	1,883	1,532	351	1,598
Vehicle repair	350	350	346	4	199
Tires and tubes	400	400	324	76	142
Grease and oil	5,300	5,300	7,116	(1,816)	4,907
Disposal	1,300	1,300	1,083	217	824
Equipment repair	3,000	4,894	5,178	(284)	826
Building and fixture repairs	700	700	116	584	337

(Continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Public Works (Continued)					
Garage (Continued)					
Small hand tools	$ 4,900	$ 4,900	$ 5,673	$ (773)	$ 791
Small equipment purchases	9,500	9,500	7,560	1,940	1,225
Radio maintenance	150	150	-	150	-
Uniforms	290	205	204	1	344
Safety equipment	200	200	85	115	124
Safety training/hygiene	100	100	92	8	-
Chemicals	1,000	1,000	1,057	(57)	1,009
Rental/lease of equipment	695	695	753	(58)	609
Employee training	200	200	170	30	150
General supplies	5,678	5,678	5,883	(205)	5,512
Totals	138,030	140,386	140,173	213	117,634
Recreation					
Salaries and wages	282,454	283,227	274,756	8,471	251,188
Overtime	4,000	3,225	4,252	(1,027)	1,203
Printing	1,500	1,500	1,406	94	1,243
Office supplies	1,750	1,750	1,784	(34)	1,677
Postage	850	850	630	220	592
Membership, dues and subscriptions	680	680	570	110	636
Travel	1,350	1,350	736	614	1,161
Vehicle fuel	9,500	9,000	8,739	261	9,240
Vehicle repair	2,000	2,000	1,784	216	1,099
Tires and tubes	700	700	617	83	1,008
Utilities	22,000	23,000	23,141	(141)	23,128
Telephone	2,000	2,000	1,459	541	1,565
Maintenance contracts	3,000	3,000	2,407	593	500
Equipment repair	3,500	4,700	4,526	174	3,746
Building and fixture repairs	20,000	18,800	12,247	6,553	18,649
Landscape repair	3,000	3,000	2,791	209	2,900
Small hand tools	1,000	1,000	1,000	-	988
Small equipment purchases	2,500	2,500	2,482	18	6,405
Storm drain/pipe	1,000	1,000	702	298	560
Asphalt supplies/gravel	2,000	2,000	916	1,084	977
Radio maintenance	500	500	396	104	49
Uniforms	1,500	1,500	974	526	1,282
Safety training/hygiene	1,500	1,500	1,303	197	1,469
Cleaning and sanitation supplies	750	750	748	2	717
Chemicals	3,000	3,000	2,879	121	2,988
Advertising	1,500	1,500	1,393	107	1,192
Rental/lease of equipment	4,900	4,900	4,934	(34)	3,915

(Continued)

CITY OF NEWBERRY
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Recreation (Continued)					
Employee training	$ 700	$ 700	$ -	$ 700	$ 260
Football	6,000	6,000	5,968	32	6,000
Baseball	10,000	10,000	8,462	1,538	9,012
Softball	2,000	2,000	1,681	319	2,016
Basketball	2,000	2,750	2,519	231	1,999
Senior adult programs	2,500	2,500	2,524	(24)	2,435
Other events	10,000	10,000	10,395	(395)	7,203
Machines and equipment	10,000	8,413	8,413	-	8,764
Buildings/resurface courts	18,000	19,587	9,741	9,846	14,988
Totals	439,634	440,882	409,275	31,607	392,754
Non-Departmental					
General Insurance					
Claims reimbursement	3,000	1,500	655	845	-
SCMIRF	104,853	94,277	90,272	4,005	95,395
Totals	107,853	95,777	90,927	4,850	95,395
Employee Benefits					
SC retirement	134,745	133,407	135,242	(1,835)	114,974
SC police retirement	209,869	207,289	193,010	14,279	174,217
Social security	275,754	272,661	253,649	19,012	229,247
City's share of employee insurance	504,830	483,093	466,742	16,351	459,765
Workers' compensation	131,512	111,519	101,960	9,559	98,366
Workers' comp. deductibles	30,000	30,000	5,583	24,417	28,871
Unemployment	5,000	5,000	6,103	(1,103)	3,643
Employer/employee relations	18,500	18,500	13,453	5,047	13,296
Physical exams	2,200	3,000	1,846	1,154	3,056
Wellness program	1,400	1,400	1,118	282	960
Totals	1,313,810	1,265,869	1,178,706	87,163	1,126,395

(Continued)

GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance With	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Non-departmental (Continued)					
Community Promotions and Projects					
MASC dues	$ 5,285	$ 5,285	$ 5,285	$ -	$ 5,285
Council on aging	4,000	4,000	4,000	-	4,000
Access Channel	-	-	-	-	40,000
Contribution to Newberry Opera House	25,000	25,000	25,000	-	25,000
City newsletter	3,000	3,000	-	3,000	-
Newberry Co. LEOA	1,500	1,500	1,500	-	1,500
Community enhancement	25,000	25,000	22,171	2,829	19,162
Contribution to County Fire Aerial	35,000	35,000	35,000	-	-
Development incentive reimbursement	22,079	22,600	24,255	(1,655)	22,079
City beautification	42,500	42,500	30,299	12,201	54,880
Visitors center	20,000	15,000	15,000	-	20,000
Parking lot rental	900	900	900	-	900
Advertising	45,000	45,000	37,138	7,862	43,101
Regional planning	8,000	8,000	7,935	65	7,935
Consulting	30,000	30,000	26,100	3,900	5,800
Totals	267,264	262,785	234,583	28,202	249,642
Capital lease principal and Interest payments	246,409	242,908	242,908	-	203,832
Totals	246,409	242,908	242,908	-	203,832
Grand Totals	$ 7,524,769	$ 7,535,621	$ 7,037,934	$ 497,687	$ 6,381,299

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the accumulation and disbursement of restricted resources. The City has the following Special Revenue Funds.

NANU – This fund is used to account for the revenues and expenditures of the Newberry Allied Narcotics Unit (NANU), the City's drug task force.

Federal Equitable Sharing – This fund is used to account for the City's share of federal drug seizure revenues and expenditures.

Tourism Fund – This fund is used to account for the renovations and operations of the conference center.

Oktoberfest – This fund is used to account for transactions of the Oktoberfest festival.

State Accommodations Tax Fund – This fund is used to account for money received from the state from the accommodations fee charged.

Cultural Arts Fund – This fund is used to account for transactions related to certain employees provided to the Newberry Opera House Foundation by contract. The City provides certain employees to operate solely under the direction of the Newberry Opera House Foundation Board of Directors.

Streetscape Fund – This fund is used to account for the revenues and expenditures of the street and sidewalk improvement program.

Community Housing/Development Fund – This fund is used to account for the expenditures of Community Development Block Grants and other funding sources made available for the purpose of housing rehabilitation and community development. No activity occurred in this fund during the fiscal year ended June 30, 2007.

Local Hospitality/Accommodations Fee Fund – This fund is used to account for the money received from the additional 2% fee charged for meals and lodging by the City of Newberry.

Volunteer Firemen – This fund is used to account for collection of shared insurance premium rebates from the State of South Carolina and expenditures on behalf of the City's firemen.

Victim's Rights Fund – This fund is used to account for the transactions of the State mandated Victim's Rights program.

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	NANU	Federal Equitable Sharing	Tourism Fund	Oktoberfest	State Accomodations Tax Fund	Cultural Arts Fund
Assets						
Cash and cash investments	$ 42,052	$ 12,565	$ 254,720	$ 13,998	$ 7,047	$ 3,983
Fees receivable	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Due from other governments	-	-	-	-	32,798	-
Other	125	29	793	15	178	17
Due from other funds	-	-	9,839	-	-	-
Total Assets	$ 42,177	$ 12,594	$ 265,352	$ 14,013	$ 40,023	$ 4,000
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ -	$ -	$ 20,513	$ -	$ -	$ 2,800
Retainage payable	-	-	27,874	-	-	-
Deferred revenue	-	-	2,480	-	-	-
Due to other funds	-	-	-	-	11,479	-
Total Liabilities	-	-	50,867	-	11,479	2,800
Fund Balances						
Unreserved						
Designated for						
future expenditures	42,177	12,594	214,485	14,013	28,544	1,200
Total Liabilities and Fund Balances	$ 42,177	$ 12,594	$ 265,352	$ 14,013	$ 40,023	$ 4,000

Streetscape Fund	Community Housing/ Development	Local Hospitality Fee Fund	Volunteer Fire	Victim's Rights Fund	Totals June 30,2007	Totals June 30,2006
$ 2,109	$ -	$ 195,545	$ 15,471	$ 89,544	$ 637,034	$ 1,707,305
-	-	47,710	-	-	47,710	42,090
-	355,000	-	-	-	355,000	355,000
-	-	-	-	-	32,798	271,466
7	-	1,340	-	320	2,824	3,378
-	-	-	-	10,612	20,451	5,138
$ 2,116	$ 355,000	$ 244,595	$ 15,471	$ 100,476	$ 1,095,817	$ 2,384,377
$ -	$ -	$ -	$ -	$ 63	$ 23,376	$ 139,909
-	-	-	-	-	27,874	100,686
-	355,000	-	-	-	357,480	355,000
-	-	-	-	-	11,479	1,499
-	355,000	-	-	63	420,209	597,094
2,116	-	244,595	15,471	100,413	675,608	1,787,283
$ 2,116	$ 355,000	$ 244,595	$ 15,471	$ 100,476	$ 1,095,817	$ 2,384,377

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	NANU	Federal Equitable Sharing	Tourism Fund	Oktoberfest	State Accommodations Tax Fund	Cultural Arts Fund
Revenues						
Fees						
Hospitality	$ -	$ -	$ -	$ -	$ -	$ -
Accommodations	-	-	-	-	-	-
Penalties	-	-	-	-	-	-
Intergovernmental						
Public safety	-	-	-	-	-	-
Community development						
Grants	-	-	6,250	-	-	-
CNNGA	-	-	-	-	-	-
Contribution from County - Sales Tax	-	-	-	-	-	-
Accommodations tax	-	-	-	-	66,014	-
Local						
Other	-	-	-	6,144	-	-
Drug seizure	8,900	-	-	-	-	-
Donations	-	-	-	8,025	-	-
Rental and other	-	-	14,371	-	-	-
Interest Income	1,614	428	30,835	359	1,652	17
Total Revenues	10,514	428	51,456	14,528	67,666	17
Expenditures						
Grants						
Capital expenditures	-	-	6,250	-	-	-
Other						
Operating expenditures	11,047	-	110,621	15,583	2,465	23,713
Capital expenditures	-	-	1,014,549	-	-	-
Tourism contribution/NOHF	-	-	-	-	-	-
Debt service						
Principal	-	-	66,513	-	-	-
Interest	-	-	48,176	-	-	-
Total Expenditures	11,047	-	1,246,109	15,583	2,465	23,713
Excess (Deficiency) of Revenues Over Expenditures	(533)	428	(1,194,653)	(1,055)	65,201	(23,696)
Other Financing Sources (Uses)						
Issuance of debt	-	-	-	-	-	-
Transfers in (out)						
General Fund	-	-	-	-	(27,051)	-
Debt Service Fund - TIF	-	-	-	-	-	-
Other Special Revenue Funds	-	-	185,214	3,500	(34,839)	24,896
Fund Balances, beginning	42,710	12,166	1,223,924	11,568	25,233	-
Fund Balances, ending	$ 42,177	$ 12,594	$ 214,485	$ 14,013	$ 28,544	$ 1,200

