

Popular Annual Financial Report



WINDER, GEORGIA

2014

Citizens' Report
City of Winder
Fiscal Year
Ending June 30, 2014

Quick Contact Guide for Citizens

Winder City Hall	25 East Midland Ave · PO Box 566 Winder, GA 30680	cityhall@cityofwinder.com	(770) 867-3106
Winder Police Department	25 East Midland Ave · PO Box 566 Winder, GA 30680	Emergencies Call 911	(770) 867-2156
Winder Fire Department	90 North Broad Street · PO Box 566 Winder, GA 30680	Emergencies Call 911	(770) 867-3212
Winder Customer Center	45 East Athens Street · PO Box 566 Winder, GA 30680	Emergencies Call 911	(770) 867-3106
Winder Utilities Department	83 West May Street · PO Box 566 Winder, GA 30680	Water Gas	(770) 867-7978 (770) 867-7629
Water/Sewer Treatment & Collection			(770) 868-0863
Public Works		Street Solid Waste Rose Hill Cemetary	(770) 868-0863 (770) 868-0863 (770) 868-0863
Planning, Inspections, License & Permits	23 N Jackson Street · PO Box 566 Winder, GA 30680		(770) 867-3106
Winder Community Center	113 East Athens Street · PO Box 566 Winder, GA 30680		(770) 867-9011
Code Enforcement Officer	25 East Midland Avenue · PO Box 566 Winder, GA 30680		(770) 867-2156
City Attorney, John Stell Russell, Stell, Smith & Mattison PC	25 East Midland Avenue · PO Box 566 Winder, GA 30680		(770) 867-7431
Cultural Arts Center	105 East Athens Street · PO Box 566 Winder, GA 30680		(678) 425-6884
Chimneys Golf Course	338 Monroe Highway · PO Box 566 Winder, GA 30680		(770) 307-4900
Winder Community Television (WTV21)	105 East Athens Street · PO Box 566 Winder, GA 30680		(678) 425-6845

Please visit us at www.cityofwinder.com to view or print this document and all current information about your City.
Additional copies are also available at 25 E. Midland Ave., Winder, GA 30680, or call 770-867-3106.

City of Winder's Observed Holidays

City Council's Meeting Schedule

Holiday	Date Closed
New Year's Day	January 1, 2015
Martin Luther King Jr	January 19, 2015
Memorial Day	May 25, 2015
July 4th	July 3, 2015
Labor Day	September 7, 2015
Thanksgiving Day	November 26, 2015
Day after Thanksgiving	November 27, 2015
Christmas Eve	December 24, 2015
Christmas Day	December 25, 2015

Work Sessions	Regular Meetings
January 5, 2015	January 6, 2015
February 2, 2015	February 3, 2015
March 2, 2015	March 3, 2015
April 6, 2015	April 7, 2015
May 4, 2015	May 5, 2015
June 1, 2015	June 2, 2015
July 6, 2015	July 7, 2015
August 3, 2015	August 4, 2015
September 14, 2015	September 15, 2015
October 5, 2015	October 6, 2015
November 9, 2015	November 10, 2015
December 7, 2015	December 8, 2015

COUNCIL MEMBERS

Alfonza Brown
Bob Dixon
Larry Evans
Sonny Morris
Ridley Parrish
Travis Singley



MAYOR
David Maynard

CITY ADMINISTRATOR
Donald Toms

City Of Winder

Report to the Citizens

We are pleased to present this *Citizens' Report*, also known as the Popular Annual Financial Report (PAFR), for the fiscal year ended June 30, 2014 for the City of Winder. The purpose of the report is to present useful information regarding your City's government operations, services, programs, and financial condition. As you review this report, I hope you will agree that we have made significant progress this year working together as a community.

While this report is unaudited, the financial information was derived from the City's Comprehensive Annual Financial Report (CAFR). The CAFR received a favorable opinion from the City's independent auditors, Clifton, Lipford, Hardison & Parker, LLC, stating the financial statements are fairly presented in conformity with generally accepted accounting principles (GAAP). Please note that the financial information shown here is abbreviated and condensed from the GAAP financial statements shown in the CAFR. Specifically, management's discussion and analysis, budgetary comparisons, component units, basic financial statements, and footnote disclosures are not included here. Additionally, on pages 18-19, the City has decided to include a Government-wide Cash Flow Statement which is also a deviation from GAAP. However, the City wants its citizens to have access to this information. For more detailed financial information, I encourage you to go to www.cityofwinder.com to view or print a copy of the CAFR or contact the Finance Director at the address below.

The City's Comprehensive Annual Financial Reports for the years ended in 2002 through 2013 were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in financial reporting. To be awarded this Certificate, a government must publish an easily readable and efficiently organized report that is compliant with both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City's 2014 CAFR has been submitted to GFOA for consideration of this Certificate, and we believe our current report continues to conform to the Certificate of Achievement program requirements.

Powered by excellent people, your City government is committed to providing excellent service in a cost effective, efficient manner guided by and aligned with our organizational values (Integrity, Customer Focused, Accountability, Respect, Innovation, Leadership, Action-oriented, and Our Employees). Thank you for taking the time to read the *Citizens' Report*. We appreciate any feedback you may have about this report. Please address your comments to either me or to the City's Finance Department at the address listed below.

Sincerely,

A handwritten signature in blue ink that reads "Leslie W. Henderson".

Leslie W. Henderson
Finance Director

Your City Government

The City of Winder, by virtue of its charter, operates under a Mayor-Council form of government with an appointed City Administrator. The Mayor and two Council members are elected at large, and four Council members are elected by wards within the City. All elections are non-partisan, and the Mayor and Council serve four-year staggered terms.

Mayor



David Maynard

City Council



Sonny Morris, Mayor Pro-Tem
Ward 1



Alfonza Brown
Ward 2



J. Ridley Parrish
Ward 3



Travis Singley
Ward 4



Bob Dixon
At-Large



Larry Evans
At-Large

John Stell, City Attorney
April Furman, City Clerk

DEPARTMENT DIRECTORS

Donald Toms, City Administrator

Roger Wilhelm, Utilities Director
Matt Whiting, Fire Chief
Alex Wages, Technology Services Director
Chris Scott, Golf Course Operations Manager

Leslie Henderson, Finance Director
Jim Fullington, Police Chief
Barry Edgar, Planning Director
Don Wildsmith, Cultural Arts Director

The City of Winder – Where Challenges Become Opportunities

Economic Trends and Outlook

The City of Winder is the largest city in Barrow County, and is the county seat. Barrow County is located in the center of Georgia's Golden Triangle and is the nucleus of research and technological advancements. In close proximity to Atlanta, Barrow County is just west of Athens and east of Gwinnett County. This central location, between four large employment and educational markets, makes Barrow County an escape from congested traffic and city noise. Like many other communities, Winder has seen a decline in residential growth over the last few years; however, Barrow County was among the top 20 fastest growing counties in the country during the last decade, and continues to attract new businesses to the area.

