

2007

Comprehensive Annual Financial Report
City of Winder, Georgia
For the Fiscal Year Ended June 30, 2007



Mayors Walk

Prepared By:
City of Winder, Georgia
Finance Department



Front Cover – Mayors Walk

The Mayors Walk is dedicated to the men who helped build this City – its Mayors. No group or individual has been more fundamentally important to the growth and development of our City than our Mayors. Despite the countless number of hours of service, dedication, hard work, and tough decisions, most citizens don't remember – or never knew – how important the Mayors have been to us. The Mayors Walk was built to change this. We owe it to these men that we will do everything in our power to ensure the continued growth, strength, and vitality of the City of Winder.





CITY OF WINDER, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

**Prepared by the City of Winder, Georgia
Finance Department**

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CITY OF WINDER, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

Introductory Section

Letter of Transmittal

Certificate of Achievement

Organizational Chart

City Officials and Administrative Personnel



City Of Winder

Letter of Transmittal

A Lamar Ouzts
Mayor

October 15, 2007

City Council:

The Honorable Mayor Lamar Ouzts,
Members of the City Council and Citizens of the
City of Winder

Sonny Morris
Mayor Pro-Tem
Ward 1

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report of the City of Winder, Georgia for the fiscal year ended June 30, 2007.

Charlie Eberhart
Ward 2

Ridley Parrish
Ward 3

Frank Dunagan
Ward 4

This report consists of management's representations concerning the finances of the City of Winder, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Winder, Georgia has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Winder's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh its benefits, the City of Winder's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is accurate in all material respects and presented in a manner designed to fairly set forth the financial position and results of operations of the various funds of the City.

Mike Mingus
At Large

Larry Evans
At Large

Bob Beck
City Administrator

Sabrina Wall
City Clerk

Leslie Ginn
Finance Director

Ambrose Jackson
Admin Asst/Treasurer

The accounting firm of Wayne Ivey Bowen, Certified Public Accountant, Gainesville, Georgia, a licensed certified public accountant, has audited the City of Winder's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Winder for the fiscal year ended June 30, 2007, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and the significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Winder's financial statements for the fiscal year ended June 30, 2007, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. The independent auditor's *Report on Internal Control Over Financial Reporting and on Compliance and Other Matters* is presented on page 117.

John E. Stell
City Attorney

45 East Athens Street, P.O. Box 566, Winder, Georgia 30680
www.cityofwinder.com Phone (770) 867-3106 Fax (770) 307-0424

General Information

The City of Winder, Georgia, incorporated by an act of the Georgia General Assembly in 1894, is the county seat for Barrow County, Georgia. Originally incorporated as Jug Tavern in 1884, Winder was named in honor of John H. Winder, general manager of the Seaboard Railroad, for his contribution in bringing the railroad and related passenger station to the City. The railroad provided the City with mobility as well as cultural and economic advantages. The Seaboard Railroad for many years ran six passenger trains and eight freights through Winder each day. Being geographically located between Atlanta to the west, Athens to the east, Interstate 85 to the north and state highway 316 to the south, Winder continues to enjoy many cultural and economic advantages.

The City operates under a mayor-council form of government with a six member elected council, a mayor elected at large, and an appointed professional city administrator. The Mayor and Council members serve overlapping four-year terms. The City Administrator handles daily administration and management, with policy and guidance provided by the Mayor and Council. The City provides a full range of services. These services include police and fire protection; natural gas; water; sanitary sewer; solid waste disposal; cultural and recreational activities; planning and zoning; and the construction and maintenance of highways, streets, and infrastructure.

Local Option Sales Tax and utility revenues primarily fund municipal operations. This allows the city to operate without a property tax, which means businesses and homeowners have a lower tax burden and a higher level of service than comparable communities in the state. The City has not assessed a property tax since 1977.

Economic Condition 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 the ninth fastest growing county in Georgia. Served primarily by Highway 316 and I-85, Barrow County is an escape from congested traffic and city noise.

The area's unemployment rate in June 2007 was 4.3 percent, compared to 4.7 percent for Georgia's statewide rate and comparable to the national rate of 4.5. Atlanta is the primary economic engine for the area and therefore the City has enjoyed a better economic growth and stability than other parts of the country. The recent housing slump has had an effect on the local economy's housing market, however, the commercial growth has continued which will help keep with the economic health of the area.

One factor in measuring the economic condition of a community is its overall property fair value. For Winder, the trend is impressive. In just five years the value has increased by 84%. Much of this was driven by new development. Even with this growth the City continues to operate without a property tax assessment. The City has not assessed a maintenance and operations property tax since 1977. The growth rate of the City with respect to fair values is shown below.

ESTIMATED FAIR VALUES Includes Exempt Property (IN MILLIONS)		
YEAR	FAIR VALUES	PERCENT CHANGE
1999	\$ 411.5	6.88%
2000	\$ 433.7	5.40%
2001	\$ 499.2	15.09%
2002	\$ 525.2	5.20%
2003	\$ 552.8	5.26%
2004	\$ 683.1	23.60%
2005	\$ 814.4	19.22%
2006	\$ 883.1	8.44%
2007	\$ 964.1	9.17%

Source: Barrow County Tax Commissioner

Introductory Section

The City anticipates some private commercial development activity to continue. Our optimism is based on the fact that the City is located on Highway 316 connecting Atlanta and Athens where large tracts of land are available for commercial, industrial and residential development. The national decline in the housing market and the state experiencing the worst drought in 100 years has had an affect on the City's growth.

Major Initiatives

Wastewater Treatment Plant

Construction began in May 2006 on the City's new Cedar Creek Wastewater Reclamation Facility. The facility will provide an additional 5 million gallons a day of wastewater treatment capacity. The cost estimates are approximately \$17 million. The Georgia Environmental Facilities Authority is providing financing for the facility in the form of long-term loans.

Water Department

In October of 2006, the City of Winder and Barrow County partnered in the application for the WaterFirst Community Program. On January 10, 2007 we were selected as WaterFirst Class of 2007 participants from a very impressive field of applicants.

Cultural Arts Center

The City of Winder officially opened the Cultural Arts Center, which houses the Coleen O Williams Theater, after completing the renovations to the old Duck Head building. The facilities also include a meeting room, dining room, and WCTV Channel 24 studio on the second floor. The Barrow County Fire and EMS along with the Piedmont Arts occupy the first floor of the Cultural Arts Center.

Public Safety

In the past year the Winder Police Department was awarded the Governor's Office of High Safety Heat Grant for \$101,000. This grant provided for one HEAT Officer, a patrol car, and other necessary equipment for the officer. The Police Department also installed a mobile data system which enables the officers to communicate with NCIC and GCIC record systems via computers in the patrol cars.

Local drug dealers forfeited 12 vehicles to the Police Department during undercover drug investigations. The money that the Police Department earns from the sale of these vehicles is used to purchase additional equipment for the officers.

The Fire Department finished Phase I of the new training center for its firefighters. Phase II will be completed in the next fiscal year. The training center will consist of a Live Burn Building which will be used in conjunction with the Rescue/Recovery Simulator at the training center.

The Insurance Service Office has completed its analysis of the structure fire suppression delivery system provided by the City of Winder. We are proud to report the classification has changed for the City of Winder from a Class 4 to Class 3. This classification number applies to all properties in the classified area with a needed fire flow of 3,500 GPM or less. This reduction in the rating creates lower insurance premiums for the citizens of Winder.