Streetscape Fund	Local Hospitality Fee Fund	Volunteer Fire	Victim's Rights Fund	Totals June 30, 2007	Totals June 30, 2006
$ -	$ 468,929	$ -	$ -	$ 468,929	$ 435,928
-	75,971	-	-	75,971	45,588
-	307	-	-	307	293
-	-	14,078	-	14,078	14,725
8,000	-	-	-	14,250	306,250
-	-	-	-	-	250,076
-	-	-	-	-	400,000
-	-	-	-	66,014	60,703
-	-	-	74,963	81,107	56,346
-	-	-	-	8,900	120
-	-	-	-	8,025	11,150
-	-	-	-	14,371	-
49	14,440	727	3,312	53,433	54,257
8,049	559,647	14,805	78,275	805,385	1,635,436
7,493	-	-	-	13,743	306,250
-	75,104	14,833	48,100	301,466	236,483
39,940	75,723	-	-	1,130,212	883,972
-	40,000	-	-	40,000	40,000
-	-	-	-	66,513	37,616
-	-	-	-	48,176	29,285
47,433	190,827	14,833	48,100	1,600,110	1,533,606
(39,384)	368,820	(28)	30,175	(794,725)	101,830
-	-	-	-	-	1,300,000
-	(163,214)	-	-	(190,265)	(120,880)
-	(126,685)	-	-	(126,685)	(125,849)
41,500	(220,271)	-	-	-	-
-	385,945	15,499	70,238	1,787,283	632,182
$ 2,116	$ 244,595	$ 15,471	$ 100,413	$ 675,608	$ 1,787,283

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - NEWBERRY ALLIED NARCOTICS UNIT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Drug seizure	$ 2,000	$ 2,000	$ 8,900	$ 6,900	$ 120
Interest income	1,200	1,400	1,614	214	1,631
Total Revenues	3,200	3,400	10,514	7,114	1,751
Expenditures					
Drug seizure					
Operating expenditures	19,750	19,750	11,047	8,703	11,581
Total Expenditures	19,750	19,750	11,047	8,703	11,581
Excess (Deficiency) of Revenues Over Expenditures	(16,550)	(16,350)	(533)	15,817	(9,830)
Fund Balances, beginning	42,710	42,710	42,710	-	52,540
Fund Balances, ending	$ 26,160	$ 26,360	$ 42,177	$ 15,817	$ 42,710

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - TOURISM FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Intergovernmental					
Community development grant	$ 110,000	$ 6,250	$ 6,250	$ -	$ 306,250
Clinton Newberry Natural Gas Authority	-	-	-	-	250,076
Contribution from County - Sales Tax	-	-	-	-	400,000
Rental and other	-	4,689	14,371	9,682	-
Interest income	-	26,899	30,835	3,936	35,801
Total Revenues	110,000	37,838	51,456	13,618	992,127
Expenditures					
Grants					
Capital expenditures	110,000	6,250	6,250	-	306,250
Other					
Operating expenditures	-	134,150	110,621	23,529	17,101
Capital expenditures	1,188,159	1,180,455	1,014,549	165,906	862,349
Debt service					
Principal	66,513	66,513	66,513	-	37,616
Interest	48,176	48,176	48,176	-	29,285
Total Expenditures	1,412,848	1,435,544	1,246,109	189,435	1,252,601
Excess (Deficiency) of Revenues Over Expenditures	(1,302,848)	(1,397,706)	(1,194,653)	203,053	(260,474)
Other Financing Sources (Uses)					
Issuance of debt	-	-	-	-	1,300,000
Transfers in					
General fund	-	-	-	-	60,905
Other special revenue funds	141,000	162,460	185,214	22,754	121,901
Fund Balances, beginning	1,223,924	1,223,924	1,223,924	-	1,592
Fund Balances, ending	$ 62,076	$ (11,322)	$ 214,485	$ 225,807	$ 1,223,924

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - OKTOBERFEST
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Local - other	$ 2,090	$ 4,424	$ 6,144	$ 1,720	$ 1,895
Donations	17,250	9,500	8,025	(1,475)	11,150
Interest income	62	304	359	55	188
Total Revenues	19,402	14,228	14,528	300	13,233
Expenditures					
Drug seizure/other					
Operating expenditures	17,825	15,930	15,583	347	15,220
Total Expenditures	17,825	15,930	15,583	347	15,220
Excess (Deficiency) of Revenues Over Expenditures	1,577	(1,702)	(1,055)	647	(1,987)
Other Financing Sources					
Transfer from					
Other special revenue funds	3,000	3,500	3,500	-	3,500
Fund Balances, beginning	11,568	11,568	11,568	-	10,055
Fund Balances, ending	$ 16,145	$ 13,366	$ 14,013	$ 647	$ 11,568

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - STATE ACCOMMODATIONS TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Intergovernmental					
Accommodations tax	$ 60,000	$ 60,000	$ 66,014	$ 6,014	$ 60,703
Interest income	600	1,000	1,652	652	1,077
Total Revenues	60,600	61,000	67,666	6,666	61,780
Expenditures					
Other					
Operating expenditures	34,700	35,700	2,465	33,235	28,211
Total Expenditures	34,700	35,700	2,465	33,235	28,211
Excess of Revenues Over Expenditures	25,900	25,300	65,201	39,901	33,569
Other Financing Sources (Uses)					
Transfer to					
General Fund	(26,750)	(26,750)	(27,051)	(301)	(26,785)
Other special revenue funds	-	-	(34,839)	(34,839)	(3,500)
Fund Balances, beginning	25,233	25,233	25,233	-	21,949
Fund Balances, ending	$ 24,383	$ 23,783	$ 28,544	$ 4,761	$ 25,233

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - CULTURAL ARTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Interest income	$ -	$ -	$ 17	$ 17
Total Revenues	-	-	17	17
Expenditures				
Other				
Operating expenditures	24,896	24,896	23,713	1,183
Total Expenditures	24,896	24,896	23,713	1,183
Excess (Deficiency) of Revenues Over Expenditures	(24,896)	(24,896)	(23,696)	1,200
Other Financing Sources (Uses)				
Transfers in				
Other special revenue funds	24,896	24,896	24,896	-
Fund Balances, beginning	-	-	-	-
Fund Balances, ending	$ -	$ -	$ 1,200	$ 1,200

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - STREETSCAPE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental				
Community development grant	$ 500,000	$ 307,265	$ 8,000	$ (299,265)
Other grant	163,292	81,000	-	(81,000)
Interest income	-	-	49	49
Total Revenues	663,292	388,265	8,049	(380,216)
Expenditures				
Grants				
Capital expenditures	20,000	10,000	7,493	2,507
Other				
Capital expenditures	740,384	440,765	39,940	400,825
Total Expenditures	760,384	450,765	47,433	403,332
Excess (Deficiency) of Revenues Over Expenditures	(97,092)	(62,500)	(39,384)	23,116
Other Financing Sources (Uses)				
Transfers in				
General fund	37,150	24,500	-	(24,500)
Other special revenue funds	45,942	38,000	41,500	3,500
Enterprise funds	14,000	-	-	-
Fund Balances, beginning	-	-	-	-
Fund Balances, ending	$ -	$ -	$ 2,116	$ 2,116

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - LOCAL HOSPITALITY/ACCOMMODATIONS FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Fees					
Hospitality	$ 425,000	$ 455,000	$ 468,929	$ 13,929	$ 435,928
Accommodations	45,000	67,500	75,971	8,471	45,588
Penalties	280	280	307	27	293
Interest income	7,000	10,000	14,440	4,440	11,738
Total Revenues	477,280	532,780	559,647	26,867	493,547
Expenditures					
Drug seizure/other					
Operating expenditures	100,000	58,334	75,104	(16,770)	100,000
Capital expenditures	-	69,623	75,723	(6,100)	-
Tourism contribution/NOHF	40,000	40,000	40,000	-	40,000
Total Expenditures	140,000	167,957	190,827	(22,870)	140,000
Excess of Revenues Over Expenditures	337,280	364,823	368,820	3,997	353,547
Other Financing Sources (Uses)					
Transfer to					
Debt service fund - TIF	(126,685)	(126,685)	(126,685)	-	(125,849)
General fund	(177,500)	(177,500)	(163,214)	14,286	(155,000)
Other special revenue funds	(141,000)	(225,356)	(220,271)	5,085	(121,901)
Fund Balances, beginning	385,945	385,945	385,945	-	435,148
Fund Balances, ending	$ 278,040	$ 221,227	$ 244,595	$ 23,368	$ 385,945

CITY OF NEWBERRY
SPECIAL REVENUE FUNDS - VICTIM'S RIGHTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Court fines and assessments	$ 49,500	$ 54,000	$ 74,963	$ 20,963	$ 54,451
Interest income	2,000	2,400	3,312	912	2,930
Total Revenues	51,500	56,400	78,275	21,875	57,381
Expenditures					
Drug seizure/other					
Operating expenditures	52,157	52,145	48,100	4,045	47,290
Capital expenditures	-	-	-	-	21,623
Total Expenditures	52,157	52,145	48,100	4,045	68,913
Excess (Deficiency) of Revenues Over Expenditures	(657)	4,255	30,175	25,920	(11,532)
Fund Balances, beginning	70,238	70,238	70,238	-	81,770
Fund Balances, ending	$ 69,581	$ 74,493	$ 100,413	$ 25,920	$ 70,238

CITY OF NEWBERRY
SCHEDULE OF FINES, ASSESSMENTS AND SURCHARGES
VICTIM'S RIGHTS FUND
YEAR ENDED JUNE 30, 2007

Municipal Court Revenue to City of Newberry				
Court revenue booked in General Fund, excluding Victim's Rights money			$	839,337
Court assessments and surcharges to State of South Carolina				(432,943)
Net Court Revenue to City of Newberry			$	406,394
Municipal Court Revenue to State of South Carolina				
Court assessments to the State Treasurer	$	310,677		
DUI assessments to the State Treasurer		700		
DUI Spinal Cord Research Surcharges to the State Treasurer		5,834		
DUI DPS Pullouts to the State Treasurer		5,834		
DUS Pullouts to the State Treasurer		6,320		
Drug Surcharges to the State Treasurer		4,926		
Law Enforcement Surcharges to State Treasurer		98,652		
Total Court Revenue to State Treasurer			$	432,943
Victim Services				
Court assessments allocated to Victim Services	$	39,027		
Court surcharges allocated to Victim Services		35,936		
Investment income		3,312		
Funds allocated to Victim Services			$	78,275
Victim Services expenditures				(48,100)
Excess of Revenues Over Expenditures				30,175
Fund Balances, beginning				70,238
Fund Balances, ending			$	100,413

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest from governmental resources.

Series 1998 Tax Increment Revenue (TIF) Bond - This fund is used to account for the activities related to the special assessment bond issue which paid off the Newberry Opera House construction loan and costs of issuance and made certain utility improvements.

CITY OF NEWBERRY
DEBT SERVICE FUND - TIF
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

	2007	2006
Assets		
Cash and cash equivalents	$ 98,233	$ 33,913
Property taxes receivable (net of allowance for uncollectibles)	24,903	6,943
Total Assets	$ 123,136	$ 40,856
Liabilities and Fund Balances		
Liabilities		
Deferred revenue	$ 24,717	$ 6,412
Total Liabilities	24,717	6,412
Fund Balances		
Unreserved, undesignated	98,419	34,444
Total Liabilities and Fund Balances	$ 123,136	$ 40,856

CITY OF NEWBERRY
DEBT SERVICE FUND - TIF
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Revenues					
Property taxes - current	$ 100,000	$ 275,000	$ 234,433	$ (40,567)	$ 174,230
Property taxes - delinquent	77,000	5,996	6,311	315	77,748
Interest	150	200	381	181	292
Total Revenues	177,150	281,196	241,125	(40,071)	252,270
Expenditures					
Debt service					
Principal	210,000	210,000	210,000	-	200,000
Interest	93,835	93,835	93,835	-	103,880
Total Expenditures	303,835	303,835	303,835	-	303,880
Excess (Deficiency) of Revenues Over Expenditures	(126,685)	(22,639)	(62,710)	(40,071)	(51,610)
Other Financing Sources					
Transfer from Special Revenue Fund	126,685	126,685	126,685	-	125,849
Fund Balances, beginning	34,444	34,444	34,444	-	(39,795)
Fund Balances, ending	$ 34,444	$ 138,490	$ 98,419	$ (40,071)	$ 34,444

PERMANENT FUND

Japanese Gardens - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the permanent fund can be used to maintain the Japanese Gardens.