Fiscal Year 2014 brought a new addition to the City of Winder: The Chimneys Golf Course. The Chimneys was originally built by Eagle Greens Ltd. in 2002 on property owned by the City as part of the City's Land Application System (LAS) through a lease, development, and operating agreement with the City and the City of Winder Public Facilities Authority until February 2008. At that time, Chimneys GHC, LLC, purchased the lease agreement. Unfortunately, the golf industry took a big hit during the recession and in September 2013, the City of Winder's Public Facilities Authority exercised its first right of refusal in the buyout of the leasehold interest in the Chimneys Golf Course and deeded the course to the City of Winder. Because the City already owned the land, the Council decided it was in the best interest for the City of Winder.

Another major change for FY 2014 was the outsourcing of two departments: Public Works and Vehicle Maintenance. The City contracted with ESG to handle the Public Works department in February 2014. In July 2013, the City contracted with Akins Ford to handle all of the City's vehicle maintenance. The vehicle maintenance contract saved the City over \$83,000 in FY 2014 compared to FY 2013.

During Fiscal Year 2014, the City of Winder also voted to change its retirement plan from a defined benefit (DB) plan to a defined contribution (DC) plan for all newly hired employees. Any current, non-vested employees have until December 31, 2014, to decide whether to stay in the DB plan or move to the DC plan. In the DC plan, the City must contribute 3% of the employee's salary with a matching contribution up to an additional 3%. These changes to the retirement plan should help mitigate the unfunded liability over the next few years.

For FY 2014, the main funding for the operations of the City continues to come from the following primary sources: sales taxes, fire taxes, fines and forfeitures, licensing and permitting activities and utility profits. Year 2014 saw an increase in sales taxes and licensing and permitting activities which shows that our economy is slowly recovering from the recession felt over the last few years. The increase in charges for services were primarily due to the increase sales in natural gas because of a longer, colder winter than we have experienced recently and the new golf course revenues. The City's overall expenses increased slightly due to the purchase of the natural gas and the additional costs associated with running the Chimneys Golf Course. In all other areas, the City remained relatively stable in FY 2014 compared to FY 2013 because of management's continued due diligence for fiscal responsibility.

The City's overall utility customer base increased slightly over the past year. At June 30, 2014, the annual average number of water customers increased by 2.6%, and the annual average number of gas customers increase by 2.14% over FY 2013. Another factor in measuring the economic condition of a community is its overall property fair market value (FMV), and Winder's overall FMV increased by 4.17% over FY 2013 which is the first increase in values since FY 2008. Sales tax collections in 2014 increased over FY 2013 collections which almost equaled the amount of sales taxes the City received in 2008. The increase is partially due to a renegotiated LOST (Local Option Sales Tax) agreement with Barrow County and the other cities in Barrow County which increased the City of Winder's distribution

by 7.4%. There has been an increase in the number of water and sewer taps and building permits over the last fiscal year compared to the prior years. Even though these numbers are not close to pre-recession numbers, these factors indicate that our local government and community have weathered the worst part of the recession and that a turnaround in the local economy is within sight. The City of Winder continues to re-evaluate costs on a monthly basis and will adjust the budget as necessary. As the City continues its commitment to excellence and fiscal responsibility, it is moving forward with several important projects (see below):

Fire Department in 2015

The City of Winder will be expanding the operations of the Fire Department during 2015 with a renovation of the existing downtown fire station which is scheduled to be completed during the winter of 2015. The renovations will provide for additional living quarters for the department; as well as, a new training room. During 2015 the Fire Department will also have available a new Polaris rescue vehicle for off road rescues in Fort Yargo and areas of the City that are difficult to access with a standard rescue vehicle.

Chimneys Golf Course in 2015

If you have not been to the Chimneys Golf Course located off of Monroe Hwy 11, since the City purchased the course in the fall of 2013, come see our changes to this beautiful 18 hole course. The City will continue to work on improving the fairways and surrounding areas during the upcoming year. Some plans for 2015 also include improving the entrance, parking, and some enhancements to the patio and outdoor areas to better accommodate larger groups and events.

Water Utilities in 2015

The City of Winder is going to be focusing on projects based on storage, transmission, and metering. Over the last 2 years, we have experienced a substantial increase in growth to our customer base with new residential, commercial, and industrial customers. In order to continue to reliably serve our existing customers and position ourselves for future growth, increased raw water supply is needed. We will continue to work on the Winder/Auburn Reservoir Project, as well as, the project to increase water supply from Fort Yargo Lake to accommodate system redundancy for emergencies. We also plan to acquire two (2) additional treated water storage tank sites to establish additional capacity in the distribution system. The City will also continue transitioning into the Fixed Based Meter Reading System which replaces monthly manual meter reads with a wireless system, allowing for advanced leak detection, increases billing accuracy, and improves our ability to serve our customers.

Customer Center in 2015

The Customer center located at the corner of Jackson Street and East Athens Street is scheduled to reopen in February of 2015. The employees at Customer Center will be able to assist customers with setting-up accounts, paying utility bills, renting facilities (Community Center/Cultural Arts) for events.

Festivals and Events for 2015

The Jug Tavern Festival is scheduled for September 11 – 12 of 2015 in Downtown Winder and will feature live music, food, and craft vendors; as well as, many other activities. Other events for 2015 will also include Summerfest in May, the Spooktacular Festival in October, and the long-standing annual Christmas Parade in December. More details will be available throughout the year and can be found at www.cityofwinder.com.