Our police and fire officers continue to work closely with the schools, Boys and Girls Club and other community organizations to provide a positive experience for the children of Winder. The police officers raise funds for the its annual "Shop with a Cop" program and the fire department's "Empty Stocking Fund" program will benefited more than 280 children at Christmas.

Budgeting Controls

The annual budget serves as the foundation for the City of Winder's financial planning and control. The annual budget process begins with the City Administrator, Finance staff and department heads working

together to analyze funding needs. Prior to May 1, the Finance Department prepares a draft budget for the City Administrator. After reviewing the draft budget and meeting with the departments, the City Administrator and Finance staff prepare a Proposed Budget. The Mayor presents both to City Council in May. The Council conducts public hearings in May and June, and adopts budgeted revenues and appropriations for the upcoming fiscal year by ordinance no later than June 30, the close of the City's fiscal year. The budget is prepared both by fund, function (e.g. public safety) and department (e.g. police). The City Administrator is permitted to transfer appropriations within a department. Transfers between departments and subsequent budgetary amendments require the approval of the City Council.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues meeting its responsibility for sound financial management.

Cash Management

Cash is deposited in interest bearing accounts that are insured or fully collateralized in accordance with state law. Cash temporarily idle during the year was invested in the State of Georgia Local Government Investment Pool, demand deposits, certificates of deposit, obligations of the U.S. Treasury, and repurchase agreements in commercial banks collateralized by U.S. obligations.

Risk Management

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The City has joined with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for local governments. Settled claims in the past three years have not exceeded the coverage provided by these plans.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winder for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2006. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual report, whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The GFOA has given an Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) to the City of Winder for its PAFR for the fiscal year ended June 30, 2006. The Award of Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a PAFR whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.

Acknowledgements

The preparation of this report on a timely basis could not have been accomplished without the dedicated services and hard work of a highly qualified staff. The City of Winder has such a staff in the Finance Department under the direction of Leslie Ginn. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. We also acknowledge the efforts of other departments who provided information that helped to make the report far more than a presentation of financial statements.

Finally, we acknowledge the Mayor and City Council for their unfailing support, leadership, and professional conservative financial management.

Sincerely,



Bob Beck,
City Administrator



Leslie W. Ginn,
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Winder
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2006

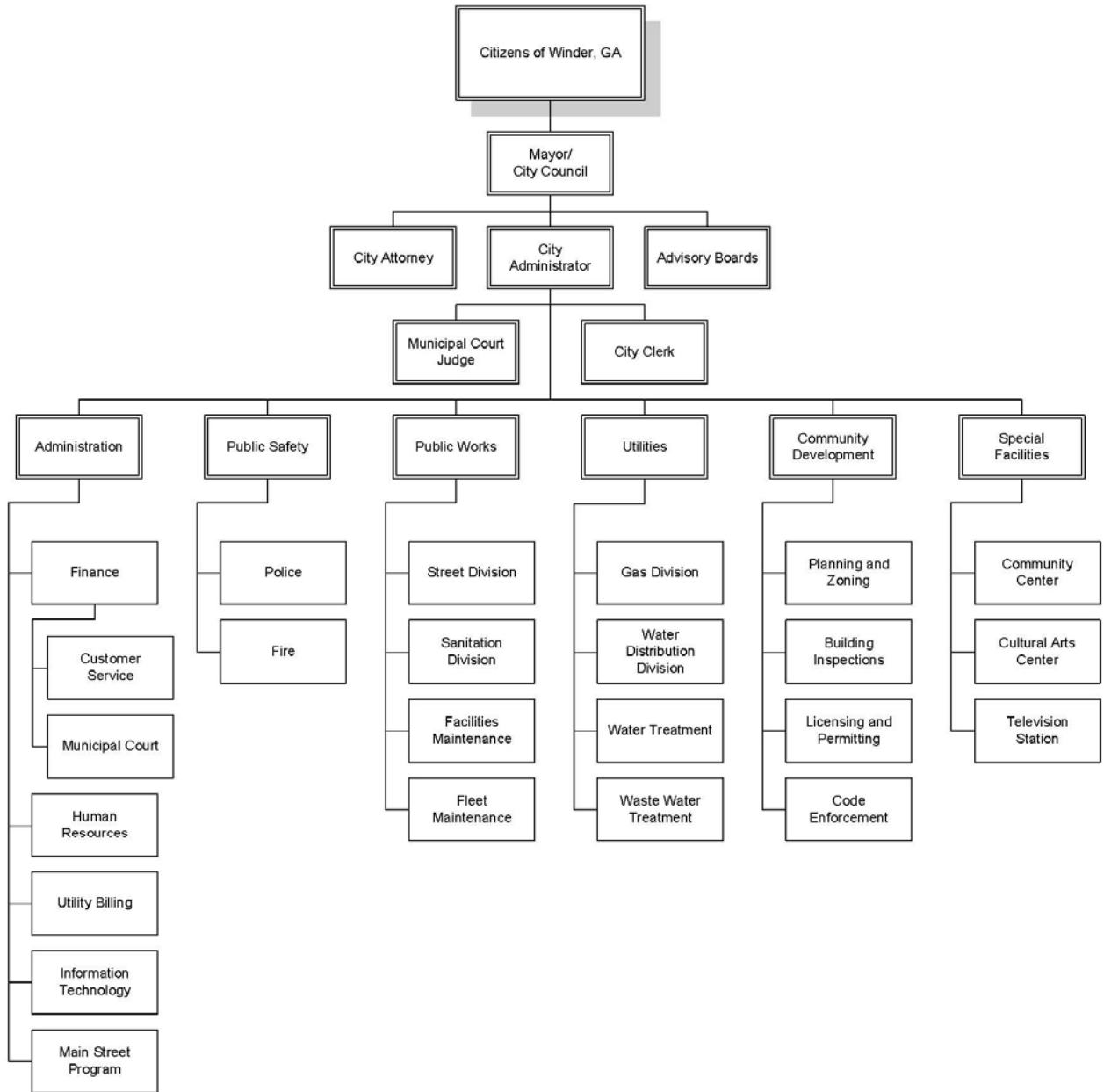
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards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



President

Executive Director

Organization Chart



City Officials and Administrative Personnel

PRINCIPAL OFFICIALS

June 30, 2007

ELECTED OFFICIALS

Mayor

A. Lamar "Buddy" Ouzts

City Council

Charlie Eberhart
Mike Mingus
Ridley Parrish

Frank Dunagan
Sonny Morris
Larry Evans

APPOINTED OFFICIALS

Bob Beck	Administrator
Sabrina Wall.....	City Clerk
Leslie Ginn.....	Finance Director
Ambrose Jackson.....	Treasurer
John Stell.....	City Attorney

MAILING ADDRESS

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P.O. Box 566
Winder, Georgia 30680

www.cityofwinder.com





CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

Financial Section

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Notes to the Financial Statements



WAYNE IVEY BOWEN
CERTIFIED PUBLIC ACCOUNTANT
529 GREEN STREET - P.O. BOX 2335
GAINESVILLE, GEORGIA 30503

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AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

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MEMBER
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

November 28, 2007

Independent Auditor's Report

The Honorable Mayor Lamar Ouzts and
Members of the City Council
City of Winder, Georgia 30680

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Winder, Georgia as of and for the year ended June 30, 2007 which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Winder, Georgia's management. My responsibility is to express opinions on these financial statements based on my audit.