CITY OF NEWBERRY
PERMANENT FUND - JAPANESE GARDENS
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

	2007	2006
Assets		
Cash and investments	$ 14,468	$ 12,727
Interest receivable	76	56
Total Assets	$ 14,544	$ 12,783
Liabilities and Fund Balances		
Fund Balances		
Reserved for Japanese Gardens maintenance	$ 10,000	$ 10,000
Unreserved, undesignated	4,544	2,783
Total Liabilities and Fund Balances	$ 14,544	$ 12,783

CITY OF NEWBERRY
JAPANESE GARDENS PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Operating Revenue					
Grants	$ 3,750	$ 3,750	$ 3,750	$ -	$ -
Interest revenue	300	400	502	102	338
Operating Expenses					
Maintenance of Japanese Gardens	(5,600)	(5,700)	(4,041)	1,659	(3,974)
Operating Income (Loss)	(1,550)	(1,550)	211	1,761	(3,636)
Transfer In					
General Fund	1,550	1,550	1,550	-	3,150
Enterprise Fund	-	-	-	-	1,300
Net Income (Loss)	-	-	1,761	1,761	814
Fund Balances, beginning	12,783	12,783	12,783	-	11,969
Fund Balances, ending	$ 12,783	$ 12,783	$ 14,544	$ 1,761	$ 12,783

ENTERPRISE FUND

The Enterprise Fund accounts for operations that are financed and operated in a manner similar to private business enterprise. The intent of the City is that costs of providing goods or services to the general public on a continuing basis will be financed or recovered through user charges.

Utility System - This fund is used to account for the activities of the Electric, Water and Sewer System (a department of the City of Newberry). Activities of the fund include administration, operation and maintenance of the electric, water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for Water and Sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the fund.

CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

	2007	2006
Assets		
Current Assets		
Cash and cash investments	$ 4,941,296	$ 4,010,492
Receivables (net of allowances for uncollectibles)		
Accounts	2,433,178	2,516,571
Intergovernmental	86,103	91,602
Interest receivable	18,532	15,591
Other	1,464	267
Due from other funds	-	10,713
Inventory	1,059,609	1,026,436
Restricted Assets		
Cash and cash investments	571,884	560,849
Interest receivable	2,765	2,365
Total Current Assets	9,114,831	8,234,886
Noncurrent Assets		
Capital Assets		
Land and land improvements	341,228	341,228
Buildings and fixtures	3,263,272	3,263,272
Office furniture and equipment	201,571	201,571
Traffic controls and fire alarm system	185,112	185,112
Street lighting	272,682	268,169
Other equipment	231,236	228,555
Motor vehicles and equipment	1,827,941	1,802,319
Electric distribution system	9,552,614	9,094,212
Water distribution system	15,217,023	15,003,551
Sewer collection system	18,848,906	18,419,896
Construction in progress	249,888	51,103
Totals	50,191,473	48,858,988
Less accumulated depreciation	(29,521,471)	(27,807,715)
Total Capital Assets	20,670,002	21,051,273
Bond issuance cost	101,984	125,980
Restricted assets		
Cash and cash investments	954,271	487,954
Note receivable - Newberry Opera House Foundation	97,787	137,787
Total Noncurrent Assets	21,824,044	21,802,994
Total Assets	30,938,875	30,037,880

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE BALANCE SHEETS
JUNE 30, 2007 AND 2006

	2007	2006
Liabilities		
Current Liabilities		
Accounts payable	$ 1,215,222	$ 1,170,047
Accrued salaries payable	45,000	34,896
Compensated absences payable	91,871	101,790
Due to other funds	37,651	-
Accrued interest payable	12,755	16,828
Revenue bonds payable	561,894	546,386
Total Current Liabilities	1,964,393	1,869,947
Noncurrent Liabilities		
Revenue bonds payable	1,454,462	2,016,355
Compensated absences payable	18,009	2,312
Total Noncurrent Liabilities	1,472,471	2,018,667
Total Liabilities	3,436,864	3,888,614
Net Assets		
Invested in capital assets, net of related debt	18,755,630	18,614,512
Restricted for		
Debt service	468,534	446,114
Maintenance of utility system	1,060,386	605,054
Unrestricted	7,217,461	6,483,586
Total Net Assets	$ 27,502,011	$ 26,149,266

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Operating Revenues					
Connection and reconnection fees	$ 73,000	$ 70,500	$ 75,801	$ 5,301	$ 80,099
Water receipts	2,886,092	2,899,334	2,932,711	33,377	2,854,328
Electric receipts	13,856,150	13,856,150	14,527,809	671,659	14,089,562
Sewer receipts	2,369,877	2,410,454	2,549,842	139,388	2,342,721
Sales and use tax	302,415	302,415	293,799	(8,616)	285,378
Utility penalty	180,000	180,000	194,930	14,930	183,611
Water taps	22,000	66,000	76,319	10,319	37,610
Sewer taps	9,000	43,000	40,000	(3,000)	16,700
Temporary electric services	7,500	8,000	8,380	380	8,675
Newberry housing authority	1,000	1,000	1,086	86	1,086
Fire flow access fees	23,000	23,000	23,673	673	23,656
Other revenue	35,000	15,000	13,120	(1,880)	42,655
CATV - pole rental	29,655	29,655	29,655	-	29,655
Total Operating Revenues	19,794,689	19,904,508	20,767,125	862,617	19,995,736
Operating Expense					
City Hall	51,450	27,150	18,642	8,508	26,625
Finance	303,175	312,354	300,126	12,228	268,908
Utility administration	197,224	169,411	148,799	20,612	143,004
Warehouse	43,745	43,174	41,534	1,640	37,807
Electric distribution	842,845	811,196	797,603	13,593	776,871
Water and sewer maintenance	597,720	767,894	613,005	154,889	564,121
Water production	988,614	1,119,613	1,053,700	65,913	959,216
Waste treatment	889,023	858,448	745,326	113,122	776,435
General insurance	107,853	95,777	90,272	5,505	95,395
Employee fringe benefits	639,277	590,728	549,838	40,890	543,791
Nondepartmental	12,287,801	12,317,751	12,872,307	(554,556)	12,455,132
Depreciation	1,700,000	1,700,000	1,728,388	(28,388)	1,661,592
Total Operating Expenses	18,648,727	18,813,496	18,959,540	(146,044)	18,308,897
Operating Income	1,145,962	1,091,012	1,807,585	716,573	1,686,839

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Nonoperating Income (Expenses)					
Interest revenue	$ 109,500	$ 178,000	$ 273,621	$ 95,621	$ 183,842
County sales tax	-	1,855,000	234,805	(1,620,195)	-
Other state receipts	-	94,750	94,750	-	-
Gain (loss) on extinguishment of capital assets	-	22,103	14,835	(7,268)	(8,192)
Interest expense, bank management fees and amortization	(100,000)	(100,000)	(87,236)	12,764	(103,178)
Total Nonoperating Income (Expenses)	9,500	2,049,853	530,775	(1,519,078)	72,472
Income Before Capital Contributions and Transfers	1,155,462	3,140,865	2,338,360	(802,505)	1,759,311
Capital contributions	-	27,783	95,085	67,302	146,006
Transfer from (to)					
General fund	(1,080,700)	(1,080,700)	(1,080,700)	-	(903,831)
Permanent fund	-	-	-	-	(1,300)
Net Income	74,762	2,087,948	1,352,745	(735,203)	1,000,186
Net Assets, beginning	26,149,266	26,149,266	26,149,266	-	25,149,080
Net Assets, ending	$ 26,224,028	$ 28,237,214	$ 27,502,011	$ (735,203)	$ 26,149,266

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
City Hall					
Utilities	$ 16,500	$ 16,700	$ 15,254	$ 1,446	$ 13,529
Building and fixture repair	33,450	8,950	2,184	6,766	11,864
Cleaning and sanitation supplies	1,500	1,500	1,204	296	1,232
Totals	51,450	27,150	18,642	8,508	26,625
Finance					
Salaries and wages	209,242	211,171	211,287	(116)	197,857
Overtime	2,000	2,000	290	1,710	512
Printing	250	250	-	250	-
Office supplies	6,900	7,500	7,216	284	6,545
Postage	21,500	21,500	21,414	86	19,731
Membership, dues and subscriptions	100	100	40	60	65
Travel	1,590	500	170	330	46
Vehicle fuel	4,900	5,000	5,270	(270)	4,970
Vehicle repair	700	700	481	219	463
Tires and tubes	1,050	1,050	-	1,050	801
Telephone - cellular	475	375	319	56	410
Maintenance contracts	17,703	16,533	15,520	1,013	15,326
Equipment repair	750	750	273	477	17
Small hand tools	500	500	408	92	292
Small equipment purchases	2,045	14,643	14,130	513	324
Radio supplies	150	150	104	46	-
Uniforms	2,400	2,400	2,119	281	2,009
Safety equipment	200	200	-	200	-
Safety training/hygiene	250	250	-	250	194
Advertising	500	500	45	455	358
Rent/lease equipment	10,125	10,075	10,659	(584)	8,651
Employee training	1,020	600	424	176	380
Audit	10,000	9,957	9,957	-	9,957
Computer programming	8,825	5,650	-	5,650	-
Totals	303,175	312,354	300,126	12,228	268,908

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Utility Administration					
Salaries and wages	$ 147,737	$ 128,202	$ 121,133	$ 7,069	$ 103,047
Overtime	2,000	200	70	130	-
Printing	500	500	143	357	-
Office supplies	2,500	2,500	2,569	(69)	1,374
Postage	800	800	278	522	411
Membership, dues and subscriptions	982	982	893	89	898
Travel	1,920	1,920	2,288	(368)	825
Vehicle fuel	2,000	862	963	(101)	1,321
Vehicle repair	750	750	215	535	301
Tires and tubes	200	200	117	83	65
Telephone	2,000	3,000	2,994	6	1,259
Maintenance contracts	7,350	7,350	995	6,355	15,465
Small equipment purchases	1,500	1,000	-	1,000	421
Advertising	7,000	7,000	6,330	670	11,763
Rent/lease equipment	6,085	6,085	5,172	913	5,479
Employee training	200	200	479	(279)	-
Extra legal service	2,500	2,500	-	2,500	-
Engineering supplies	1,200	1,200	-	1,200	375
Other	10,000	4,160	4,160	-	-
Totals	197,224	169,411	148,799	20,612	143,004
Warehouse					
Salaries and wages	31,005	31,114	31,116	(2)	29,825
Overtime	200	200	-	200	-
Office supplies	1,000	1,000	785	215	851
Postage	15	15	1	14	2
Membership, dues and subscriptions	30	30	30	-	30
Travel	140	140	-	140	-
Vehicle fuel (forklift)	70	70	60	10	48
Utilities	4,225	4,090	3,290	800	3,749
Telephone	250	225	205	20	228
Maintenance contracts	610	490	467	23	405
Equipment repair	50	50	114	(64)	-
Building and fixture repairs	1,250	1,450	1,403	47	615
Small equipment purchases	600	-	-	-	638
Safety equipment	50	50	-	50	-
Dry cleaning/laundry	25	25	-	25	-
Rental/lease of equipment	695	695	663	32	609

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Warehouse (Continued)					
Employee training	$ 100	$ 100	$ -	$ 100	$ -
Freight and shipping	30	30	24	6	-
Cost of sales	400	400	333	67	331
Inventory loss	3,000	3,000	3,043	(43)	476
Totals	43,745	43,174	41,534	1,640	37,807
Electric Distribution					
Salaries and wages	491,555	458,184	432,460	25,724	446,669
Overtime and holiday pay	19,000	19,688	15,817	3,871	15,215
Office supplies	400	400	460	(60)	351
Membership, dues and subscriptions	2,680	1,000	1,380	(380)	1,390
Travel	1,100	1,100	1,054	46	1,401
Vehicle fuel	26,000	26,000	22,689	3,311	24,994
Vehicle repair	20,000	20,000	7,817	12,183	11,936
Tires and tubes	3,200	3,200	2,375	825	2,723
Utilities	12,000	12,000	10,577	1,423	9,769
Telephone	1,500	1,500	730	770	1,019
Maintenance contracts	3,010	3,010	1,155	1,855	3,882
Contracts - elec. Rates/needs	10,000	10,000	10,745	(745)	8,581
Contracts - PCB testing	250	250	97	153	-
Meter testing	9,000	9,814	9,429	385	-
Equipment repair	10,500	10,500	3,911	6,589	7,130
Substation repairs	10,000	13,000	11,865	1,135	855
Building and fixture repairs	4,000	2,137	537	1,600	125
Small hand tools	10,000	10,000	4,060	5,940	9,013
Small equipment purchases	4,000	4,000	2,711	1,289	758
Cement and masonry	200	200	2,065	(1,865)	-
Uniforms	11,000	11,100	11,021	79	10,674
Safety equipment	4,900	4,900	4,976	(76)	3,929
Cleaning and sanitation supplies	1,050	1,050	1,544	(494)	1,045
Meters and meter parts	8,000	8,000	4,535	3,465	5,657
Electric materials	100,000	100,000	115,475	(15,475)	123,599
Advertising	500	1,163	1,047	116	-
Rent/lease equipment	2,000	2,000	1,610	390	910
Employee training	2,000	2,000	1,988	12	732