Major Initiatives and Accomplishments

Public Safety

• *Police Department*

- The Police Department handled some *17,800 calls for service* and worked closely with the Boys and Girls Club, local school system and other organizations to provide a positive experience and *opportunities* for our children, including the annual “Christmas with a Cop.”
- During FY 2014, the Winder Police Department was awarded two grants:
 - The Small Agency Grant from the Governor’s Office of Highway safety in the amount of \$10,000 to be used for the purchase of items to help with traffic enforcement. Winder was selected as part of their active involvement and membership in the Piedmont area Traffic Enforcement Network (P.A.T.E.N.).
 - The Wrongful Conviction Grant from the Criminal Justice Coordinating Council in the amount of \$10,000 to be used to purchase audio and video recording equipment for the two interview rooms at the Police Department.



• *Fire Department*

- The Fire Department responded to *1,978 emergency calls* with an average response time of *3:53 minutes*.



- The Winder Fire Department purchased a new Emergency-One 1500 GPM pumper fire truck from FireLine, Inc. The City financed the purchase with a capital lease for a term of 10 years.
- The Winder Fire Department was awarded 1st place for the “Give Burn the Boot Highest per Capita” for money collected for the Georgia Firefighters Burn Foundation.
- The Department’s slogan, “**City Pride – City Wide**” is shown with its involvement in the community by offering the smoke detector program for the seniors, blood pressure screening, the annual Fire Prevention Day, and Empty Stocking Drive.

Special Facilities

- ***Educational Facilities***

- The City continues to provide space for Lanier Tech and the Adult Learning Center, which provides additional educational opportunities for hundreds of Barrow County students.

- ***Community Center***

- The Community Center opened for business in 1998 after major renovations to the inside of the old Duck Head textile building. The facility will hold approximately 450 people for a multitude of different events.
- During fiscal year 2014, the center held 310 events, which included weddings, receptions, company meetings and training, job fairs, and the City Council meetings.

- ***Cultural Arts Center***

- The City of Winder's Cultural Arts Center hosted, produced, or coordinated 387 major events during Fiscal Year 2014. These events varied widely from staged play, musical performances and dance recitals to readings by area authors, and classes for area colleges and universities. The Center is proud to be a Partner in Education with Winder-Barrow High, Apalachee High, and Russell Middle schools.
- The *Southern Circuit – Tour of Independent Filmmakers* chose the Cultural Arts Center for its 2014-2015 tour for the 5th year in a row to showcase some of the best independent filmmakers and their films from around the country and the world to communities in the South. The screenings will be held from September 2014 through April 2015.
- The *Winder-Barrow Community Theatre* and the Winder Cultural Arts Center again sponsored the *Summer Drama Camp* which offered introductory and advanced classes to over 100 reduced tuition or scholarship campers.



Community Television

- The City's *WTV21*, located inside the Cultural Arts Center, produced 3 original programs: *Talk of the Town* with Karen Allen, Barrow County Board of Commissioner meetings, and City of Winder City Council meetings. Channel 21 also airs special local events held throughout the year, such as the Winder festivals and Christmas parade, along with other programs received via satellite from third-party sources.
- During 2014, *Talk of the Town* won an Honorable Mention for Best Talk Show in the under \$200k budget category from the National Association of Telecommunications Officers and Advisors (NATOA). This is the 5th consecutive year that *WTV21's Talk of the Town* has won an award from NATOA.
- The Winder Barrow High School and Apalachee High School football games can also be seen on *WTV21* during the fall.

The Chimneys Golf Course



- The Chimneys Golf Course is beautifully designed amongst rolling hills, hardwoods, pine stands, and meandering Marburg Creek. The par-72 course yardage is nearly 6,500 yards from the tips, and offers five sets of tees to challenge golfers of all levels.
- In addition to its outstanding beauty, The Chimneys is proud to join a growing league of golf courses that are taking advantage the environmentally conscious practice of using recycled water to keep the course beautiful.

Community Development

- The License and Permit Department issued **54 building permits** and issued over **965 business licenses**. The Planning Department updated several zoning ordinances, provided administrative support for all zoning requests, and provided technical assistance for the streetscape beautification program. The GIS (Geographic Information System) Department continued to provide mapping support to all of the City's departments and the general public.

Utilities

• *Water Department*

- The City, through a contract with ESG Operations, Inc. treated **an average of 4.11 million** gallons of water per day and processed **and average of 1.91 million gallons** of wastewater per day.
- The Water Department installed **184 water taps/meters**, made **373** service repairs, added and maintained a system with over **14,700 accounts**, representing a population of over **30,000 people**. Residents can bring in a copy of their utility bill into the Utility Department to obtain indoor and outdoor water conservation kits free of charge.



- During FY 2014, the City of Winder and the City of Auburn partnered to redevelop a rock quarry that is located in Barrow County into a 1.1 billion gallon pump storage reservoir. The City of Winder's portion of the project is currently projected to cost approximately \$20.8 million. The City of Auburn has received funding from the Governor's Water Supply Program (GWSP), and the City of Winder plans to fund its portion with a loan from Georgia's Drinking Water State Revolving Fund which is administered by GEFA (Georgia Environmental Finance Authority).

- The City continues its Fixed Network project which replaces the City's current drive-by meter reading system with the Sensus Flex Net Automatic reading system for our utility customers. This project is primarily funded with a \$3,000,000 GEFA loan with an interest rate of .70% for 10 years.
- **Gas Department**
- The Department installed *130 new meters*, ran over *7,200 feet of new gas line*, and repaired *22 leaks*.



- The City's Gas Department was awarded American Public Gas Association Safety Award and H.E.A.T. Award from the Municipal Gas Authority of Georgia.
- Utility customers are able to round up their utility bills which will be donated to the H.E.A.T. (Helping families in need with Energy Assistance) program. H.E.A.T. provides statewide assistance to qualified households regardless of the energy used. The families that are assisted are the elderly, the disabled, and families with children.

Public Works

- The City of Winder Public Works Department saw major changes during FY 2014, as ESG, Inc., began operating this department through a contract with the City. ESG, Inc. has been concentrating its efforts on the maintaining the City's buildings, cleaning and maintaining the City's right of ways, and revitalizing the City's sidewalks, roads, common areas, and stormwater system. During FY 2014, some of these projects included the following:
 - The City of Winder's Streetscape program, which began during FY 2013 with funding from the Georgia Department of Transportation's (GDOT) traffic enhancement grant, was completed in May 2014. In FY 2010, the City was awarded a \$500,000 grant for this streetscape project which consists of enhancements for Broad Street from the Post Office to the Train Depot. During FY 2011, the City was awarded another \$500,000 from the GDOT for this project. This project is, by far, the biggest investment in the downtown area's history. Prior to beginning the Streetscape Project, the City relocated the water lines, sewer lines, and gas lines from Broad Street.
- The City received \$118,961 from the Local Maintenance and Improvement Grant Program (LMIG) from the Georgia Department of Transportation (GDOT) for road improvements in Winder. The City added the required 30% and repaved 7 different roads in Winder during FY 2014.