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Winder, Georgia as of June 30, 2007 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated November 28, 2007 on my consideration of the City of Winder's internal control over financial reporting and on my tests of its compliance with certain provisions of the laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on

compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

The Management's Discussion and Analysis and Budget and Actual Comparisons are not required parts of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Winder, Georgia's basic financial statements. The introductory section, supplementary section, and statistical section as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary section has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of basic financial statements and, accordingly, I express no opinion on them.



Certified Public Accountant

Management's Discussion and Analysis

This discussion and analysis presents the highlights of financial activities and financial position for the City of Winder (City). The analysis focuses on significant financial issues, major financial activities and resulting changes in financial position, budget changes and variances from the budget, and specific issues related to funds and the economic factors affecting the City. Management's Discussion and Analysis (MD&A) focuses on current year activities and resulting changes. Please read it in conjunction with the Transmittal Letter and the City's financial statements.

Financial Highlights

The City's net assets increased approximately \$3,180,000 or 7.0%. This increase is attributable to business-type activities, primarily the water and sewer, and gas utilities.

Governmental activity revenues increased by \$537,000 or 9.6%. This increase is attributable primarily to the increase in taxes collected and interest earned by the City.

Business-type activities revenues increased by \$418,000 or 1.6%. This increase was attributable to intergovernmental revenue in the water fund. Due to a much milder winter natural gas sales declined substantially.

Overall City expenses increased by \$582,000 or 2.0%. This represents a modest increase in the cost of operations.

The City has paid down its existing debt by \$1,475,000. The City entered into new debt of \$6.9 million to finance the Cedar Creek Wastewater Reclamation Facility.

In FY 2007 the City entered into a Intergovernmental contract with Barrow County to sell water rights. The contract is for \$10,416,000, payable over the next 20 years. A portion of this contract (\$5.8 million) will go directly towards the construction of the Cedar Creek Wastewater Reclamation Facility.

Report Layout

The City's Comprehensive Annual Financial Report (CAFR) consists of several sections. Taken together they provide a comprehensive financial look at the city. The components of the report include the following:

- ❑ **Independent Auditor's Report.**
- ❑ **Management's Discussion and Analysis.** This section of the report provides financial highlights, overview and economic factors affecting the City.
- ❑ **Basic Financial Statements.** Includes a Statement of Net Assets, a Statement of Activities, fund financial statements and the notes to the financial statements. Statements of Net Assets and Activities focus on a government-wide presentation using the accrual basis of accounting. They are designed to be more corporate-like in that all activities are consolidated in total for the City.
 - The *Statement of Net Assets* focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of the assets the City owns, the liabilities it owes and the net difference. The net difference is further separated into amounts invested in capital assets net of related debt, restricted for specific purposes and unrestricted amounts.
 - The *Statement of Activities* focuses on gross and net costs of City programs and the extent to which such programs rely upon general tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
 - *Fund Financial Statements* focus separately on the major governmental fund and proprietary funds. Governmental fund statements follow the more traditional presentation of financial

statements. The City's major governmental fund is presented in its own column and the four remaining funds are combined into a column titled "Nonmajor Governmental Funds." Statements for the City's proprietary funds follow the governmental funds and include net assets, revenues, expenses and changes in fund net assets, and cash flows. There are two major proprietary funds (Water and Sewer Fund and Gas Fund) and three nonmajor proprietary funds which are combined into a column titled "Nonmajor Enterprise Funds".

- The City has two internal service funds to account for the cost of administration of the gas and water utility operations and fleet maintenance. Costs of the internal service funds are charged to the applicable funds. The combined internal service funds net assets, revenues, expenses, and changes in net assets are presented in a single column in the proprietary fund statements.
 - The *Notes to the Basic Financial Statements* provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the City's financial condition.
- ❑ **Required Supplementary Information.** Presents the General Fund's budget to actual comparison schedule and the notes to the required supplementary information. The General Fund is the City's only major governmental fund.
 - ❑ **Other Supplementary Information.** Readers desiring additional information on non-major funds can find it in the Combining Statements of Non-major Funds and/or the Supplementary Information-Budgetary Comparison sections of this report. Components within this section include:
 - Nonmajor Governmental Funds Statements. Major funds are included within the Basic Financial Statements, whereas non-major funds are presented here. These statements include combining balance sheets and statements of revenues, expenditures and changes in fund balances.
 - Budgetary comparison information for non-major governmental funds and schedules of General Fund revenues and expenditures are presented here.
 - Agency Fund Changes in Assets and Liabilities represents the activities of the City of Winder Municipal Court.
 - Nonmajor Proprietary Funds Statements. The City has three nonmajor proprietary funds that are presented in the combining statements of net assets, revenues, expenses, and changes in net assets, and cash flows.
 - Internal Service Funds Statements. The City has two internal service funds that are presented in the combining statements of net assets, revenues, expenses, and changes in net assets, and cash flows.
 - Capital assets used in governmental operations.
 - Special Purpose Local Option Sales Tax reports complete the Financial Section of this report.
 - ❑ **Statistical Section.** Trend information and statistics.
 - ❑ **Report by Independent Certified Public Accountant.** Supplemental communication on the City's compliance, internal controls, and other matters.

City as a Whole
Statement of Net Assets at June 30, 2007 and 2006

(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total Government	
	2007	2006	2007	2006	2007	2006
Cash and Investments	\$ 2.0	\$ 1.2	\$ 7.0	\$ 6.1	\$ 9.0	\$ 7.3
Current Assets	0.6	0.8	3.3	3.0	3.9	3.8
Other Non-Current Assets	-	-	3.8	-	3.8	-
Capital Assets	12.3	12.3	51.2	40.7	63.5	53.0
Total Assets	14.9	14.3	65.3	49.8	80.2	64.1
Current Liabilities	0.8	0.4	4.9	2.6	5.7	3.0
Other Current Liabilities	-	-	4.7	-	4.7	-
Long-Term Debt Outstanding	0.6	0.7	20.7	15.0	21.3	15.7
Total Liabilities	1.4	1.1	30.3	17.6	31.7	18.7
Net Assets:						
Invested in Capital Assets, Net of Related Debt	11.7	11.6	30.5	25.7	42.2	37.3
Restricted	-	0.1	1.7	0.5	1.7	0.6
Unrestricted	1.8	1.5	2.8	6.0	4.6	7.5
Total Net Assets	\$ 13.5	\$ 13.2	\$ 35.0	\$ 32.2	\$ 48.5	\$ 45.4

Governmental Activities

Growth in general governmental net assets is attributable to a increase in tax collected and interest revenues. Long-Term Debts Outstanding decreased because of regular principal payments and no additional debt was issued.

Business-Type Activities

The increase in net assets is due to a increase in capital assets and a intergovernmental note receivable. The Community Theater was completed in FY 2007 and construction continued on the Cedar Creek Water Reclamation Facility. The liabilities increased because of additional debt issued from GEFA to the City to finance the construction of the Cedar Creek Water Reclamation Facility. The City also entered into a intergovernmental agreement to sell sewage capacity rights to Barrow County for \$10.4 million. This increased deferred revenue by \$4.7 million which the city will recognize in FY 2008.