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Electric Distribution (Continued)					
Engineering	$ 10,000	$ 10,000	$ 36,943	$ (26,943)	$ 4,131
Legal Expenses	60,000	60,000	70,986	(10,986)	77,426
Rights of way	5,000	5,000	5,544	(544)	2,957
Totals	842,845	811,196	797,603	13,593	776,871
Water and Sewer Maintenance					
Salaries and wages	289,167	266,569	250,502	16,067	252,483
Overtime and holiday pay	28,800	30,286	28,371	1,915	22,873
Office supplies	425	425	507	(82)	254
Postage	150	150	-	150	54
Membership, dues and subscriptions	900	900	25	875	255
Travel	8,565	8,565	2,057	6,508	3,044
Vehicle fuel	26,149	26,149	27,462	(1,313)	24,356
Vehicle repair	12,000	33,755	41,744	(7,989)	12,788
Tires and tubes	3,750	3,750	2,174	1,576	2,302
Utilities	21,969	21,969	15,861	6,108	22,430
Telephone	1,200	1,200	987	213	1,124
Maintenance contracts	5,500	5,500	1,146	4,354	4,357
Contract - TV sewer lines	15,000	15,000	4,244	10,756	2,184
Meter testing	3,000	3,000	1,515	1,485	-
Equipment repairs	23,556	176,052	78,330	97,722	63,490
Building and fixture repairs	5,000	5,000	1,560	3,440	448
Small hand tools	3,000	3,399	3,308	91	7,120
Small equipment purchases	6,000	11,900	10,772	1,128	-
Cement and masonry	18,000	28,436	23,919	4,517	18,638
Uniforms	1,199	1,499	583	916	957
Safety equipment	8,600	8,600	8,717	(117)	3,711
Cleaning and sanitation supplies	2,000	2,000	1,754	246	1,603
Chemicals	2,500	2,500	322	2,178	1,667
Meters and meter parts	12,240	12,240	4,954	7,286	4,685
Pipes, fittings and hydrants	61,000	61,000	73,005	(12,005)	91,927
Advertising	1,000	1,000	149	851	866
Rental/lease equipment	2,000	2,000	2,513	(513)	954
Employee training	2,550	2,550	2,791	(241)	2,275
Engineering	7,500	7,500	-	7,500	1,595
Rights of way	25,000	25,000	23,733	1,267	15,681
Totals	597,720	767,894	613,005	154,889	564,121

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Water Production					
Salaries and wages	$ 289,744	$ 288,245	$ 287,419	$ 826	$ 286,269
Overtime and holiday pay	9,590	7,338	4,777	2,561	5,612
Regulatory fees	15,875	14,797	14,797	-	-
Office supplies	2,150	2,150	1,803	347	1,782
Postage	2,600	2,600	2,888	(288)	2,324
Membership, dues and subscriptions	1,015	2,921	2,601	320	889
Travel	1,000	792	590	202	35
Vehicle fuel	5,000	6,900	5,750	1,150	5,811
Vehicle repair	500	500	374	126	285
Tires and tubes	250	250	-	250	-
Utilities	295,000	295,000	285,570	9,430	285,920
Telephone	1,600	1,600	1,462	138	1,716
Maintenance contracts	19,300	19,300	16,592	2,708	37,136
Rate study	5,000	5,000	68	4,932	9,498
Sludge handling contract	14,000	14,000	13,150	850	11,750
Outside lab testing	15,500	11,500	6,535	4,965	-
Equipment repairs	111,000	247,230	244,898	2,332	114,973
Building and fixture repairs	7,500	7,500	5,273	2,227	12,306
Small hand tools	1,000	1,000	614	386	767
Small equipment purchases	1,500	1,500	127	1,373	424
Uniforms	1,000	1,000	589	411	128
Safety equipment	2,850	2,850	2,656	194	1,221
Cleaning and sanitation supplies	1,750	1,750	1,020	730	1,228
Chemicals	136,500	136,500	130,159	6,341	127,575
Medical and lab supplies	2,400	2,400	1,300	1,100	2,291
Pipes, fittings and hydrants	1,000	1,000	1,205	(205)	580
Electrical materials	1,000	1,000	295	705	707
Advertising	3,000	3,000	1,482	1,518	2,239
Rental/lease equipment	7,540	7,540	5,831	1,709	7,104
Employee training	2,450	2,450	1,754	696	1,282
Engineering	15,000	15,000	12,121	2,879	22,741
Extra legal	15,000	15,000	-	15,000	14,623
Totals	988,614	1,119,613	1,053,700	65,913	959,216

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
Waste Treatment					
Salaries and wages	$ 202,710	$ 204,035	$ 209,380	$ (5,345)	$ 196,597
Overtime and holiday pay	12,269	12,269	15,160	(2,891)	14,967
Regulatory fees	3,134	3,134	2,440	694	-
Office supplies	2,000	2,000	1,622	378	1,647
Postage	500	500	60	440	490
Membership, dues and subscriptions	2,700	2,700	2,790	(90)	2,940
Travel	6,185	6,185	1,878	4,307	1,426
Vehicle fuel	4,750	8,950	9,030	(80)	3,891
Vehicle repair	500	500	290	210	1,757
Tires and tubes	1,000	1,000	742	258	5
Utilities	215,000	215,000	233,042	(18,042)	237,947
Telephone	1,800	1,800	1,680	120	1,926
Maintenance contracts	21,000	14,000	9,997	4,003	13,454
Rate study	3,500	3,500	3,875	(375)	5,919
Sludge handling contract	172,000	172,000	122,110	49,890	143,028
Outside lab testing	35,000	35,000	18,734	16,266	20,840
Pretreatment program	13,300	13,300	14,918	(1,618)	-
Equipment repairs	82,000	62,000	42,402	19,598	35,394
Building and fixture repairs	3,000	3,000	2,326	674	2,152
Small hand tools	1,500	1,700	1,661	39	933
Small equipment purchases	1,000	1,000	297	703	1,039
Radio maintenance	-	-	42	(42)	-
Uniforms	900	900	566	334	500
Safety equipment	1,975	3,975	4,464	(489)	2,291
Safety training/hygiene	500	500	-	500	-
Cleaning and sanitation supplies	1,000	1,000	861	139	971
Chemicals	70,000	55,000	23,868	31,132	54,699
Medical and lab supplies	10,000	10,000	8,611	1,389	8,709
Pipes, fittings and hydrants	1,500	1,500	174	1,326	702
Electrical materials	1,000	1,000	437	563	1,060
Advertising	300	300	-	300	38
Rental/lease equipment	500	3,000	2,181	819	2,481
Employee training	1,000	2,200	1,764	436	922
Engineering	15,000	15,000	7,924	7,076	13,510
Extra legal	500	500	-	500	4,200
Totals	889,023	858,448	745,326	113,122	776,435

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
SCHEDULE OF EXPENSES - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2007
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2006)

	Budgeted Amounts		Actual	Variance with	Year Ended
	Original	Final	Amounts	Final Budget	June 30, 2006
General Insurance					
Claims reimbursement	$ 3,000	$ 1,500	$ -	$ 1,500	$ -
SCMIRF	104,853	94,277	90,272	4,005	95,395
Totals	107,853	95,777	90,272	5,505	95,395
Employee Fringe and Benefits					
SC retirement	142,272	136,079	134,896	1,183	123,586
Social security	132,729	126,952	119,497	7,455	117,187
City's share of employee insurance	258,102	228,037	217,063	10,974	230,523
Workers' compensation	64,774	54,927	50,778	4,149	48,619
Workers' compensation deductibles	15,000	15,000	2,750	12,250	14,248
Unemployment claims	8,000	5,000	-	5,000	7,072
Employer/employee relations	15,000	15,000	8,633	6,367	9,604
Physical examinations	2,500	2,500	936	1,564	2,083
Wellness program	900	900	1,028	(128)	915
Compensated absences	-	-	5,778	(5,778)	
Contract classification/ compensation study	-	6,333	8,479	(2,146)	(10,046)
Totals	639,277	590,728	549,838	40,890	543,791
Nondepartmental					
Sales and use tax	302,415	302,415	286,976	15,439	280,911
Purchase of electricity	11,922,000	11,922,000	12,442,852	(520,852)	12,051,244
SCE&G water contract	15,070	15,070	15,261	(191)	11,588
Refunds	10,000	10,000	6,987	3,013	8,231
Newberry Opera House	-	29,950	29,950	-	-
Community enhancement	25,000	25,000	10,035	14,965	9,234
Web site maintenance	10,500	10,500	4,855	5,645	1,513
Utility bad debt expense	-	-	72,575	(72,575)	89,595
Lease - Lindsay Drivethru	2,816	2,816	2,816	-	2,816
Totals	12,287,801	12,317,751	12,872,307	(554,556)	12,455,132
Depreciation	1,700,000	1,700,000	1,728,388	(28,388)	1,661,592
Grand Totals	$ 18,648,727	$ 18,813,496	$ 18,959,540	$ (146,044)	$ 18,308,897

CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2007 AND 2006

	2007	2006
Cash Flows from Operating Activities		
Receipts from customers	$ 20,854,820	$ 19,920,700
Purchase of electricity	(12,442,852)	(12,051,244)
Payments to suppliers	(3,120,152)	(3,025,564)
Payments to employees	(1,591,900)	(1,646,910)
Net Cash Provided by Operating Activities	3,699,916	3,196,982
Cash Flows from Noncapital Financing Activities		
Transfers in (out)	(1,080,700)	(905,131)
Net Cash Used in Noncapital Financing Activities	(1,080,700)	(905,131)
Cash Flows from Capital and Related Financing Activities		
Capital expenses	(1,287,085)	(1,136,561)
Capital contributions	27,785	146,006
County sales tax	234,805	-
Other state receipts	94,750	-
Proceeds from sale of capital assets	22,103	9,047
Principal payments on bonds and notes payable	(546,385)	(530,237)
Interest paid	(67,313)	(83,139)
Net Cash Used in Capital and Related Financing Activities	(1,521,340)	(1,594,884)
Cash Flows from Investing Activities		
Interest on investments	270,280	174,059
Principal payments received on notes receivable	40,000	40,000
Net Cash Provided by Investing Activities	310,280	214,059
Net Increase in Cash	1,408,156	911,026
Cash and Cash Investments, Beginning	5,059,295	4,148,269
Cash and Cash Investments, Ending	$ 6,467,451	$ 5,059,295

(Continued)

CITY OF NEWBERRY
ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2007 AND 2006

	2007	2006
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income	$ 1,807,585	$ 1,686,839
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation	1,728,388	1,661,592
Decrease (increase) in accounts receivable	83,393	(60,903)
Decrease (increase) in inventories	(33,173)	(42,772)
Decrease (increase) in other receivables	4,302	(14,133)
Increase (decrease) in accounts payable	45,175	88,083
Increase (decrease) in compensated absences	5,778	(10,047)
Increase (decrease) in accrued salaries	10,104	(64,939)
Increase (decrease) in due to other funds	48,364	(46,738)
Net Cash Provided by Operating Activities	$ 3,699,916	$ 3,196,982
Noncash Capital Activities		
Contributions of capital assets	$ 67,300	$ 70,038

CAPITAL ASSETS - GOVERNMENTAL FUNDS

The Capital Assets - Governmental Funds provide accountability for the City's general capital assets. A capital asset is accounted for in this account when it has been purchased using general governmental resources and is used for general governmental purposes. Assets are recorded at historical cost if purchased, or if historical cost is not available, estimated historical cost, or fair market value on the date donated, if donated.