- **Garbage collection and disposal** is handled through a contract with Waste Management, who collected and disposed of **4,754 tons of garbage and 992 tons of recycle for 5,195 customers** within the City of Winder. The City's Public Works Department (ESG, Inc.) picked up **339 loads of debris and 5,704 tons of leaves and yard waste**.

Administrative

• **Human Resources Department**

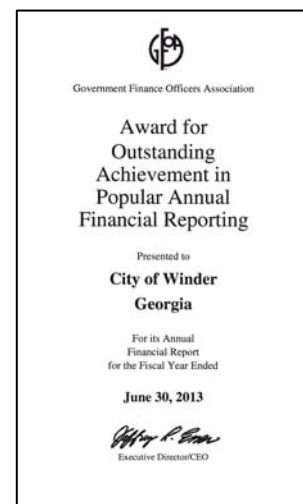
- The Personnel Department's **mission** is to recruit, train, support, and retain the most capable and productive staff for the City of Winder, while ensuring fair employment and equal opportunity under State and Federal laws.
- At June 30, 2014, the City had **160 full-time equivalent** employees budgeted within various departments.

• **City Clerk's Office**

- The City Clerk is one of the Mayor and Councils appointed Officers which serves as an Administrative Assistant to the Mayor, Council and City Administrator. The Clerk maintains all City Council minutes, ordinances, resolutions, contracts, deeds, leases, records and agreements. In addition to record keeping duties, the City Clerk assists in maintaining the Mayor's calendar and scheduling appointments, provides Educational Training and serves as a liaison between the public and elected officials. Other duties are given as directed. During FY 2014, the Clerk's office handled the following: twenty-four regular meetings, thirteen called meetings, two budget meetings, six executive sessions, three public hearings, and fourteen Zoning Board of Appeals meetings.

• **Finance Department**

- The Finance Department received a "**Certificate of Achievement of Excellence in Financial Reporting**" for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013. This is the 12th straight year the department has received this award.
- The Government Finance Officers Association of the United States and Canada (GFOA) has presented a **Distinguished Budget Presentation Award** to the City of Winder for its annual budget for the fiscal year beginning July 1, 2013. This is the 4th year that the City has received this distinguished award.
- The GFOA has given an **Award for Outstanding Achievement in Popular Annual Financial Reporting** to the City of Winder for its Popular Annual Financial Report (Citizens' Report) for the fiscal year ended June 30, 2013. In order to receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