Statement of Activities for the Year Ended June 30, 2007 and 2006

(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total Government	
	2007	2006	2007	2006	2007	2006
Revenues						
Program Revenue						
Charges for Services	\$ 0.9	\$ 1.5	\$ 23.9	\$ 25.5	\$ 24.8	\$ 27.0
Grants and Contributions	0.6	1.2	0.9	0.2	1.5	1.4
General Revenues						
Taxes	4.2	2.7	-	-	4.2	2.7
Other	0.4	0.2	0.1	-	0.5	0.2
Total Revenues	<u>6.1</u>	<u>5.6</u>	<u>24.9</u>	<u>25.7</u>	<u>31.0</u>	<u>31.3</u>
Expenses						
Governmental Activities						
General Government	0.7	-	-	-	0.7	-
Public Safety	5.6	4.9	-	-	5.6	4.9
Public Works	2.2	2.1	-	-	2.2	2.1
Facilities Maintenance	-	0.3	-	-	-	0.3
Business-Type Activities	-	-	20.6	21.2	20.6	21.2
Total Expenses	<u>8.5</u>	<u>7.3</u>	<u>20.6</u>	<u>21.2</u>	<u>29.1</u>	<u>28.5</u>
Excess (Deficiencies) Before Transfers & Special Items	(2.4)	(1.7)	4.3	4.5	1.9	2.8
Special Item	-	-	1.2	-	1.2	-
Transfers	2.7	1.7	(2.7)	(1.7)	-	-
Increase (Decrease) in Net Assets	0.3	-	2.8	2.8	3.1	2.8
Beginning Net Assets	13.2	4.7	32.2	28.8	45.4	33.5
Prior Period Adjustments:						
Beginning Infrastructure	-	8.5	-	-	-	8.5
Rate Stabilization	-	-	-	0.6	-	0.6
Ending Net Assets	\$ 13.5	\$ 13.2	\$ 35.0	\$ 32.2	\$ 48.5	\$ 45.4

Governmental Activities

Total revenues increased \$537,000 or 9.6%. This increase is due to the continued increase in property values and the growth in the City. The sales, business, and fire taxes received increased by \$344,000. The fines and forfeitures also increased by \$131,000. Interest Revenues increased by \$169,000. The other increase in revenues was due to increase in license and permits revenues.

Expenses increased by \$1.2 million or 16.4%. This increase is the result of additional police and fire personnel and additional departments (Downtown development authority and code enforcement) included as General Government.

Business-type Activities

Total revenues increased \$400,000 or 1.6%. This is due to intergovernmental revenue in the water fund.

The expenses decreased \$ 660,000 or 3.1%. The decrease is directly related to the purchase of natural gas. The Solid Waste Fund expenses decreased due to contracting garbage pick up out to Robertson Sanitation.

Operating Revenues of the Water Fund increased by 1.76% due to an increase in the water and sewer tap fees and rates, plus an increase in the customer base and the amount of water consumed. The water fund also received grant funds and contributions of \$970,000 to complete the Anderson Fireflow and Embassy Walk Projects. The expenses of the Water Fund increased by 6.0%. This increase is due to additional repairs and maintenance expenses to existing water and sewer lines.

The Gas Fund revenues decreased approximately 15.2%. Prior year 2006 revenue had increased by 35% compared to 2005 because the cost of natural gas had increased substantially. Due to a milder

winter in FY 2007 and the cost of natural gas passed on to the consumer, the revenues of the gas fund leveled back down to a 15% increase compared to FY 2005 (a more reasonable comparison). Operating expenses decreased by 10.3%.

Solid Waste Management Fund revenues increased by 3.5% and operating expenses decreased by 6.8% due to contracting solid waste pick up and removal to an outside agency.

Budgetary Highlights

The City Council approves all current year budget revisions in June of each year, at the same time the new fiscal year budget is approved. Budget variances are reviewed with the Mayor and Council on a monthly basis. There were no significant budget changes in FY 2007.

Sales tax receipts were higher than expected due to the performance of the local economy.

Actual Governmental capital outlay was less than budgeted.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2007 the City has invested \$ 63.5 million (net of depreciation) in capital assets reflected in the following table.

(in millions of dollars)

	Governmental Activities		Business-Type Activities		Totals	
	2007	2006	2007	2006	2007	2006
Land	\$ 0.3	\$ 0.3	\$ 5.5	\$ 5.5	\$ 5.8	\$ 5.8
Buildings & Improvements	2.1	2.1	1.6	1.7	3.7	3.8
Plant & System	-	-	31.3	31.7	31.3	31.7
Infrastructure	8.5	9.0	-	-	8.5	9.0
Furniture & Equipment	0.5	0.4	0.2	0.2	0.7	0.6
Vehicles	0.7	0.5	0.2	0.1	0.9	0.6
Work In Progress	0.2	-	12.4	1.5	12.6	1.5
	<u>\$ 12.3</u>	<u>\$ 12.3</u>	<u>\$ 51.2</u>	<u>\$ 40.7</u>	<u>\$ 63.5</u>	<u>\$ 53.0</u>

The following table reconciles the change in capital assets.

(in millions of dollars)

	Governmental Activities	Business-Type Activities	Totals
Beginning Balance	\$ 12.3	\$ 40.7	\$ 53.0
Additions	1.0	14.0	15.0
Retirements	-	(1.5)	(1.5)
Depreciation	(1.0)	(2.0)	(3.0)
Ending Balance	<u>\$ 12.3</u>	<u>\$ 51.2</u>	<u>\$ 63.5</u>

Capital asset additions from governmental activities amounted to almost \$1,000,000, consisting of the purchase of ten new police cars, street improvements, and TV Station equipment. Depreciation and retirements decreased total capital assets by \$1,000,000.

Business-type capital assets increased overall by \$10.5 million. The Water Fund increased capital assets by \$9.0 million for upgrading the Cedar Creek Wastewater Treatment Facility. The Special Facilities Fund increased capital assets by \$1.5 million for the renovation of the community theatre.

Note 6 to the financial statements include more detailed information on capital asset activities.

Debt Outstanding

As of year-end, the City had \$ 21.1 million in debt outstanding compared to \$ 15.9 million last year. This included \$ 1.4 million due within one year. The following table presents a comparison of debts outstanding:

(in millions of dollars)

	Totals	
	2007	2006
Governmental:		
Capital Leases	\$ 0.2	\$ 0.3
Notes	0.3	0.5
Compensated Absences	0.1	0.1
Sub-total	0.6	0.9
Business-type:		
Capital Leases	\$ 0.4	\$ 0.7
Notes	9.2	2.8
Water and Sewer Bonds	10.9	11.5
Sub-total	20.5	15.0
Total	\$ 21.1	\$ 15.9

The City financed the construction of the Cedar Creek Wastewater Reclamation Facility by means of a GEFA loan for approximately \$6.9 million. Continued payments during the year decreased out existing debt.

The outstanding water revenue bonds have bond insurance provided by MBIA and this essentially raises the rating to the highest level, AAA. Other debt of the City has not been rated.

Note 8 to the financial statements include more detailed information on long-term debt activities.

Economic Factors

Funding for the operations of the City comes from the following primary sources: sales taxes, fines and forfeitures, licensing and permitting activities, and utility profits. As the general economy continues to improve, the City remains focused on reducing operational costs through increasing the effectiveness and efficiency of the City's operations and administration.

Despite a downturn in the economy in many locations, local private sector activity remained stable. The City issued business licenses increased by approximately 5% and revenues derived from Local Option Sales Taxes grew 5.8%, which indicates a stable and growing commercial/retail sector.

There was an 8.5% decrease in new construction and renovation permits inside the city limits but the City's water system customer base (which also serves significant portions of unincorporated Barrow County) grew by 519 (a 4.0% increase) and the gas system customer base grew by 275 (a 6% increase). There is still a good inventory (approximately 1,200) of approved lots within the city limits.