CITY OF NEWBERRY
COMPARATIVE SCHEDULES OF CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS
BY SOURCE
JUNE 30, 2007 AND 2006

	2007	2006
Capital Assets		
Land and improvements	$ 1,727,243	$ 1,313,520
Buildings, improvements and fixtures	6,949,327	5,205,430
Streets, sidewalks and bridges	1,343,230	1,323,255
Motor vehicles and equipment	3,922,087	3,873,254
Office furniture and equipment	171,157	171,157
Other equipment	621,611	514,111
Construction progress	47,433	1,168,598
Total Capital Assets	$ 14,782,088	$ 13,569,325
Investment in Capital Assets by Source		
General Fund	$ 6,311,272	$ 6,183,390
Special Revenue Funds	2,597,445	1,512,564
Capital Projects Funds	983,603	983,603
Donations	4,117,289	4,117,289
Parking Enterprise Funds	374,186	374,186
Contribution by Utility Enterprise Fund	398,293	398,293
Total Investment in Capital Assets	$ 14,782,088	$ 13,569,325

CITY OF NEWBERRY
SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2007

Function and Activity	Land and Land Improvements	Building Improvements and Fixtures	Streets, Sidewalks, and Bridges	Motor Vehicle and Equipment	Office Furniture and Equipment	Other Equipment	Construction in Progress	Total
General Government								
Council	$ 1,328,624	$ 6,915,459	$ -	$ -	$ -	$ 107,500	$ 47,433	$ 8,399,016
Finance	-	-	-	-	17,291	-	-	17,291
City Hall	-	-	-	-	22,989	8,850	-	31,839
Building and zoning	-	-	-	37,682	-	-	-	37,682
Total General Government	1,328,624	6,915,459	-	37,682	40,280	116,350	47,433	8,485,828
Public Safety								
Police	-	3,401	-	741,446	130,877	161,727	-	1,037,451
Fire	-	30,467	-	1,310,183	-	99,913	-	1,440,563
Total Public Safety	-	33,868	-	2,051,629	130,877	261,640	-	2,478,014
Public Works								
Administration	-	-	-	20,425	-	23,069	-	43,494
Streets and drainage	-	-	1,343,230	632,621	-	18,107	-	1,993,958
Sanitation and streets	-	-	-	983,930	-	-	-	983,930
Building maintenance	-	-	-	19,955	-	-	-	19,955
Garage	-	-	-	26,215	-	44,792	-	71,007
Total Public Works	-	-	1,343,230	1,683,146	-	85,968	-	3,112,344
Recreation	398,619	-	-	149,630	-	157,653	-	705,902
Total Capital Assets	$ 1,727,243	$ 6,949,327	$ 1,343,230	$ 3,922,087	$ 171,157	$ 621,611	$ 47,433	$ 14,782,088

CITY OF NEWBERRY
SCHEDULE OF CHANGES IN CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS - BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2007

Function and Activity	Capital Assets June 30, 2006	Additions	Deductions	Capital Assets June 30, 2007
General Government				
Council	$ 7,255,061	$ 1,143,955	$ -	$ 8,399,016
Finance	17,291	-	-	17,291
City Hall	31,839	-	-	31,839
Building and zoning	37,682	-	-	37,682
Total General Government	7,341,873	1,143,955	-	8,485,828
Public Safety				
Police	1,013,304	83,221	59,074	1,037,451
Fire	1,596,190	-	155,627	1,440,563
Total Public Safety	2,609,494	83,221	214,701	2,478,014
Public Works				
Administration	43,494	-	-	43,494
Streets and drainage	1,973,983	19,975	-	1,993,958
Sanitation and streets	812,030	171,900	-	983,930
Building maintenance	19,955	-	-	19,955
Garage	71,007	-	-	71,007
Total Public Works	2,920,469	191,875	-	3,112,344
Recreation	697,489	8,413	-	705,902
Total Capital Assets	$ 13,569,325	$ 1,427,464	$ 214,701	$ 14,782,088

STATISTICAL SECTION

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

Contents

	Page
Financial Trends	108 - 113
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Revenue Capacity	114 - 123
These schedules contain information to help the reader assess the government's most significant local revenue source, utility system receipts. Additional data is presented on property tax revenue, the most significant general fund revenue source and a traditional revenue source of interest to readers of this report.	
Debt Capacity	124 - 129
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Demographic and Economic Information	130 - 131
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Operating Information	132 - 134
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

City of Newberry
Net Assets by Component
Last Four Fiscal Years (1)
(accrual basis of accounting)

	2004 $	2005 $	2006 $	2007 $
Governmental activities				
Invested in capital assets, net of related debt	$ 3,858,984	$ 4,122,670	$ 3,920,914	$ 5,014,176
Restricted	10,000	10,000	10,000	10,000
Unrestricted	3,352,803	4,001,053	5,667,899	5,215,684
Total governmental activities net assets	$ 7,221,787	$ 8,133,723	$ 9,598,813	$ 10,239,860
Business-type activities				
Invested in capital assets, net of related debt	$ 18,640,596	$ 18,650,539	$ 18,614,512	$ 18,755,630
Restricted	1,500,134	969,491	1,051,168	1,528,920
Unrestricted	4,548,809	5,529,050	6,483,586	7,217,461
Total business-type activities net assets	$ 24,689,539	$ 25,149,080	$ 26,149,266	$ 27,502,011
Primary government				
Invested in capital assets, net of related debt	$ 22,499,580	$ 22,773,209	$ 22,535,426	$ 23,769,806
Restricted	1,510,134	979,491	1,061,168	1,538,920
Unrestricted	7,901,612	9,530,103	12,151,485	12,433,145
Total primary government net assets	$ 31,911,326	$ 33,282,803	$ 35,748,079	$ 37,741,871

City of Newberry
Changes in Net Assets
Last Four Fiscal Years (1)
(accrual basis of accounting)

	Fiscal Year			
	2004	2005	2006	2007
	$	$	$	$
Expenses				
Governmental activities:				
General government	$ 969,006	$ 1,005,597	$ 1,030,011	$ 1,445,489
Public safety	3,106,543	3,293,811	3,474,702	3,825,223
Public works	1,331,018	1,281,033	1,377,159	1,382,291
Recreation	480,602	504,492	509,442	533,905
Community development	108,710	121,262	188,088	114,662
Community promotions	160,230	230,180	249,642	234,583
Interest on long-term debt	119,846	109,050	129,897	170,940
Total governmental activities expenses	6,275,955	6,545,425	6,958,941	7,707,093
Business-type activities: Utility system	21,736,601	17,887,156	18,420,267	19,046,776
Total primary government expenses	$ 28,012,556	$ 24,432,581	$ 25,379,208	$ 26,753,869
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 1,187,358	$ 1,200,276	$ 1,301,029	$ 1,437,771
Public safety	481,017	665,597	557,813	862,315
Public works	334,424	591,701	575,977	579,809
Recreation	41,782	34,972	35,925	41,177
Operating grants and contributions	96,065	357,807	148,329	18,000
Capital grants and contributions	-	-	329,874	114,212
Total governmental activities program revenues	2,140,646	2,850,353	2,948,947	3,053,284
Business-type activities: Utility system				
Charges for services	19,382,534	18,896,660	19,995,736	20,767,125
Operating grants and contributions	15,536	-	-	-
Capital grants and contributions	367,484	340,836	146,006	189,835
Total business-type activities program revenues	19,765,554	19,237,496	20,141,742	20,956,960
Total primary government program revenues	$ 21,906,200	$ 22,087,849	$ 23,090,689	$ 24,010,244

(Continued)

	Fiscal Year			
	2004	2005	2006	2007
	$	$	$	$
Net (expense)/revenue				
Governmental activities	(4,135,309)	(3,695,072)	$ (4,009,994)	$ (4,653,809)
Business-type activities	(1,971,047)	1,350,340	1,721,475	1,910,184
Total primary government net expense	$ (6,106,356)	$ (2,344,732)	$ (2,288,519)	$ (2,743,625)
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes	$ 1,905,091	$ 1,783,419	$ 2,091,233	$ 2,181,578
Local hospitality and accommodation fee	396,926	442,297	481,809	545,207
Intergovernmental revenue	1,302,367	1,179,810	1,708,424	1,098,074
Interest revenue	22,402	51,539	160,413	199,890
Miscellaneous	25,961	188,712	128,074	189,407
Transfers	952,194	961,231	905,131	1,080,700
Total governmental activities	4,604,941	4,607,008	5,475,084	5,294,856
Business-type activities:				
Intergovernmental revenue	-	-	-	234,805
Interest revenue	51,836	70,432	183,842	273,621
Miscellaneous	-	-	-	14,835
Transfers	(952,194)	(961,231)	(905,131)	(1,080,700)
Total business-type activities	(900,358)	(890,799)	(721,289)	(557,439)
Total primary government	$ 3,704,583	$ 3,716,209	$ 4,753,795	$ 4,737,417
Change in Net Assets				
Government activities	$ 469,632	$ 911,936	$ 1,465,090	$ 641,047
Business-type activities	(2,871,405)	459,541	1,000,186	1,352,745
Total primary government	$ (2,401,773)	$ 1,371,477	$ 2,465,276	$ 1,993,792

City of Newberry
Governmental Activities Tax Revenues By Source
Last Four Fiscal Years (1)
(accrual basis of accounting)

Fiscal Year	Property Tax $
2004	1,905,091
2005	1,783,419
2006	2,091,233
2007	2,181,578

City of Newberry
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	$	$	$	$	$	$	$	$	$	$
General fund										
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	3,008,551	3,016,749	2,769,499	2,351,315	2,706,407	2,651,022	2,879,588	3,190,209	3,680,919	4,262,543
Total general fund	3,008,551	3,016,749	2,769,499	2,351,315	2,706,407	2,651,022	2,879,588	3,190,209	3,680,919	4,262,543
All other governmental funds										
Reserved	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Unreserved, reported in:										
Special revenue funds	146,547	131,820	159,359	369,877	359,043	425,061	569,944	632,182	1,787,283	675,608
Debt service fund	96,188	62,174	78,493	5,186	15,904	59,015	(30,486)	(39,795)	34,444	98,419
Permanent fund	4,923	4,738	4,327	4,006	4,546	3,719	2,821	1,969	2,783	4,544
Total all other governmental funds	257,658	208,732	252,179	389,069	389,493	497,795	552,279	604,356	1,834,510	788,571
Total all governmental funds	3,266,209	3,225,481	3,021,678	2,740,384	3,095,900	3,148,817	3,431,867	3,794,565	5,515,429	5,051,114

City of Newberry
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	$	$	$	$	$	$	$	$	$	$
Revenues										
Taxes	1,260,409	1,229,384	1,317,555	1,345,212	1,681,830	1,756,840	1,791,784	1,850,080	2,130,995	2,143,143
Licenses, permits and franchise fees	777,264	780,103	953,483	1,017,050	1,031,366	1,137,848	1,187,358	1,200,276	1,301,029	1,437,771
Fines and forfeitures	255,491	275,128	387,459	429,468	555,394	494,673	481,017	665,597	597,539	923,200
Charges for service	140,433	143,266	144,831	525,981	683,008	711,235	773,132	1,068,970	1,095,606	1,172,337
Intergovernmental	1,462,241	2,815,538	1,795,419	966,709	1,051,967	952,359	1,390,932	1,537,617	2,184,202	1,244,364
Miscellaneous	254,536	604,240	672,582	319,004	108,458	96,292	55,863	248,867	296,892	308,190
Total revenues	4,150,374	5,847,659	5,271,329	4,603,424	5,112,023	5,149,247	5,680,086	6,571,407	7,606,263	7,229,005
Expenditures										
General government	523,872	516,323	598,538	550,109	579,697	605,682	628,223	645,494	663,899	828,763
Public safety	1,944,787	2,100,898	2,286,440	2,196,609	2,307,620	2,374,084	2,529,513	3,311,386	2,590,447	2,933,901
Public works	939,329	935,343	1,213,615	1,171,941	961,146	1,090,185	1,219,816	1,121,842	1,156,509	1,192,851
Recreation	379,277	335,790	429,828	398,743	361,483	408,817	421,594	439,768	392,754	409,275
Community development	194,147	1,559,070	520,216	120,898	64,111	20,637	99,849	435,301	1,189,674	1,182,894
Nondepartmental	1,090,195	1,227,758	1,413,944	1,221,985	1,208,368	1,284,058	1,359,417	1,661,338	1,858,695	1,979,712
Debt Service										
Principal	50,000	50,000	200,000	160,000	165,000	175,000	185,000	195,000	237,616	276,513
Interest	9,700	86,125	158,825	147,980	140,018	131,687	122,868	113,558	133,165	142,011
Other charges	753	27,080	394	-					-	-
Total expenditures, including capital	5,132,060	6,838,387	6,821,800	5,968,265	5,787,443	6,090,150	6,566,280	7,923,687	8,222,759	8,945,920
Total capital expenditures only	319,461	243,242	746,446	473,629	242,115	383,710	448,644	1,199,977	1,450,870	1,427,464
Excess of revenues over (under) expenditures	(981,686)	(990,728)	(1,550,471)	(1,364,841)	(675,420)	(940,903)	(886,194)	(1,352,280)	(616,496)	(1,716,915)
Other financing sources (uses)										
Transfers in	951,800	950,000	1,057,000	1,155,519	1,028,847	1,076,850	1,107,967	961,231	1,030,980	1,080,700
Transfers out	(1,800)	-		(205,519)	(78,847)	(126,850)	(155,773)	-	(125,849)	-
Bond proceeds	-	3,250,000		-	-	-		-	-	-
Repayment of construction loan/costs	-	(3,250,000)		-	-	-		-	1,432,229	-
Capital lease proceeds	-	-	289,668	133,547	81,510	41,975	217,050	753,747	-	171,900
Total other financing sources (uses)	950,000	950,000	1,346,668	1,083,547	1,031,510	991,975	1,169,244	1,714,978	2,337,360	1,252,600
Net change in fund balances	(31,686)	(40,728)	(203,803)	(281,294)	356,090	51,072	283,050	362,698	1,720,864	(464,315)
Debt service as a percentage of noncapital expenditures	1.3%	2.5%	5.9%	5.6%	5.5%	5.4%	5.0%	4.8%	5.4%	5.5%