2014 Year in Review



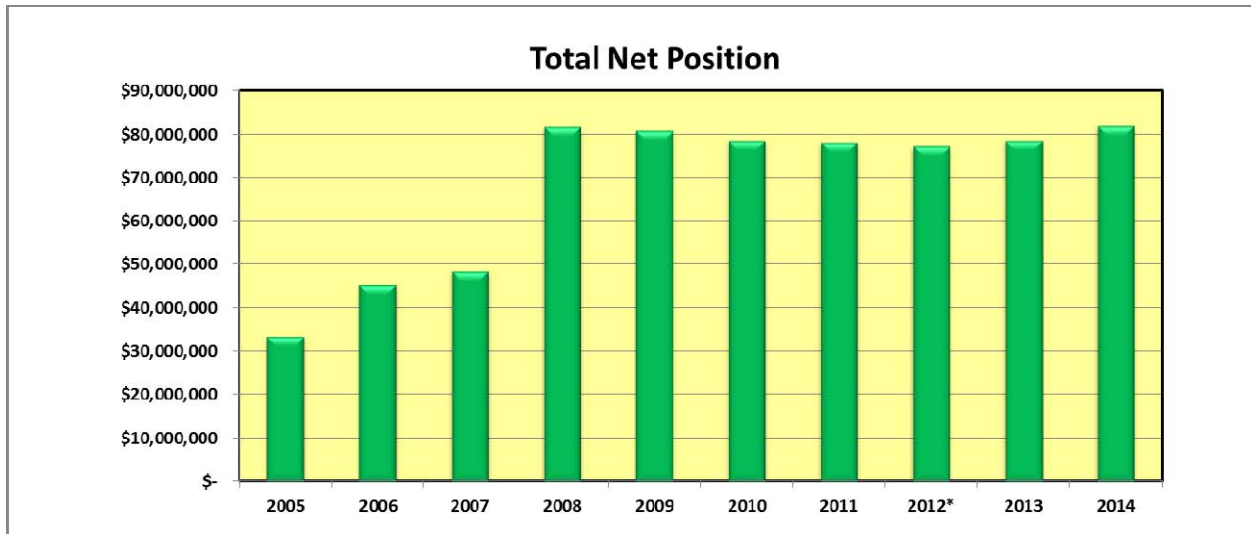
Financial Highlights

- The assets of the City of Winder's governmental activities and business-type activities exceeded its liabilities at the close of the fiscal year by \$81.9 million. Of this amount, \$17 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The graph entitled "Total Net Position," summarizes the City's total net position over the past 10 years. Net Position is the City's assets plus the deferred outflow of resources less liabilities at a given point in time. Assets include cash, receivables, vehicles, equipment, and infrastructure, such as streets, water plants, and water and gas systems. Deferred outflows of resources represent a consumption of net position that applies to a future period(s). Liabilities are financial obligations of the City and primarily consist of short-term and long-term debt. Over time, increases or decreases in net position can serve as a useful indicator of whether the financial position of City as a whole is deteriorating or improving. As shown on the Statement, the **City's financial position increased by \$3.3 million from the prior year**. The graph labeled Trend of Revenues and Expenses – Government-Wide shows the 10 year trends of city-wide revenues and expenses. The difference is either an increase or decrease of the City's net position for that applicable year.
- The City also has fund financial statements. These statements are presented to provide a more narrowed focus on the short-term resources and needs of the particular funds. A fund is an accounting unit used to maintain control over resources designated for activities or objectives. The City has two basic fund types: governmental funds and business-type activities or proprietary funds. Governmental Funds are generally used to account for tax-supported activities. These tax-supported activities are also known as "governmental activities."
- The primary governmental fund is the General Fund. The General Fund includes primarily governmental activities such as general government, public safety (police and fire), and public works (streets). Sources of General Fund revenue include sales taxes, license and permit fees, fines and forfeitures, and transfers from business-type activities (transfers are used to reclassify revenues from one fund to another fund). **Revenues** and other sources of financing from the governmental funds **equaled \$14.3 million** while **expenditures** including capital outlay **totaled \$13.4 million**. Governmental **revenues exceeded expenditures and other sources of financing by approximately \$.9 million**. The City's governmental funds operating revenues (excluding indirect cost allocation) were up \$.8 million from the prior year which was primarily due to an increase in taxes received, fines and forfeitures, building permits, grants received (LMIG), and insurance premium taxes. The increase in Street light assessment from \$15 to \$50 per parcel and the additional collections of fire taxes resulted in an increase of \$474,000. Fines and forfeitures increased by 19%. Building permits nearly doubled in FY 2014 going from \$29,000 in 2013 to \$55,000 in FY 2014. The City's Local Option Sales Tax yielded \$82,000 more than in the prior year. The Capital Projects Fund accounts for the Special Purpose Local Option Sales Taxes received by the City which is authorized by voter referendum. The City received \$106,000 more in SPLOST proceeds than in FY 2013. Interest revenues and police SRO services revenues decreased from 2013. The City of **Winder did not levy a property tax** (except for fire services) in 2014 and has not levied a property tax since 1977.
- The business-type activities consist primarily of utility funds such as Water/Sewer, Gas, and Solid Waste Management. Other business-activity funds are the Golf Fund and the Special Facilities Fund, which consists primarily of the operation of the Community Center and the Cultural Arts Center. As their names indicate, these funds are operated much like a business, in

that their revenues are derived primarily by the sale of products or services. Business-type activity *revenues equaled \$27 million* while *expenses totaled \$21 million* excluding net transfers out to the governmental funds of \$4.7 million. Business-type activities increased the City of Winder's net position by approximately \$2.5 million. The Water Fund revenues increased by \$1 million, which was due to a sewer rate increase in March 2014, additional gallons of water consumed by our citizens, and an increase in the number of water taps sold. Water expenses had a slight increase. Gas revenues were up significantly, along with the expenses in the Gas Fund, because of a higher consumption demand. The result was a net income of \$450,000. The Environmental Protection Fund remained unfunded and produced a net loss of \$24,000. As stated before, the City purchased the Chimneys Golf Course in September 2013. Prior to transfers, the Golf Fund had a net loss of \$115,000 due to startup cost and purchasing the course after, its peak season for golf rounds. Solid Waste increased revenue by \$66,000 due to a rate increase of \$1 per month in September 2013. Transfers to the Governmental Funds decreased by \$1.1 million compared to FY 2013.

- The last statement shown is a comparison of cash flows between fiscal year 2013 and fiscal 2014. Cash flow statements offer a unique look into the City's financial condition in that it is a virtual "checkbook" analysis of City operations. Cash flow statements are essential for evaluating the City's overall financial position, as it shows all monies received or spent by the City regardless of the source or how it is classified. This is important because in revenue and expense statements prepared in accordance with generally accepted accounting principals (GAAP), not all monies spent are recorded as current expenses. For example, in the business-type activities fund, if a pickup truck is purchased, it is not recorded as a current expense because the City is swapping one asset (cash) for another (the truck). However, the City still must have the *cash available* to purchase the truck.
- Another example of the importance of cash flow analysis is with the debt service in the utility funds. When the City embarks on a major infrastructure project, such as a new water or sewer plant, the cost can run into the millions of dollars. The City typically borrows the money for a twenty year period and makes principal and interest payments much like a home mortgage. Again in revenue/expense reports prepared according to GAAP, the principal payments are not shown as a current expense item. However, the City must still have the *cash available* to cover these obligations. The cash flow statement is set up on a non-departmental basis and clearly shows the cost of personnel, the cost of debt service, and the amount spent on capital outlay. The accompanying graphs show where cash came from and where cash went.
- Note: The City's Comprehensive Annual Financial Report does contain audited financial information in greater detail. For further information, please contact the City Finance Director at (770) 867-3106 or visit our website at www.cityofwinder.com.

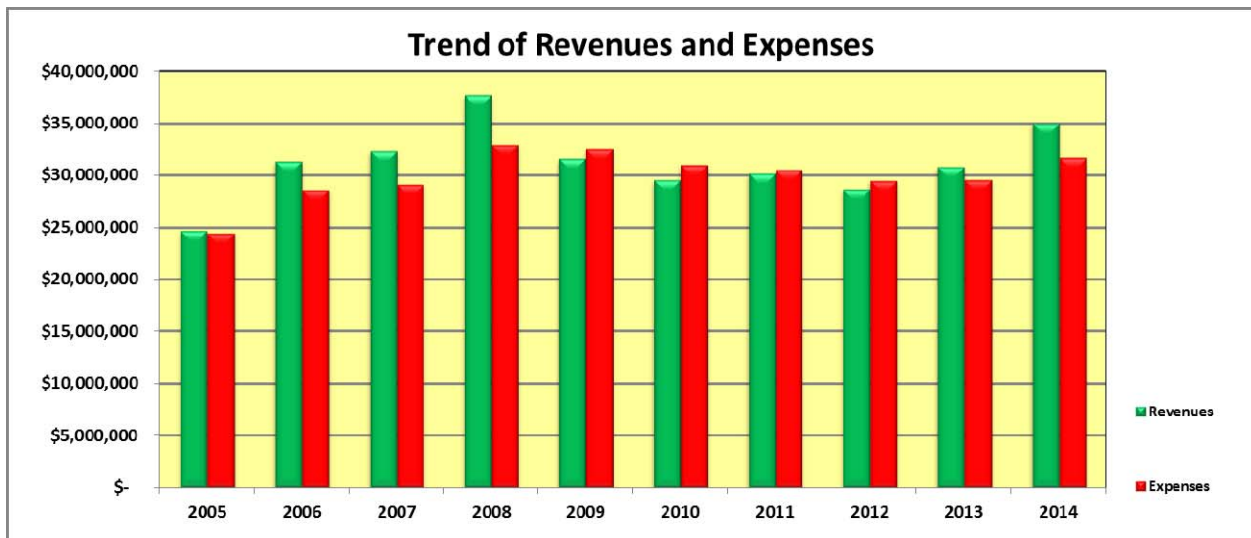
Total Net Position For Last Ten Fiscal Years



Source: 2014 CAFR pages 104-105

*2012 balances have been restated to reflect the cumulative effect of applying GASB Statement 65.