This continued growth, coupled with a 9% growth in assessed property values is reflective of the City's emergence as a part of the metro Atlanta economic area.

Financial Contact

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. If you have questions about this report or need additional financial information, please contact the City's Finance Director at 45 East Athens Street, Winder, Georgia 30680.



CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

Basic Financial Statements



City of Winder, Georgia
Statement of Net Assets
June 30, 2007

	Primary Government			Component Unit
	Governmental Activities	Business Type Activities	Total	Non-major Totals
Assets				
Cash and Cash Equivalents	\$ 1,777,106	\$ 6,468,725	\$ 8,245,831	\$ 4,777
Taxes Receivable - Net	48,504	-	48,504	-
Accounts Receivable	60,404	2,511,729	2,572,133	-
Intergovernmental Receivable	379,281	3,832,000	4,211,281	-
Supply Inventory	-	225,576	225,576	-
Investments	257,609	-	257,609	-
Prepaid Items	84,736	178,777	263,513	52
Bond Issue Costs - Net of Amortization	-	329,703	329,703	-
Loan Closing Costs - Net of Amortization	-	21,396	21,396	-
Restricted Assets				
Investment Bond Sinking Accounts	-	553,866	553,866	-
Capital Assets				
Non-Depreciable	483,076	17,877,449	18,360,525	-
Depreciable, Net	11,821,498	33,299,654	45,121,152	-
Total Assets	14,912,214	65,298,875	80,211,089	4,829
Liabilities				
Accounts Payable and Accrued Liabilities	666,643	4,532,133	5,198,776	2,806
Customer Deposits	-	417,372	417,372	-
Other Current Liabilities	59,759	-	59,759	-
Deferred Revenues	-	4,665,600	4,665,600	-
Net Pension Liability	57,609	-	57,609	-
Long Term Liabilities				
Due Within One Year	238,929	1,305,522	1,544,451	-
Due in More Than One Year	322,281	19,358,514	19,680,795	-
Total Liabilities	1,345,221	30,279,141	31,624,362	2,806
Net Assets				
Invested In Capital Assets, Net Of Related Debt Restricted For	11,743,364	30,513,067	42,256,431	-
Debt Service	-	553,866	553,866	-
Capital Projects	-	1,166,400	1,166,400	-
Unrestricted	1,823,629	2,786,401	4,610,030	2,023
Total Net Assets	\$ 13,566,993	\$ 35,019,734	\$ 48,586,727	\$ 2,023

The accompanying Notes to the Financial Statements are an integral part of this statement.

City of Winder, Georgia
 Statement of Activities
 For the Year Ended June 30, 2007

Function/Program	Expenses	Indirect Costs	Charges For Services
Governmental Activities			
General Government	\$ 2,897,153	\$ (2,181,680)	\$ 404,764
Public Safety	4,996,553	557,429	483,103
Public Works	2,056,673	173,441	25,990
Facilities Maintenance	314,028	(312,360)	-
Interest and Fiscal Agent Charges	14,932	-	-
Total Governmental Activities	10,279,339	(1,763,170)	913,857
Business Type Activities			
Water and Sewer	7,871,412	627,769	12,133,881
Gas	9,252,798	981,041	10,606,003
Solid Waste Management	1,375,586	122,900	1,059,163
Special Facilities	336,515	31,460	126,662
Broadband	341	-	8,164
Total Business Type Activities	18,836,652	1,763,170	23,933,873
Total Primary Government	\$ 29,115,991	\$ -	\$ 24,847,730
Component Unit			
Downtown Development Authority	\$ 30,452	\$ -	\$ 2,800
Total Component Unit	\$ 30,452	\$ -	\$ 2,800

The accompanying Notes to the Financial Statements are an integral part of this statement.

Program Revenues		Net (Expenses) Revenues And Changes In Net Assets			Component Unit
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Downtown Development Authority
		Governmental Activities	Business Type Activities		
\$ 41,790	\$ -	\$ (268,919)	\$ -	\$ (268,919)	
92,399	-	(4,978,480)	-	(4,978,480)	
-	495,185	(1,708,939)	-	(1,708,939)	
-	-	(1,668)	-	(1,668)	
-	-	(14,932)	-	(14,932)	
134,189	495,185	(6,972,938)	-	(6,972,938)	
-	970,864	-	4,605,564	4,605,564	
-	-	-	372,164	372,164	
-	-	-	(439,323)	(439,323)	
-	-	-	(241,313)	(241,313)	
-	-	-	7,823	7,823	
-	970,864	-	4,304,915	4,304,915	
\$ 134,189	\$ 1,466,049	(6,972,938)	4,304,915	(2,668,023)	
\$ 27,700	\$ -				\$ 48
\$ 27,700	\$ -				\$ 48
General Revenues:					
Taxes					
General Sales Taxes		1,866,220	-	1,866,220	-
Selective Sales Taxes		441,576	-	441,576	-
Business Taxes		1,127,973	-	1,127,973	-
Other Taxes		741,868	-	741,868	-
Interest Earnings		344,939	83,428	428,367	-
Miscellaneous		78,890	-	78,890	-
Special Item - Barrow County					
Purchase of Wastewater Capacity		-	1,166,400	1,166,400	-
Transfers		2,706,583	(2,706,583)	-	-
Total General Revenues, Transfers and Special Items		7,308,049	(1,456,755)	5,851,294	-
Change in Net Assets		335,111	2,848,160	3,183,271	48
Beginning Net Assets		13,231,882	32,171,574	45,403,456	1,975
Ending Net Assets		\$ 13,566,993	\$ 35,019,734	\$ 48,586,727	\$ 2,023

City of Winder, Georgia
 Governmental Funds
 Balance Sheet
 June 30, 2007

<u>Assets</u>	General Fund	Other Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 1,394,409	\$ 382,697	\$ 1,777,106
Taxes Receivable - Net	48,504	-	48,504
Accounts Receivable	52,945	7,459	60,404
Intergovernmental Receivable	300,000	79,281	379,281
Prepaid Items	84,684	52	84,736
Investments	257,609	-	257,609
Total Assets	\$ 2,138,151	\$ 469,489	\$ 2,607,640
<u>Liabilities</u>			
Accounts Payable and Accrued Liabilities	\$ 509,321	\$ 33,910	\$ 543,231
Other Current Liabilities	59,759	-	59,759
Deferred Revenues	54,819	-	54,819
Total Liabilities	623,899	33,910	657,809
<u>Fund Balance</u>			
Reserved for Prepaid Items	84,684	52	84,736
Unreserved, Reported in Capital Projects	-	371,085	371,085
Unreserved, Reported in Special Revenue	-	64,442	64,442
Unreserved and Undesignated	1,429,568	-	1,429,568
Total Fund Balance	1,514,252	435,579	1,949,831
 Total Liabilities and Fund Balance	 \$ 2,138,151	 \$ 469,489	 \$ 2,607,640

The accompanying Notes to the Financial Statements are an integral part of this statement.

City of Winder, Georgia
Governmental Funds
Reconciliation of the Balance Sheet for Governmental Funds
To the Statement of Net Assets
June 30, 2007

Total fund balances for Governmental Funds	\$ 1,949,831
Amounts reported for governmental activities on the Statement of Net Assets differs from the amount reported on the Balance Sheet for Governmental Funds because:	
Net pension liability not recorded on the fund financial statement	(57,609)
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds, net of accumulated depreciation of \$18,976,920.	12,304,574
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.	
Fire district taxes earned but unavailable	54,819
Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds.	(123,412)
Notes and leases payable are not due and payable in the current period and therefore are not reported in the funds.	(561,210)
Net Assets of Governmental Activities	\$ 13,566,993

The accompanying Notes to the Financial Statements are an integral part of this statement.