City of Newberry
Utility Enterprise System (1) Operating Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Electric Receipts	Percent of Total	Water Receipts	Percent of Total	Sewer Receipts	Percent of Total	Other Operating Revenue	Percent of Total	Total Combined Public Utility Operating Revenue
	$		$		$		$		$
1998	11,260,352	68.8%	2,778,769	17.0%	1,760,712	10.8%	557,780	3.4%	16,357,614
1999	11,614,599	68.9%	2,729,230	16.2%	1,777,520	10.5%	733,209	4.4%	16,854,559
2000	12,315,369	69.3%	2,911,810	16.4%	1,875,486	10.6%	667,397	3.8%	17,770,063
2001	12,462,561	69.4%	3,028,739	16.9%	1,840,751	10.2%	637,460	3.5%	17,969,512
2002	12,733,045	69.5%	3,074,512	16.8%	1,906,443	10.4%	608,187	3.3%	18,322,188
2003	12,793,345	69.0%	3,074,512	16.6%	1,906,443	10.3%	775,250	4.2%	18,549,551
2004	13,340,502	68.8%	3,073,167	15.9%	2,098,611	10.8%	868,490	4.5%	19,380,770
2005	13,293,635	70.3%	2,725,743	14.4%	2,195,893	11.6%	681,389	3.6%	18,896,660
2006	14,089,562	70.5%	2,854,328	14.3%	2,342,721	11.7%	709,125	3.5%	19,995,736
2007	14,527,809	69.9%	2,932,711	14.1%	2,549,842	12.3%	783,616	3.7%	20,793,978

(1) By Resolution adopted on August 27, 1948, Newberry City Council combined the existing Waterworks System, the existing Sewer System and the existing Electrical Distribution System into one system designated as the Combined Public Utility System of the City of Newberry. Since the systems are legally treated as one system, debt covenants are applied to the combined revenues.

City of Newberry
General Government Property Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	General Fund Property Tax	Debt Service Fund Property Tax	Total Property Tax
	$	$	$
1998	1,175,168	85,241	1,260,409
1999	1,202,380	27,004	1,229,384
2000	1,241,635	75,920	1,317,555
2001	1,270,383	74,829	1,345,212
2002	1,590,513	91,317	1,681,830
2003	1,631,656	125,184	1,756,840
2004	1,686,385	105,399	1,791,784
2005	1,678,379	171,701	1,850,080
2006	1,879,017	251,978	2,130,995
2007	1,902,399	240,744	2,143,143

City of Newberry, South Carolina
Utility Customer Trends - By Service and Category
Last Ten Years

	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004	June 2005	June 2006	June 2007
Electric Customers:										
Residential	3,926	3,986	3,996	3,965	3,931	3,943	3,992	4,012	4,016	4,055
Commercial	828	797	790	813	829	833	845	848	861	874
Industrial	13	14	14	14	14	14	13	13	12	12
Total	4,767	4,797	4,800	4,792	4,774	4,790	4,850	4,873	4,889	4,941
Water Customers:										
Residential	4,104	3,995	4,129	4,098	4,063	4,046	4,092	4,072	4,088	4,103
Commercial	687	781	662	667	675	691	703	715	731	740
Industrial	19	23	21	22	21	23	24	24	25	25
Total	4,810	4,799	4,812	4,787	4,759	4,760	4,819	4,811	4,844	4,868
Sewer Customers:										
Residential	3,576	3,573	3,589	3,552	3,515	3,510	3,548	3,543	3,552	3,572
Commercial	574	551	537	529	535	545	555	561	576	578
Industrial	15	16	18	20	20	22	21	21	21	21
Total	4,165	4,140	4,144	4,101	4,070	4,077	4,124	4,125	4,149	4,171
Total Number Utility Customers (1)	5,728	5,773	5,784	5,795	5,770	5,771	5,829	5,829	5,865	5,895

(1) The City serves some customers with only electric, only water or only sewer; therefore, total customers billed is based on number of utility bills produced and is not a mathematical computation.

City of Newberry
Utility Enterprise System Units Sold By Source
Last Ten Fiscal Years

Fiscal Year	Electric Kilowatt-hours	Percent Change	Water Cubic Feet		Percent Change	Treated Sewer Cubic Feet	Percent Change
1998	152,520,359	3.74%	193,808,210		2.01%	86,848,439	3.98%
1999	160,619,718	5.31%	199,479,532		2.93%	88,149,063	1.50%
2000	161,233,514	0.38%	208,576,270		4.56%	90,177,049	2.30%
2001	166,858,465	3.49%	226,731,985		8.70%	96,000,530	6.46%
2002	166,115,159	-0.45%	224,122,787		-1.15%	90,135,106	-6.11%
2003	169,899,221	2.28%	228,748,797		2.06%	89,452,327	-0.76%
2004	169,664,320	-0.14%	220,722,470		-3.51%	87,962,128	-1.67%
2005	172,980,472	1.95%	205,497,473	(1)	-6.90%	88,825,908	0.98%
2006	179,829,708	3.96%	199,542,449	(1)	-2.90%	95,283,833	7.27%
2007	179,341,477	-0.27%	196,656,486		-1.45%	97,589,068	2.42%

NOTE: Percent change is attributable to the combination of growth and weather conditions.

(1) One of the City's largest water customers, Newberry County Water and Sewer Authority, brought online its own water treatment plant during fiscal year 2005, thus lowering the amount of water it purchased from the City.

City of Newberry, South Carolina
Average Historic Utility Rates (1)
Last Ten Fiscal Years

Fiscal Year	Electric $	Percent Increase %	Water $	Percent Increase %	Sewer $	Percent Increase %	TOTAL $	Percent Increase %
1998	83.25	2.75	18.36	0.00	17.57	0.00	119.18	1.91
1999	85.05	2.16	17.27	-5.94	17.57	0.00	119.89	0.60
2000	85.44	0.46	17.27	0.00	17.57	0.00	120.28	0.33
2001	86.86	1.66	17.27	0.00	17.57	0.00	121.70	1.18
2002	86.86	0.00	17.27	0.00	18.52	5.41	122.65	0.78
2003	87.69	0.96	17.27	0.00	19.50	5.29	124.46	1.48
2004	88.14	0.51	17.27	0.00	20.48	5.03	125.89	1.15
2005	89.89	1.99	17.27	0.00	21.51	5.03	128.67	2.21
2006	89.89	0.00	17.87	3.47	22.46	4.42	130.22	1.20
2007 (2)	91.51	1.80	18.47	3.36	23.44	4.36	133.42	2.46

(1) This table shows the in-City residential electric, water and sewer charges, based upon the rates in effect at the end of the fiscal years shown, with charges calculated based upon usage of 988 kWh per month for electric (exclusive of wholesale power cost adjustments), 776 cubic feet for water and 776 cubic feet for sewer, and the percentage increase in charges in such fiscal years for such levels of usage.

(2) Rates reflected for June 30, 2007. An overall increase of 1.80% on electricity, 3.30% on water, and 4.50% on sewer became effective on the July 1, 2006 billing. Additionally, please note that a rate increase of 2.09% on electricity and 4.99% on sewer became effective on the July 1, 2007 billing (fiscal year 2008).

City of Newberry
Principal Utility Customers by Total Billed (1)
June 30, 2007

Customer	Fiscal Year 2007 Total Billed $	Fiscal Year 2007 Rank	Fiscal Year 2007 Percentage of Total Operating Revenue (2)	Fiscal Year 1998 Total Billed $	Fiscal Year 1998 Rank	Fiscal Year 1998 Percentage of Total Operating Revenue (3)
Louis Rich	4,521,245	1	21.77%	2,746,880	1	16.79%
Saluda Commission of Public Works	684,364	2	3.30%	418,483	3	2.56%
Newberry College	607,607	3	2.93%	370,449	4	2.26%
ISE	533,693	4	2.57%	341,469	5	2.09%
Newberry County Memorial Hospital	528,779	5	2.55%	300,424	7	1.84%
Shakespeare	374,325	6	1.80%	491,241	2	3.00%
Packing Corp. of America, Inc.	313,550	7	1.51%	253,155	8	1.55%
Newberry Housing Authority-Grant Homes	280,188	8	1.35%	129,077	10	0.79%
Newberry High School	202,120	9	0.97%	164,330	9	1.00%
Lowe's Home Center	188,965	10	0.91%			0.00%
Newberry County Water & Sewer			0.00%	312,284	6	1.91%
Total	8,234,836		39.66%	5,527,792		33.79%

(1) Source: City of Newberry utility records. Excludes utility billing records for City's own property.

(2) Total audited operating revenue for fiscal year 2007 is $ 20,767,125 .

(3) Total audited operating revenue for fiscal year 1998 is $ 16,357,613 .

City of Newberry
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Tax Year	Real Property (2)			Personal Property (3)			Total Taxable Assessed Value	Total Direct Tax Rate (4)	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
		Residential Property	Commercial Property	Total Real Property	Motor Vehicles	Other Personal Property	Total Personal Property				
		$	$	$	$	$	$	$	$	$	
1998	1997	Not Available	Not Available	8,999,270	Not Available	Not Available	5,936,930	14,936,200	87.00	247,015,605	6.05%
1999	1998	Not Available	Not Available	9,088,510	Not Available	Not Available	6,110,610	15,199,120	83.00	249,845,701	6.08%
2000 (1)	1999	Not Available	Not Available	11,436,480	Not Available	Not Available	5,993,380	17,429,860	73.80	293,868,636	5.93%
2001	2000	Not Available	Not Available	11,463,170	Not Available	Not Available	6,588,190	18,051,360	73.80	300,690,939	6.00%
2002	2001	Not Available	Not Available	11,417,990	Not Available	Not Available	6,532,770	17,950,760	94.00	301,576,173	5.95%
2003	2002	Not Available	Not Available	11,603,540	Not Available	Not Available	6,273,560	17,877,100	94.00	302,863,007	5.90%
2004	2003	Not Available	Not Available	11,641,550	Not Available	Not Available	6,650,430	18,291,980	94.00	310,825,886	5.88%
2005	2004	4,914,640	6,779,900	11,694,540	3,003,260	3,628,340	6,631,600	18,326,140	94.00	313,079,010	5.85%
2006	2005	4,949,970	7,386,260	12,336,230	4,112,215	3,419,720	7,531,935	19,868,165	96.50	342,195,769	5.81%
2007	2006	7,228,310	9,214,640	16,442,950	2,364,620	3,878,970	6,243,590	22,686,540	86.00	414,017,506	5.48%

(1) Reassessment.