Trend of Revenues and Expenses Government-Wide

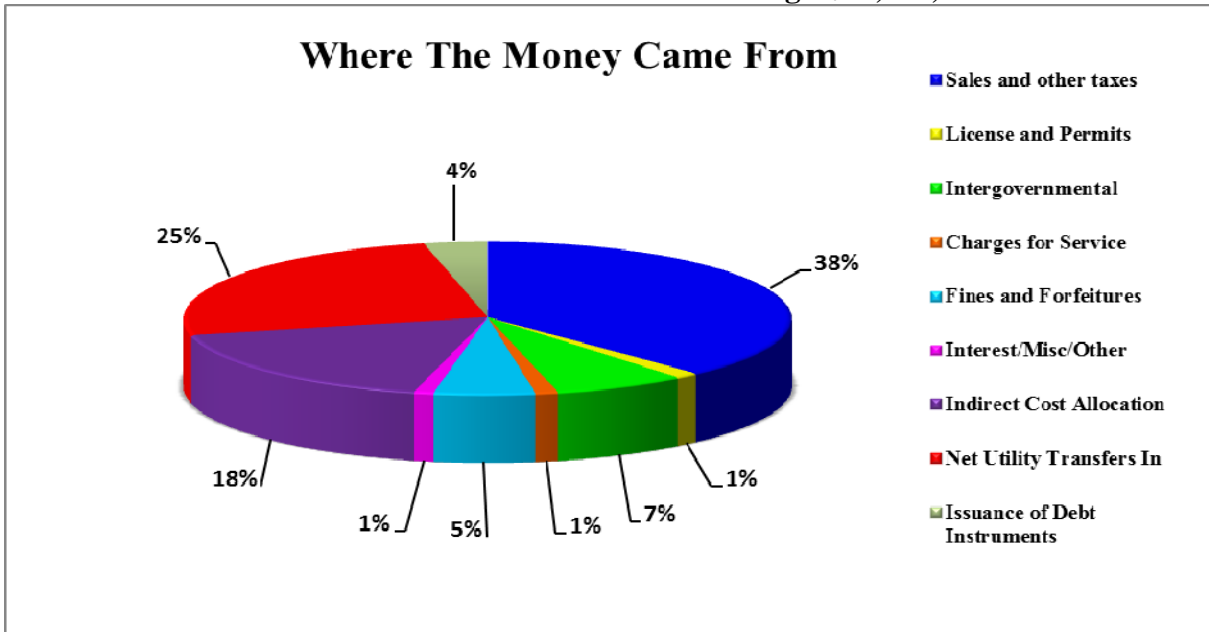


Source: 2014 CAFR pages 106-111

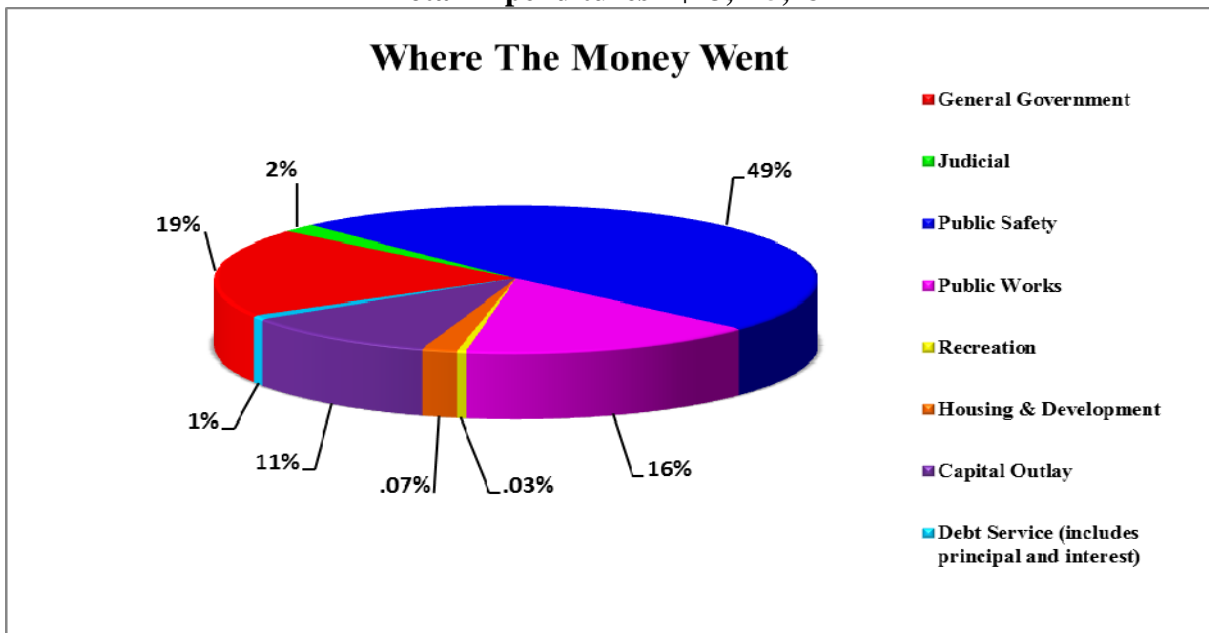
Governmental Funds - Revenues and Expenditures