City of Winder, Georgia
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2007

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ 4,071,352	\$ 94,861	\$ 4,166,213
License and Permits	394,301	-	394,301
Intergovernmental	41,790	587,584	629,374
Charges for Service	35,979	755	36,734
Fines and Forfeitures	482,823	-	482,823
Interest	336,982	7,957	344,939
Miscellaneous and Other	78,890	-	78,890
Indirect Cost Allocation	2,514,700	-	2,514,700
Total Revenues	7,956,817	691,157	8,647,974
Expenditures:			
Current			
General Government	2,435,171	205,589	2,640,760
Public Safety	5,302,884	63,431	5,366,315
Public Works	1,482,152	-	1,482,152
Facilities Maintenance	312,360	-	312,360
Capital Outlay			
General Government	63,684	28,294	91,978
Public Safety	418,898	47,808	466,706
Public Works	272,686	177,121	449,807
Debt Service			
Principal	201,681	-	201,681
Interest and Fiscal Agent Charges	14,932	-	14,932
Total Expenditures	10,504,448	522,243	11,026,691
Excess Of Revenues Over (Under) Expenditures	(2,547,631)	168,914	(2,378,717)
Other Financing Sources (Uses):			
Transfers In	5,032,320	201,000	5,233,320
Transfers Out	(2,476,737)	(50,000)	(2,526,737)
Total Other Financing Sources (Uses)	2,555,583	151,000	2,706,583
Net Change In Fund Balance	7,952	319,914	327,866
Beginning Fund Balance	1,506,300	115,665	1,621,965
Ending Fund Balance	\$ 1,514,252	\$ 435,579	\$ 1,949,831

The accompanying Notes to the Financial Statements are an integral part of this statement.

City of Winder, Georgia
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund
Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2007

Net Change In Fund Balance - Total Governmental Funds	\$	327,866
<p>Amounts reported for governmental activities on the Statement of Activities are different from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance because:</p> <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capitalized outlays in the current period.</p>		
Expenditures for Capital Assets	1,008,490	
Less Current Year Depreciation	<u>(1,048,522)</u>	(40,032)
<p>The net effect of donating/scraping capital assets</p>		
Capital Assets Donated	48,790	
Accumulated Depreciation	<u>(48,790)</u>	-
<p>The issuance of long-term debt (e.g. notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. This amount is the net effect of these differences.</p>		
Payment of Long-term Debt		201,681
<p>The net pension liability creates a balance sheet item while increasing net expenses of pensionable functions on the government wide statements.</p>		
		(142,192)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Fire District Taxes		11,425
<p>Expenditures in the Statement of Activities that do not require current financial resources and not reported in the funds.</p>		
Compensated Absences		(23,637)
Change in Net Assets of Governmental Activities	\$	<u>335,111</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

City of Winder, Georgia
Proprietary Funds
Statement of Net Assets
June 30, 2007

Assets	Business-type Activities - Enterprise Funds	
	Water and Sewer	Gas Fund
	Fund	Gas Fund
Current Assets		
Cash and Cash Equivalents	\$ 3,293,325	\$ 2,878,334
Accounts Receivable	1,688,350	664,314
Intergovernmental Receivable	126,563	-
Supply Inventory	90,689	134,887
Prepaid Items	124,233	26,590
Bond Issue Costs - Net	22,659	-
Loan Closing Costs - Net	7,984	-
Total Current Assets	5,353,803	3,704,125
Non-Current Assets		
Restricted Assets		
Investment - Bond Sinking Accounts	553,866	-
Property, Plant and Equipment - Net	44,628,964	3,017,253
Other Assets:		
Intergovernmental Receivable	3,705,437	-
Bond Issue Costs - Net	307,044	-
Loan Closing Costs - Net	13,412	-
Total Other Assets	4,025,893	-
Total Non-current Assets	49,208,723	3,017,253
Total Assets	54,562,526	6,721,378
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Liabilities	3,286,800	1,087,308
Customer Deposits	223,480	189,287
Deferred Revenues	4,665,600	-
Revenue Bonds Payable - Net	609,777	-
Notes & Capital Leases Payable	695,745	-
Total Current Liabilities	9,481,402	1,276,595
Long -Term Liabilities		
Notes and Capital Leases Payable	9,050,726	-
Revenue Bonds Payable - Net	10,307,788	-
Total Long-Term Liabilities	19,358,514	-
Total Liabilities	28,839,916	1,276,595
Net Assets		
Invested in Capital Assets, Net of Related Debt	23,964,928	3,017,253
Restricted Net Assets		
Debt Service	553,866	-
Capital Projects	1,166,400	-
Unrestricted Net Assets	37,416	2,427,530
Total Net Assets	\$ 25,722,610	\$ 5,444,783

The accompanying Notes to the Financial Statements are an integral part of this statement.

Other Enterprise Funds		Totals	Internal Service Funds		
\$	285,524	\$	6,457,183	\$	11,542
	159,065		2,511,729		-
	-		126,563		-
	-		225,576		-
	15,773		166,596		12,181
	-		22,659		-
	-		7,984		-
	460,362		9,518,290		23,723
	-		553,866		-
	3,465,524		51,111,741		65,362
	-		3,705,437		-
	-		307,044		-
	-		13,412		-
	-		4,025,893		-
	3,465,524		55,691,500		65,362
	3,925,886		65,209,790		89,085
	68,940		4,443,048		89,085
	4,605		417,372		-
	-		4,665,600		-
	-		609,777		-
	-		695,745		-
	73,545		10,831,542		89,085
	-		9,050,726		-
	-		10,307,788		-
	-		19,358,514		-
	73,545		30,190,056		89,085
	3,465,524		30,447,705		65,362
	-		553,866		-
	-		1,166,400		-
	386,817		2,851,763		(65,362)
\$	3,852,341	\$	35,019,734	\$	-

City of Winder, Georgia
 Proprietary Funds
 Statement of Revenues, Expenses and Changes in Net Assets
 For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds	
	Water and Sewer	Gas
	Fund	Fund
Operating Revenues		
Charges For Services	\$ 9,932,449	\$ 10,474,068
Tap-On Fees	1,976,691	16,375
Penalties and Interest	224,741	115,560
Total Revenues	12,133,881	10,606,003
Operating Expenses		
Personal Services	780,888	426,547
Professional and Technical	2,439,876	19,571
Purchased Property Services	330,873	151,604
Supplies	1,061,261	8,212,328
Depreciation	1,707,709	193,592
Amortization	200,432	-
Internal Fund Charges	679,031	249,156
Indirect Costs Allocation	627,769	981,041
Total Expenses	7,827,839	10,233,839
Net Operating Revenues (Expenses)	4,306,042	372,164
Non-Operating Revenues (Expenses)		
Interest Income	79,341	4,087
Interest Expense and Fiscal Agent Charges	(667,142)	-
Intergovernmental and Capital Contributions	970,864	-
Total Non-Operating Revenues (Expenses)	383,063	4,087
Net Revenues (Expenses) Before Transfers and Special Items	4,689,105	376,251
Transfers		
Transfers Out	(4,607,320)	(375,000)
Transfers In	-	-
Total Transfers In (Out)	(4,607,320)	(375,000)
Special Item		
Barrow County Purchase of Wastewater Capacity	1,166,400	-
Net Transfers and Special Items	(3,440,920)	(375,000)
Change in Net Assets	1,248,185	1,251
Net Assets, Beginning of the Year	24,474,425	5,443,532
Net Assets, End of the Year	\$ 25,722,610	\$ 5,444,783

The accompanying Notes to the Financial Statements are an integral part of this statement.