(2) Source: Newberry County Auditor. $568,250 in assessed value ($10,518,160 in estimated actual value) was legally required to be allocated to the Tax Increment Financing District and is not included in the above information. Values related to tax-exempt property are not maintained. The breakdown between residential and commercial real property has not been reported for prior years and thus is stated beginning in fiscal year 2005.

(3) Source: Newberry County Auditor. All years include assessed value of $688,710 for Merchant's Inventory, now paid by the State of South Carolina, instead of local taxpayers to the City. The breakdown between residential and commercial real property has not been reported for prior years and this is stated beginning in fiscal year 2005.

(4) Tax rates are per $1,000 of assessed value.

City of Newberry
Property Tax Rates
(Per $1000 of Assessed Value)
Direct and Overlapping Governments
Last Ten Fiscal Years

					Overlapping Rates							
		City of Newberry (1)			Newberry County (2)			Newberry County School District (2)				
Fiscal Year	Tax Year	Operating Millage	Debt Service Millage	Total City Millage	Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	Other (2)	Total Direct & Overlapping Rates
1998	1997	82.3	4.7	87.0	56.8	14.8	71.6	150	64.0	214.0	14.4	387.0
1999	1998	82.3	0.7	83.0	68.5	9.2	77.7	154	76	230.0	12.3	403.0
2000 (3)	1999	73.8	0.0	73.8	65.2	15.2	80.4	144.7	0	144.7	10.9	309.8
2001	2000	73.8	0.0	73.8	66.5	22.0	88.5	156.7	0	156.7	11.8	330.8
2002	2001	94.0	0.0	94.0	81.9	8.9	90.8	165.0	54.5	219.5	2.7	407.0
2003	2002	94.0	0.0	94.0	108.7	7.1	115.8	173.1	53.0	226.1	3.1	439.0
2004	2003	94.0	0.0	94.0	114.3	1.5	115.8	179.5	50.6	230.1	3.1	443.0
2005	2004	94.0	0.0	94.0	114.3	4.2	118.5	185.5	41.7	227.2	3.3	443.0
2006	2005	96.5	0.0	96.5	114.3	11.0	125.3	192.3	53.0	245.3	3.4	470.5
2007 (3)	2006	86.0	0.0	86.0	135.5	9.8	145.3	182.1	53.0	235.1	6.6	473.0

(1) City of Newberry general obligation debt issued July 1989 (FY 1990 - 2000).

(2) Source: Newberry County Auditor.

(3) Reassessment.

City of Newberry
Principal Property Taxpayers (1)
June 30, 2007

Taxpayer	Fiscal Year 2007 (Tax Year 2006) Taxable Assessed Value $	Rank	Percentage of Total Taxable Assessed Value (2)	Fiscal Year 1998 (Tax Year 1997) Taxable Assessed Value $	Rank	Percentage of Total Taxable Assessed Value (3)
ISE Newberry Inc.	645,070	1	2.84%	215,440	2	1.44%
Bellsouth Tele. Inc.	639,990	2	2.82%	696,040	1	4.66%
Lowe's Home Centers	357,170	3	1.57%			-
Wal-Mart Real Est.	278,920	4	1.23%			-
Glimcher Properties Ltd.	253,820	5	1.12%	149,080	5	1.00%
Duke Energy Corp.	195,630	6	0.86%	175,180	4	1.17%
Racine Associates	178,180	7	0.79%			
145 Associates	178,170	8	0.79%			
Ellett Brothers Inc.	163,600	9	0.72%	102,750	8	0.69%
White Oak Manor Inc.	154,910	10	0.68%	94,800	10	0.63%
Glimcher Properties Lmt. Prtsh.			0.00%	114,240	6	0.76%
Nance Forest Apartments				98,620	9	0.66%
Cellco Partnership				204,300	3	1.37%
Comcast Cablevision				107,050	7	0.72%
Total	2,400,390		10.58%	1,742,060		11.66%

(1) Source: Newberry County Auditor.

(2) Total assessed valuation for tax year 2006 is $22,686,540 .

(3) Total assessed valuation for tax year 1997 is $14,936,200 .

City of Newberry
Property Tax Levies and Collections (1)
Last Ten Fiscal Years

Fiscal Year	Tax Year	Total Tax Levy for Fiscal Year (2)	Collected within the Fiscal Year of the Levy		Collections/ Adjustments in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
		$	$		$	$	
1998	1997	1,254,478	1,215,319	96.9%	39,159	1,254,478	100.0%
1999	1998	1,210,072	1,163,220	96.1%	46,852	1,210,072	100.0%
2000	1999	1,248,094	1,205,136	96.6%	42,014	1,247,150	99.9%
2001	2000	1,281,364	1,233,042	96.2%	47,374	1,280,416	99.9%
2002	2001	1,589,256	1,546,855	97.3%	38,265	1,585,120	99.7%
2003	2002	1,615,709	1,567,182	97.0%	45,976	1,613,158	99.8%
2004	2003	1,654,707	1,613,778	97.5%	37,480	1,651,258	99.8%
2005	2004	1,657,919	1,612,015	97.2%	43,466	1,655,481	99.9%
2006	2005	1,862,082	1,795,145	96.4%	54,969	1,850,114	99.4%
2007	2006	1,928,695	1,842,532	95.5%	-	1,842,532	95.5%

(1) Category includes tax collections for real and personal property, as well as fees in lieu of taxes, as reflected in the general fund and in the general obligation debt service fund for fiscal years 1998 - 1999, for current taxes and delinquent taxes respectively. TIF debt service fund tax collections are excluded.

(2) Total tax levy excludes Merchant's Inventory Reimbursement paid by the State of South Carolina to the City on $688,710 assessed value. Total tax levy also excludes Tax Increment Financing (TIF) debt service collected via City of Newberry, Newberry County and Newberry County School District tax levies.

City of Newberry
Ratios of Outstanding Debt by Type (1)
Last Ten Fiscal Years

	Governmental Activities			Business-Type Activities				
Fiscal Year	General Obligation Bonds (2)	Special Assessment Bonds (3)	Capital Leases	CPU Bonds (4)	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
	$	$	$	$	$	$		$
1998	100,000	-	77,101	9,955,187	308,305	10,440,593	7.7%	988
1999	50,000	3,250,000	-	8,901,629	236,267	12,437,896	8.8%	1176
2000	-	3,100,000	229,863	7,734,754	159,824	11,224,441	7.6%	1061
2001	-	2,940,000	301,802	6,548,264	78,706	9,868,772	6.5%	933
2002	-	2,775,000	289,219	5,736,959	-	8,801,178	5.6%	832
2003	-	2,600,000	209,912	4,900,632	-	7,710,544	4.7%	728
2004	-	2,415,000	277,264	3,585,100	-	6,277,364	3.7%	593
2005	-	2,220,000	892,292	3,092,978	-	6,205,270	3.6%	586
2006	-	2,020,000	2,114,018	2,562,741	-	6,696,759	3.7%	622
2007	-	1,810,000	2,008,856	2,016,356	-	5,835,212	3.1%	537

(1) Details of the City's outstanding debt can be found in the notes to the financial statements.

(2) Composed of 1989 General Obligation Bond (FY 1998-2000).

(3) Composed of 1998 Tax Increment Financing Bond (FY 1999-2007).

(4) Composed of Combined Public Utility (CPU) debt as follows: 2003 CPU Bond for fiscal year 2004-2007, 1993A Bonds and SRF Loan for fiscal years 1998-2003 and 1993B Bonds for fiscal years 1998-2001.

City of Newberry
Ratios of General Bonded Debt Outstanding (1)
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
	$	$	$		$
1998	100,000	57,772	42,228	0.28%	4
1999	50,000	-	50,000	0.33%	5
2000	-	-	-	0.00%	-
2001	-	-	-	0.00%	-
2002	-	-	-	0.00%	-
2003	-	-	-	0.00%	-
2004	-	-	-	0.00%	-
2005	-	-	-	0.00%	-
2006	-	-	-	0.00%	-
2007	-	-	-	0.00%	-

(1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

City of Newberry
Direct and Overlapping Governmental General Obligation Debt
As of June 30, 2007

Governmental Unit	Debt Outstanding $	Estimated Percentage Applicable	Estimated Share of Overlapping Debt $
Debt repaid with property taxes: County (1)	5,715,000	19.53% (2)	1,116,140
Subtotal, overlapping debt			1,116,140
City of Newberry direct debt repaid with property taxes	-	100%	-
Total direct and overlapping debt			1,116,140

(1) Source: Newberry County Treasurer

Breakdown of Newberry County's outstanding general obligation debt follows:

1995 County General Obligation Bond	$ 300,000
2000 County General Obligation Bond	$ 3,425,000
2004 School General Obligation Bond	$ 800,000
2005B County General Obligation Bond	$ 1,190,000
	$ 5,715,000

(2) The percentage of general obligation debt applicable to the City of Newberry is based on the percentage of assessed valuation of property located in the City. Newberry County assessed valuation, per the Newberry County Auditor, is $116,192,130. City of Newberry assessed valuation from the table within this statistical section labeled "Assessed Value and Estimated Actual Value of Taxable Property" is $22,686,540.

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

City of Newberry
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit - 8 percent of total assessed value	$ 1,194,896	$ 1,215,930	$ 1,394,389	$ 1,444,108	$ 1,456,972	$ 1,451,596	$ 1,463,358	$ 1,497,511	$ 1,620,690	$ 1,860,383
Total net debt applicable to limit	$ 100,000	$ 50,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Legal debt margin	$ 1,094,896	$ 1,165,930	$ 1,394,389	$ 1,444,108	$ 1,456,972	$ 1,451,596	$ 1,463,358	$ 1,497,511	$ 1,620,690	$ 1,860,383
Total net debt applicable to the limit as a percentage of debt limit	8.37%	4.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed Value - general	$ 22,686,540
Assessed Value - tax increment fiinancing district	$ 568,250
Total assessed value	$ 23,254,790
Debt limit (8% of total assessed value)	$ 1,860,383
Debt applicable to limit:	
Total general obligation bonds	$ -
Legal debt margin	$ 1,860,383

City of Newberry, South Carolina
Pledged-Revenue Coverage
Tax Increment Financing (TIF) Bond
Last Eight Fiscal Years

Fiscal Year	TIF Revenue (1)	Contribution from from City Local Hospitality/ Accommodations Fund	Debt Issuance Expenditures	Amount Available for Debt Service	Debt Service Requirements			Coverage (2)
					Principal	Interest	Total	
	$	$	$	$	$	$	$	
2000	379,741	-	-	379,741	150,000	155,575	305,575	1.24
2001	76,048	158,625	-	234,673	160,000	147,980	307,980	0.76
2002	91,718	224,018	-	315,736	165,000	140,018	305,018	1.04
2003	125,510	224,288	-	349,798	175,000	131,687	306,687	1.14
2004	105,699	112,668	-	218,367	185,000	122,868	307,868	0.71
2005	171,891	127,358	-	299,249	195,000	113,558	308,558	0.97
2006	252,271	125,849	-	378,120	200,000	103,880	303,880	1.24
2007	241,125	126,685	-	367,810	210,000	93,835	303,835	1.21

(1) Under the terms of the bond, the debt is to be serviced by the tax dollars generated by the tax increment financing district in accordance with State law and contributions from the Newberry Opera House, the renovation of which was partially financed by the proceeds of the bond. While the Newberry Opera House has been a major success as a performing arts center and has covered its operational expenses, there has been no surplus generated from which to make up the difference between the tax revenue and the debt service requirements. The City has made annual contributions from its Local Hospitality/Accommodations Fund to the TIF debt service fund since fiscal year 2001.

(2) There is no coverage requirement above the annual principal and interest for the TIF bond.