For the Fiscal Year Ended June 30, 2014

Total Revenues and Sources of Financing - \$14,286,110



Total Expenditures - \$13,425,787

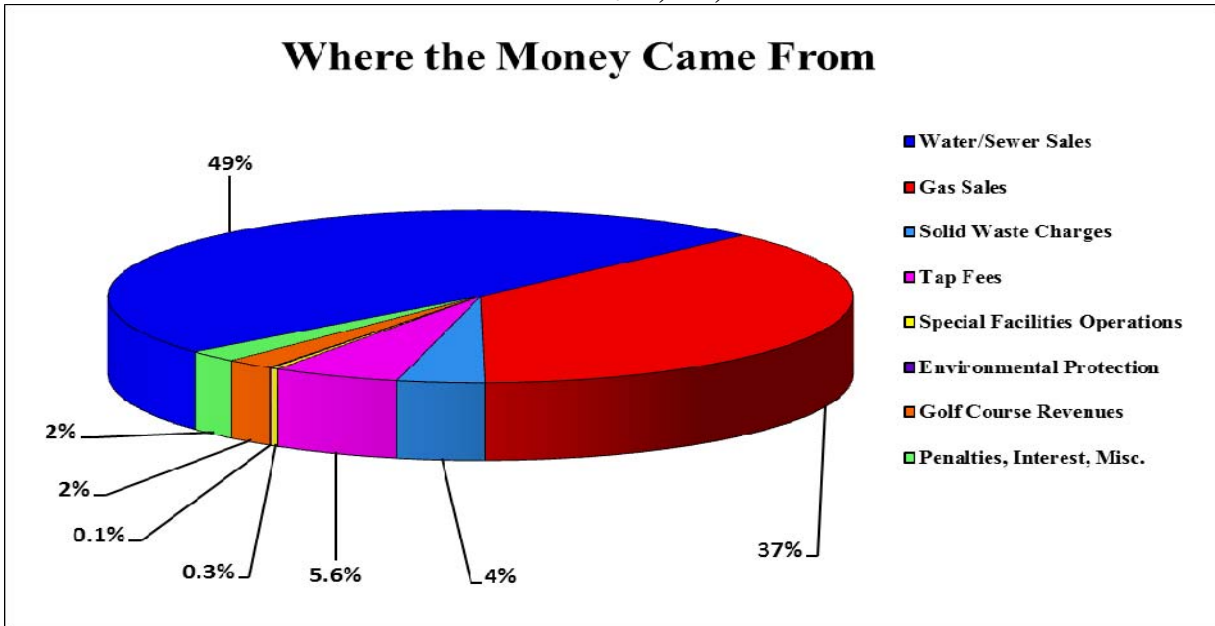


Source: 2014 CAFR page 34

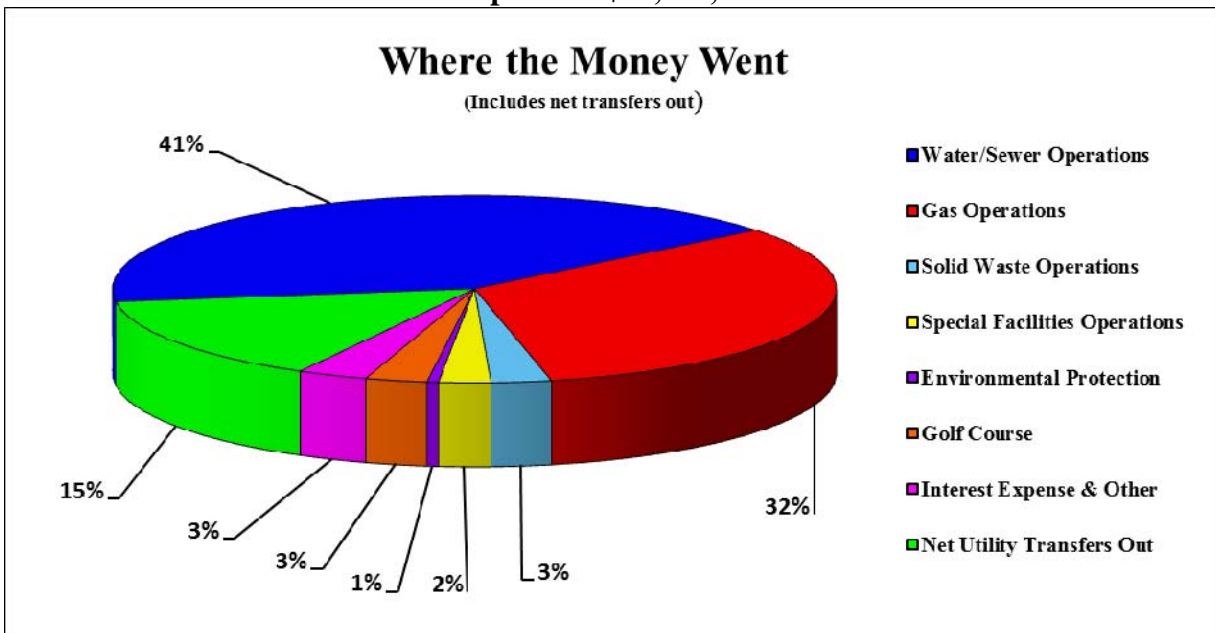
Business-Type Funds – Revenues and Expenses