Other Proprietary Funds	Totals	Internal Service Funds
\$ 1,168,752	\$ 21,575,269	\$ 1,626,099
-	1,993,066	-
25,237	365,538	-
1,193,989	23,933,873	1,626,099
555,179	1,762,614	1,216,263
-	2,459,447	15,431
667,019	1,149,496	137,680
162,325	9,435,914	249,425
74,853	1,976,154	11,500
-	200,432	-
253,066	1,181,253	-
154,360	1,763,170	-
1,866,802	19,928,480	1,630,299
(672,813)	4,005,393	(4,200)
-	83,428	-
-	(667,142)	-
-	970,864	-
-	387,150	-
(672,813)	4,392,543	(4,200)
-	(4,982,320)	-
2,275,737	2,275,737	-
2,275,737	(2,706,583)	-
-	1,166,400	-
2,275,737	(1,540,183)	-
1,602,924	2,852,360	(4,200)
2,249,417	32,167,374	4,200
\$ 3,852,341	\$ 35,019,734	\$ -

City of Winder, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds	
	Water and Sewer	
	Fund	Gas Fund
Cash Flows From (To) Operating Activities:		
Receipts From Customers	\$ 11,692,408	\$ 10,778,285
Payments to Employees	(780,888)	(426,547)
Internal Activity	(1,306,800)	(1,230,197)
Payments to Suppliers	(1,793,824)	(8,140,673)
Net Cash Provided (Used) by Operating Activities	7,810,896	980,868
Cash Flows From (To) Noncapital Financing Activities		
Transfers to Other Funds	(4,607,320)	(375,000)
Transfers from Other Funds	-	-
Net Cash From (To) Noncapital Financing Activities	(4,607,320)	(375,000)
Cash Flows From (To) Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets, Net	(10,702,830)	(151,661)
Receipts from Intergovernmental	3,017,613	-
Interest and Fiscal Charges on Notes & Capital Leases	(667,142)	-
Principal Payments on Bonds	(761,369)	-
Principal Payments on Notes & Capital Leases	(673,015)	-
Proceeds from Issuance of Long-Term Debt	6,907,668	-
Net Cash From (To) Capital and Related Financing Activities	(2,879,075)	(151,661)
Cash Flows From Investing Activities:		
Interest on Investments	79,341	4,087
Net Increase (Decrease) in Cash	403,842	458,294
Cash and Cash Equivalents, Beginning of Year	3,443,349	2,420,040
Cash and Cash Equivalents, End of the Year	\$ 3,847,191	\$ 2,878,334
Reconciliation of Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities		
Operating Income (Loss)	\$ 4,306,042	\$ 372,164
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities		
Depreciation and Amortization	1,908,141	193,592
Changes in Current Assets and Liabilities		
Increase (Decrease) in Accounts Payable & Accrued Liabilities	2,115,939	162,700
Increase) Decrease in Customer Deposits	18,886	11,289
(Increase) Decrease in Inventories	44,056	92,076
(Increase) Decrease in Prepaid Items	(121,810)	(11,946)
(Increase) Decrease in Accounts Receivables	(460,358)	160,993
Net Cash Provided by Operating Activities	\$ 7,810,896	\$ 980,868

The accompanying Notes to the Financial Statements are an integral part of this statement.

Other Enterprise Funds	Totals	Internal Service Funds
\$ 1,174,447	\$ 23,645,140	\$ 1,626,099
(555,178)	(1,762,613)	(1,216,263)
(407,426)	(2,944,423)	-
(847,981)	(10,782,478)	(373,184)
(636,138)	8,155,626	36,652
-	(4,982,320)	-
2,275,737	2,275,737	-
2,275,737	(2,706,583)	-
(1,590,861)	(12,445,352)	(28,634)
-	3,017,613	-
-	(667,142)	-
-	(761,369)	-
-	(673,015)	-
-	6,907,668	-
(1,590,861)	(4,621,597)	(28,634)
-	83,428	-
48,738	910,874	8,018
236,786	6,100,175	3,524
\$ 285,524	\$ 7,011,049	\$ 11,542
\$ (672,813)	\$ 4,005,393	\$ (4,200)
74,853	2,176,586	11,500
(3,671)	2,274,968	41,230
4,605	34,780	-
-	136,132	-
(14,965)	(148,721)	(11,878)
(24,147)	(323,512)	-
\$ (636,138)	\$ 8,155,626	\$ 36,652

City of Winder, Georgia
Fiduciary Statement of Assets and Liabilities
Agency Fund – Municipal Court
June 30, 2007

Assets

Cash and Cash Equivalents	\$	10,237
Accounts Receivable		44,503
Total Assets	\$	54,740

Liabilities

Accounts Payable & Accrued Liabilities	\$	54,740
Total Liabilities	\$	54,740

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Basic Financial Statements

1-Summary of Significant Accounting Policies

This summary of the City of Winder's more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies are an integral part of the accompanying financial statements.

The City of Winder, incorporated in 1894, operates under a Mayor-Council form of government. The City provides a full range of services. These services include police and fire protection; natural gas; water; sanitary sewer; solid waste disposal; cultural and recreational activities; planning and zoning; economic development; the construction and maintenance of highways, streets, and infrastructure.

The accompanying financial statements report on the financial activity for the City of Winder, Georgia for the year ended June 30, 2007. The statements include all the funds controlled by the Mayor and Council of the City of Winder, Georgia. The financial statements have been prepared in conformance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City has elected to apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. If there is a conflict GASB prevails.

In June 1999, GASB approved Statement No. 34 Basic Financial Statements and Management Discussion and Analysis for State and Local Governments. As a part of this Statement, there is a new reporting requirement regarding the local government's infrastructure (roads, paths, street lights, etc.) and is scheduled for phased implementation based on the size of the government. The City of Winder is required to comply with the infrastructure reporting requirements no later than the fiscal year ending June 30, 2007. The City of Winder's financial statements for the fiscal year ended June 30, 2007, comply with the financial reporting requirements of GASB Statement 34.

Reporting Entity

The City presents in the accompanying financial statements those entities that comprise the primary government along with its component unit, an entity for which the City is considered to be financially accountable. At June 30, 2007, the City's reporting entity consists of the City of Winder, Georgia and the Downtown Development Authority, Winder, Georgia (a component unit). The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government.

Downtown Development Authority

The Downtown Development Authority ("Authority") is a nonmajor component unit of the City of Winder. The Authority solely serves the City and is controlled and managed by a board of seven members appointed by the Mayor and Council of the City. The purpose of the Authority is to foster the revitalization and redevelopment of Winder's Central Business District by facilitating projects that will promote trade, commerce, industry, and employment opportunities. Upon dissolution, the assets of the Authority would revert to the City.

Complete financial statements for the Downtown Development Authority may be obtained at the administrative offices.

City Hall
45 East Athens Street
Winder, Georgia 30680

Basic Financial Statements

The financial transactions of the City are presented in the basic financial statements that consist of the government-wide financial statements and the fund level financial statements. The government-wide financial statements categorize primary activities as either governmental or business-type. Governmental activities, which are generally financed by taxes, intergovernmental revenues, and other nonexchange revenues, are reported separately from business-type activities, which are financed for the most part by fees and charges for goods and services.