City of Newberry, South Carolina
Pledged-Revenue Coverage
Combined Public Utility System
Last Ten Fiscal Years

Fiscal Year	System Operating Revenues (1)	System Operating Expenses (2)	Amount Available for Debt Service	Audited Debt Service			Coverage (3)
				Principal	Interest	Total	
	$	$	$	$	$	$	
1998	16,357,613	13,049,819	3,307,794	1,068,210	444,173	1,512,383	2.17
1999	16,854,558	13,554,063	3,300,495	1,092,451	399,951	1,492,402	2.21
2000	17,770,062	14,605,670	3,164,392	1,166,875	351,421	1,518,296	2.08
2001	17,969,511	15,033,926	2,935,585	1,186,490	301,891	1,488,381	1.97
2002	18,322,187	15,316,639	3,005,548	811,305	260,949	1,072,254	2.80
2003	18,549,550	15,580,108	2,969,442	836,327	227,653	1,063,980	2.79
2004	19,380,770	16,046,641	3,334,129	1,315,532	154,103	1,469,635	2.27
2005	18,896,660	15,765,976	3,130,684	492,122	114,595	606,717	5.16
2006	19,995,736	16,647,305	3,348,431	530,237	99,367	629,604	5.32
2007	20,793,978	17,231,152	3,562,826	546,385	63,240	609,625	5.84

(1) Exclusive of interest earnings and non-operating income.

(2) Exclusive of depreciation and non-operating expenses.

(3) Debt Service Requirements for 2003 Bonds (FY 2004-2007), 1993 A and SRF Loan (FY 1998-2003). Coverage stated is by fiscal year. Bond indentures require coverage of 120% of annual principal and interest. For issuance of additional bonds, bond indentures require coverage of 120% of the maximum annual principal and interest. Using analysis dated June 30, 2007, the maximum annual debt service outstanding occurs in FY 2010 at $617,394; therefore, additional bonds coverage in accordance with bond indentures is 5.42%.

City of Newberry, South Carolina
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Personal Income	(3) Per Capita Personal Income	(4) Median Household Income	(4) Median Age	(5) Education Level In Years of Formal Schooling	(6) School Enrollment	(7) Umemployment Rate
		$	$	$				%
1998	10,569	136,244,979	12,891	24,664	34.2	11.6	5,893	4.3
1999	10,572	141,569,652	13,391	25,464	34.2	11.6	5,800	4.7
2000	10,576	146,900,640	13,890	26,264	34.2	11.6	5,718	4.9
2001	10,580	152,235,620	14,389	27,064	33.8	12.6	5,957	6.8
2002	10,584	157,574,592	14,888	27,864	33.8	12.6	5,938	7.7
2003	10,588	162,917,556	15,387	28,664	33.8	12.6	5,657	7.5
2004	10,591	168,259,217	15,887	29,464	33.8	12.6	5,858	6.9
2005	10,595	173,609,670	16,386	30,264	33.8	12.6	5,678	6.5
2006	10,761	181,699,485	16,885	31,065	33.8	12.6	5,743	7.3
2007	10,874	189,033,616	17,384	31,865	33.8	12.6	5,733	6.1

(1) Fiscal Year 2001 figure from 2000 Census. Estimates by City of Newberry Finance Department for fiscal years 1998-2000 and fiscal years 2002-2005. Estimates by South Carolina Budget and Control Board for fiscal years 2006-2007.
(2) Mathematical computation of per capital personal income multiplied by population.
(3) Fiscal Year 2001 figure from 2000 Census. Estimates by City of Newberry Finance Department for all other fiscal years.
(4) Fiscal Year 2001 figure from 2000 Census. Estimates by City of Newberry Finance Department for all other fiscal years.
(5) Sources: Estimates by Newberry County Development Board based on 1990 Census for fiscal years 1998-2000.
Estimates by City of Newberry Economic Development Office based on 2000 Census for fiscal years 2001-2007.
(6) Source: Newberry County School District.
(7) Source: South Carolina Employment Security Commission.

CITY OF NEWBERRY
PRINCIPAL EMPLOYERS (1)
CURRENT YEAR AND NINE YEARS AGO (2)

	2007			1998		
EMPLOYER	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT (3)	EMPLOYEES	RANK	PERCENTAGE OF TOTAL COUNTY EMPLOYMENT (4)
Louis Rich (*)	1230	1	7.14%	1400	1	8.65%
Newberry County School District (**)	840	2	4.87%	735	2	4.54%
Renfro(*)	530	3	3.08%	400	4	2.47%
Newberry County Memorial Hospital (**)	435	4	2.52%	200	9	1.24%
Georgia Pacific (*)	275	5	1.60%	277	7	1.71%
Bluewater Marine Group (*)	250	6	1.45%			
County of Newberry (**)	180	7	1.04%			
McKechnie Vehicle Components (*)	175	8	1.02%	250	8	1.54%
Newberry College	170	9	0.99%			
Shakespeare Electronics and Fiberglass (*)	165	10	0.96%	395	5	2.44%
American Fiber and Finishing (*)				697	3	4.31%
West Point Stevens Inc. (*)				334	6	2.06%
Eagle Construction Co.				168	10	1.04%

(1) Listing of principal employers of Newberry County provided since no listing compiled of principal employers inside City only. A single asterisk (*) is used to denote employers principally located outside the City limits and double asterisks (**) are used to denote employers with principal locations both inside and outside the City limits. No asterisk is used when the employer is principally located inside the City limits. Current year's data derived from Newberry County Chamber of Commerce records. Data for earlier year derived primarily from bond official statements, as available.

(2) Actual data from April, 1998.

(3) Percentage calculated using total county employment of 17,234 as found in the 2000 Census.

(4) Percentage calculated using total county employment of 16,188 as found in the 1990 Census.

CITY OF NEWBERRY
BUDGETED FULL-TIME EQUIVALENT CITY OF NEWBERRY EMPLOYEES BY FUNCTION (1)
LAST TEN FISCAL YEARS

FUNCTION	BUDGETED FULL-TIME EQUIVALENT EMPLOYEES									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
City Council	7	7	7	7	7	7	7	7	7	7
City Administration (2)	3	3	3	3	4	4	4	4	4	4
Finance	3.5	3.5	3.5	3.5	3.5	3.5	3.5	4	4	4
Building and Zoning	1.5	1.5	1	2	2	2	2	2.5	3	4
Public Safety										
Police										
Officers	27	27	28	29	27	28	28	28	31	32
Civilians	2	3	3	3	3	3	3	3	3	3
Justice and Law Civilians	1.25	1.25	1.5	1.5	1.75	1.75	1.75	1.75	3.2	3.2
Fire (3)										
Firefighters and Officers	19	19	19	19	19	19	19	19	19	19
Civilians	1	1	1	1	1	1	1	1	1	1
Public Works										
Public Works Administration	2	2	2	2	2	2	2	2	2	2
Streets	14	14	12	12	10	10	10	10	10	10
Sanitation	9	9	9	9	9	8	8	7	7	7
Building Maintenance	2	2	2	2	2	2	2	2	2	2
Garage	4	4	4	4	3	3	3	3	3	3
Recreation	13	13	13	13	9	9.5	9.5	11	14	14
Utility System										
Administration/Finance/Warehouse	11	11	11	11	11	11	11	11	11	11
Electric	12	12	12	12	12	12	12	12	12	12
Water/Sewer Maintenance	7	7	8	9	11	11	11	11	11	11
Water Plant	9	9	9	9	9	9	9	9	9	9
Wastetreatment Plant	6	6	6	6	6	6	6	6	6	6
Total	154.25	155.25	155	158	152.25	152.75	152.75	154.25	162.2	164.2

(1) Source: City of Newberry Personnel Director
(2) City Administration comprised of City Manager and Personnel departments.
(3) In addition to City staff, there were 18 Volunteer Firefighters in fiscal year 2007.

CITY OF NEWBERRY
OPERATING INDICATORS BY FUNCTION (1)
LAST TEN FISCAL YEARS

FUNCTION	FISCAL YEAR 1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government (2)										
Finance										
Business licenses (active and job licenses by by calendar year)	(3)	(3)	(3)	(3)	1,072	1,061	1,099	1,192	1,114	1,147
Building and Zoning										
New contruction values per building permits	$2,990,213	$5,062,478	$8,390,595	$4,998,628	$ 656,540	$3,075,955	$5,088,814	$8,362,652	$20,031,345	$20,250,479
Public Safety										
Police										
Incidences	8,709	9,199	10,894	11,370	10,765	10,009	9,477	11,811	11,277	11,814
Arrests and traffic violations (4)	1,341	1,582	1,526	1,526	5,136	5,027	4,095	5,997	5,207	8,251
Parking violations	146	178	147	147	83	155	212	277	245	272
Fire										
Volunteer personnel	15	21	24	24	19	20	21	19	16	18
Calls answered	278	408	528	528	388	488	540	643	593	543
Inspections	148	55	85	85	85	141	100	353	497	579
Public Works (5)										
Streets										
Streets resurfaced (miles)	-	1.35	-	2.27	-	1.37	2.23	1.04	1.20	0.90
Sanitation										
Refuse collected in tons per year (6)	6,302	6,494	6,681	6,841	6,762	7,572	7,277	7,387	8,138	8,707
Recreation										
# Participants residing within City limits	(3)	(3)	(3)	754	634	546	803	854	792	805
# Participants residing outside City limits	(3)	(3)	(3)	70	214	174	296	301	209	233
# Participants total	(3)	638	647	824	848	720	1,099	1,155	1,001	1,038
Utility System										
Electric										
Annual non-coincident purchased demand (kW)	33,429	34,414	36,078	35,578	36,965	36,303	35,783	31,308	34,714	30,670
Water										
Average production (gallons per day)	4,612,344	4,921,492	5,134,027	5,336,101	5,351,810	5,194,750	5,049,025	4,488,442 (7)	4,677,914 (7)	4,543,934
Sewer										
Average treatment (gallons per day)	2,301,288	1,910,455	2,123,495	2,469,619	2,139,900	2,352,745	2,186,575	2,255,724	2,310,800	2,390,000
Total										

(1) Source: Various City of Newberry departments.
(2) General governments comprised of City Council, City Manager, Personnel, Finance and Building/Zoning departments, for some of which there are no indicators presently available.
(3) Prior year data furnished as available.
(4) Fiscal years 1998 - 2001 reflect traffic violations only.
(5) Public Works comprised of Public Works Administration, Street, Sanitation, Building Maintenance and Garage, for some of which there are no indicators presently available.
(6) Estimates used for fiscal years 1998 - 1999.
(7) Newberry County Water and Sewer Authority opened its treatment plant during fiscal year 2005. For comparison purposes, the Authority's fiscal year 2004 total usage was an estimated 866,133 gallons per day. The City's planned expansion of its water treatment plant in fiscal year 2009 has been postponed beyond the City's six-year planning cycle as a result of the now available capacity.

CITY OF NEWBERRY
CAPITAL ASSET STATISTICS BY FUNCTION (1)
LAST TEN FISCAL YEARS

FUNCTION (2)	FISCAL YEAR 1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	29	32	34	34	35	35	35	37	32	31
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Fire trucks	5	5	5	5	5	5	5	6	6	6
Public Works (3)										
Streets										
Streets within City (miles)	82	82	83	83	84	84	84	84	84	84
Sanitation										
Packer trucks	3	3	3	4	4	4	4	5	5	5
Recreation										
Parks	14	14	15	15	15	15	15	15	15	15
Parks acreage	75	75	100	100	100	100	100	100	100	100
Utility System										
Electric										
Miles of primary conductor	253	250	250	250	245	253	247	247	247	253
Miles of secondary conductor	85	86	86	85	86	86	86	86	87	88
Water										
Miles of water main lines	115	116	119	123	123	123	125	125	125	125
Fire hydrants	458	462	466	477	476	474	477	479	481	481
Maximum daily production capacity (gallons)	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000
Sewer										
Miles of sanitary sewer main lines	117	117	118	121	121	122	123	123	123	124
Maximum daily treatment capacity (gallons)	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000	3,220,000

(1) Source: Various City of Newberry departments.
(2) No capital asset indicators are available for General Government function.
(3) Public Works comprised of Public Works Administration, Street, Sanitation, Building Maintenance and Garage departments, for some of which there are no indicators available.

GOVERNMENT AUDITING STANDARDS SECTION

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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*

To the Mayor and City Council
Newberry, South Carolina

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Newberry, South Carolina, as of and for the year ended June 30, 2007, which collectively comprise the City of Newberry, South Carolina's basic financial statements and have issued our report thereon dated August 27, 2007. 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.

Internal Control Over Financial Reporting

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

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Newberry, South Carolina's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City of Newberry, South Carolina's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Newberry, South Carolina's internal control.

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

Compliance and Other Matters

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

This report is intended solely for the information and use of the Mayor and City Council, management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

McKinley, Cooper & Co., LLP

August 27, 2007