For the Fiscal Year Ended June 30, 2014

Revenues - \$27,346,570



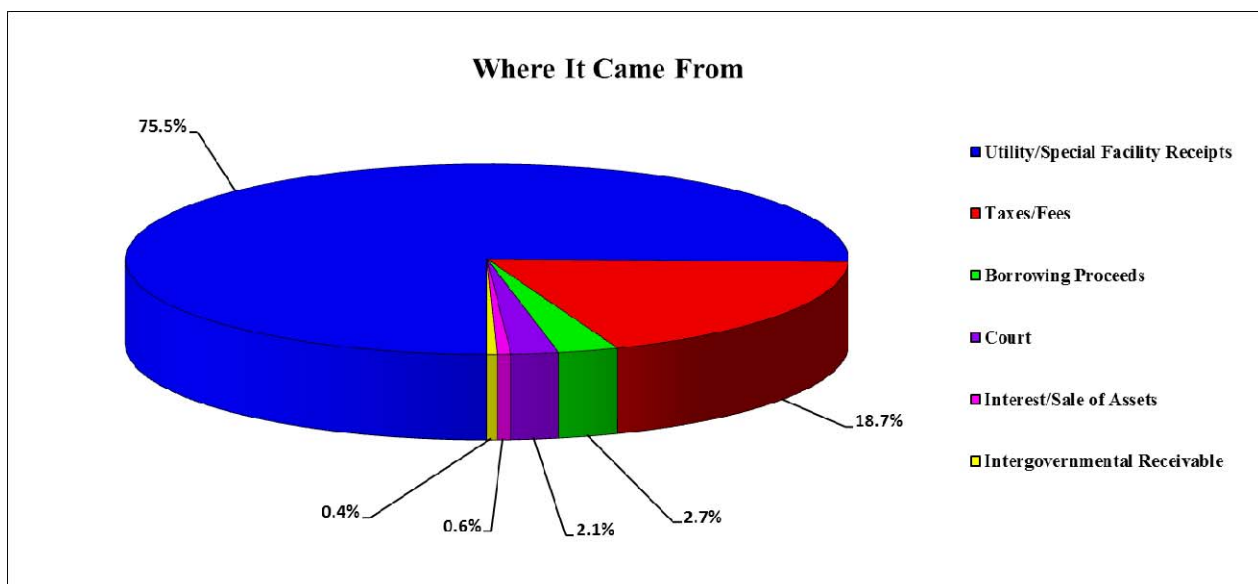
Total Expenses - \$24,810,487



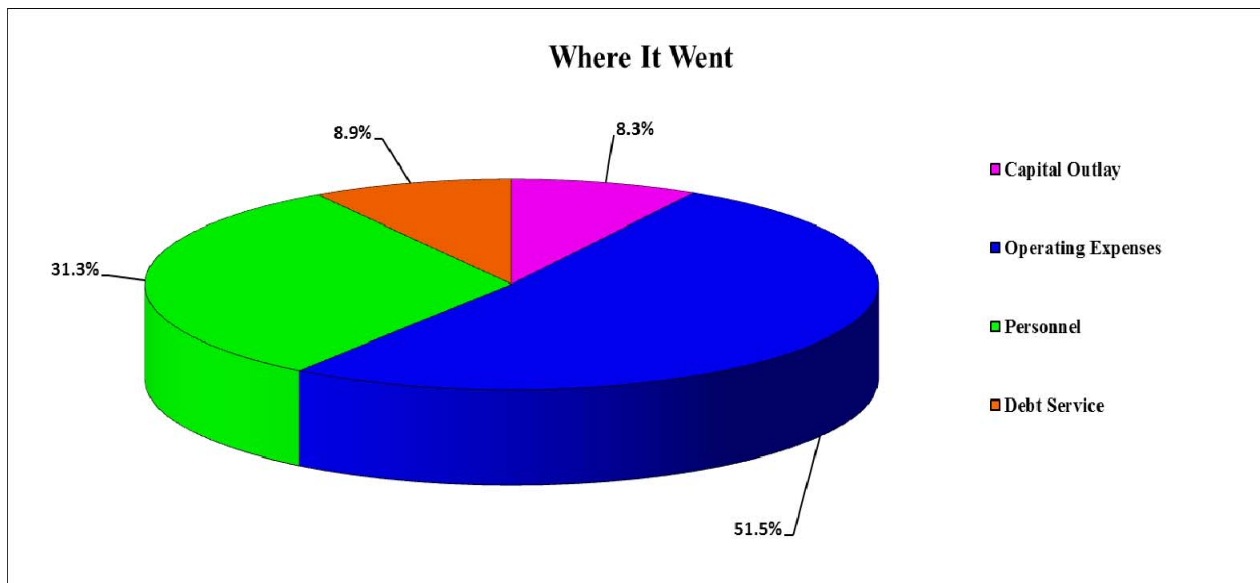
Source: 2014 CAFR pages 38-39

Government-Wide Combining Statement of Cash Flows – 2013 and 2014

	2014		
	PROPRIETARY FUNDS	GOVERNMENTAL FUNDS	GOVERNMENT-WIDE TOTAL
Cash Flows From (To) Operating Activities:			
Receipts From Customers	\$ 27,147,802	\$ 267,866	\$ 27,415,668
Receipts From Taxes	-	6,443,192	6,443,192
Net Receipts from Municipal Court	-	762,863	762,863
Operating Expenditures	(12,994,291)	(3,530,162)	(16,524,453)
Payments to Employees	(2,712,831)	(7,342,468)	(10,055,299)
Internal Activity	(1,592,481)	1,592,481	-
Net Cash Provided (Used) by Operating Activities	9,848,199	(1,806,228)	8,041,971
Cash Flows From (To) Noncapital Financing Activities			
Intergovernmental Grants	-	-	-
Transfers to (from) Other Funds	(3,671,907)	3,671,907	-
Receipts from (Payments to) Other Funds	(136,870)	136,870	-
Net Cash From (To) Noncapital Financing Activities	(3,808,777)	3,808,777	-
Cash Flows From (To) Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets, Net	(1,220,010)	(1,440,972)	(2,660,982)
Receipts from Intergovernmental	155,172	-	155,172
Principal Payments on Long-term Debts	(209,993)	(102,352)	(312,345)
Principal Payments on Bonds	(1,716,000)	-	(1,716,000)
Interest and Fiscal Charges on Long-Term Debt	(803,451)	(17,216)	(820,667)
Proceeds from Sales of Assets	11,574	21,719	33,293
Proceeds from Issuance of Long-Term Debt (Notes & Leases)	477,560	489,000	966,560
Net Cash From (To) Capital and Related Financing Activities	(3,305,148)	(1,049,821)	(4,354,969)
Cash Flows From Investing Activities:			
Interest On Investments	163,436	28,313	191,749
Net Increase (Decrease) in Cash	\$ 2,897,710	\$ 981,041	\$ 3,878,751



2013		
GOVERNMENT-WIDE TOTAL	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS
\$ 24,619,706	\$ 756,851	\$ 23,862,855
5,708,686	5,708,686	-
640,847	640,847	-
(14,248,142)	(3,339,581)	(10,908,561)
(9,817,672)	(7,335,736)	(2,481,936)
-	1,804,596	(1,804,596)
6,903,425	(1,764,337)	8,667,762
-	-	-
-	4,720,000	(4,720,000)
-	(277,500)	277,500
-	4,442,500	(4,442,500)
(3,957,167)	(1,560,967)	(2,396,200)
148,974	-	148,974
(1,107,544)	(371,370)	(736,174)
(1,413,082)	-	(1,413,082)
(992,933)	(19,246)	(973,687)
37,035	37,035	-
1,275,000	-	1,275,000
(6,009,717)	(1,914,548)	(4,095,169)
190,457	42,158	148,299
\$ 1,084,165	\$ 805,773	\$ 278,392





**Citizens Report
For the Fiscal Year Ended June 30, 2014
Prepared by the City of Winder
Finance Department**