Government-wide financial statements provide financial information about the City as a whole. They focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the Statement of Net Assets and the Statement of Activities. The primary government and the component unit are presented separately within these financial statements with the focus on the primary government. The fiduciary fund is not presented in the government-wide financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Where internal activity is representative of an interfund service provided and used, no elimination has been made. Internal activities have not been eliminated from the fund financial statements. Exceptions to this general rule include charges between the City's business-type activities/proprietary funds, as well as some special revenue funds, and the General Fund. The City allocates charges as reimbursement for services provided by the General Fund in support of those functions based on levels of service provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. These allocated amounts charged through the City's indirect cost allocation plan are reported in a separate column on the Statement of Activities.

The *Statement of Net Assets* presents the financial position of the governmental and business-type activities of the City and its discretely presented component unit at year end, June 30, 2007.

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

Fund financial statements present information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. Major individual governmental funds and major individual proprietary funds are reported in separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column within each fund type in the financial section of the basic financial statements and are detailed in the supplemental information.

Basis of Presentation

The financial transactions of the City are recorded in individual funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

GAAP sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and proprietary combined) for the determination of major funds. Nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

Governmental Funds

The City reports only the General Fund as a major governmental fund. All other funds are considered non-major funds.

General Fund

The General Fund is the principal fund of City and is used to account for all activities not included in other specified funds. The General Fund accounts for the normal recurring activities of the City (i.e., police, fire, public works, general government, etc.).

The City reports the following non-major funds within the governmental fund type:

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted legally to expenditures for specified purposes. The City utilizes three funds of this type, which are the Hotel/Motel Tax Fund, Community TV Station Fund, and Grant Fund.

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital projects. The Capital Projects Fund maintained by the City is as follows:

The Capital Projects Fund accounts for the receipt and use of Special Purpose Local Option Sales Tax (SPLOST) proceeds for road and sidewalk improvement projects, Recreation Facilities, Downtown Redevelopment Projects, Streetscape, and Sewer Facilities.

Fiduciary Fund

Agency Fund – Municipal Court

The Municipal Court Fund is used to account for the monies received for fines collected. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Proprietary Funds

The City reports two of its proprietary funds as major funds. These funds are often called "income determination", "non-expendable," or "commercial-type" funds and are used to account for the ongoing activities of the City that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses, and transfers relating to the City's business and quasi-business activities are accounted for through proprietary funds. The measurement focus is upon flow of economic resources. The report includes the following proprietary funds:

Enterprise Funds:

Water and Sewer Fund

The Water and Sewer Fund is the largest of the seven proprietary funds operated by the City. The Water and Sewer Fund accounts for the operations of the water and sewer systems of the City. The system supplies water and sewer service to area residents and to industrial and commercial users in the City and County.

Gas Fund

The Gas Fund is the second largest of the seven proprietary funds and accounts for the distribution and sale of natural gas in the City of Winder and the counties of Barrow, Walton, and Oconee.

Non- Major Enterprise Funds:

Solid Waste Management Fund

The Solid Waste Management Fund accounts for the costs of solid waste collection, disposal, and recycling. Because the costs of solid waste disposal and recycling are extremely high, this fund generally operates at a loss. Operating losses are financed from profits from the other proprietary funds.

Special Facilities Fund

The Special Facilities Fund is used to account for the rents and other income and the related costs (including depreciation) of operating the City's Civic Center, Cultural Arts Center, Adult Education Center and Historic Train Station.

Broadband Fund

The Broadband Fund is used to account for the fiber infrastructure installed that the City is leasing to businesses in the City of Winder.

Internal Service Funds

Internal Service Funds account for goods and services provided by one department to other departments or funds on a cost-reimbursement basis. The City has the following Internal Service Funds:

Utility Service Fund

The City accounts for its utility billing, meter reading, and related utility administration in the Utility Service Fund.

Fleet Maintenance Fund

The City accounts for its vehicle maintenance costs in the Fleet Maintenance Fund.

Basis of Accounting and Measurement Focus

The accounting and financial reporting treatment applied to a fund is determined by its basis of accounting and measurement focus. Basis of accounting refers to when transactions are recorded while measurement focus describes which transactions are recorded.

The Government-wide Financial Statements, the Proprietary Funds Financial Statements, and Fiduciary Fund Statements are presented on an *accrual* basis of accounting with an *economic resource* measurement focus. An economic resource focus concentrates on an entity or fund's net assets. All transactions and events that affect the total economic resources (net assets) during the period are reported. An economic resources measurement focus is inextricably connected with accrual accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash inflows and outflows.

All Governmental Fund types use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both

measurable and available). "Measurable" means the transaction can be identified, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable. Principal and interest on general long-term debt is recorded as fund expenditures when due.

All Governmental Funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Revenues that are susceptible to accrual include certain intergovernmental revenues, sales taxes, interest on investments and charges for services.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the governmental column of the government-wide presentation. This reconciliation is part of the basic financial statements.

The Proprietary Fund types are accounted for on the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when incurred.

All proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and liabilities associated with the operation of these funds are included on the balance sheet using this measurement focus. Fund equity (i.e., net total assets) is segregated into Invested in Capital Assets, Net of Related Debt: Restricted: and Unrestricted. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses, and include interest revenue and interest expense.

The City reports deferred revenue in its governmental and proprietary funds. For governmental fund types, deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. For proprietary funds, deferred revenues also arise when the City receives resources before it has a legal claim to them or has earned them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the funds and revenue is recognized.

Assets, Liabilities and Equity

Cash and Investments

The City considers currency on hand, demand deposits with banks, amounts included in pooled cash and investment accounts to be cash and cash equivalents. Cash equivalents that mature in three months or less are readily convertible to known amounts of cash.

Statutes authorize the City to invest in obligations of the United States and of its agencies and instrumentalities, bonds of the State of Georgia and its agencies, instrumentalities and political subdivisions, certificates of deposit of national or state banks that are fully insured or collateralized by United States obligations, and Georgia Fund 1, the Local Government Investment Pool. Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's

criteria for AAAm rated money market funds and is regulated by the Georgia Office of Treasury and Fiscal Services. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines a participant's shares sold and redeemed based on \$1.00 per share.

The City's investments are stated at fair value, which is determined using selected basis. Short-term investments are reported at cost, which approximates fair value. Investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which is fair value.

Receivables and Payables

Residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "Due to Other Funds" and "Due from Other Funds".

Receivables of the proprietary funds are recognized as revenue when earned, including services provided but not billed. Receivables in governmental and proprietary funds are stated net of an allowance for collectibles.

Inventories

Inventories of materials and supplies in the proprietary funds are stated at cost on a first-in, first-out basis and charged to expense as used.

Prepaid Items

Payments made to vendors that will benefit periods beyond June 30, 2007, are recorded as prepaid items.

Bond Issue Costs

In Water and Sewer Fund, bond issue costs are deferred and amortized, using the bonds outstanding method, over the lives of the related issues. The original amount of the bond issue cost was \$808,049. As of June 30, 2007 accumulated amortization was \$478,346, for a balance of \$329,703.

Loan Closing Costs

In the proprietary funds, certain costs incurred in connection with the issuance of long-term debt are deferred and amortized over the lives of the related issues based on the annual principal reductions. The original closing costs were \$108,000. As of June 30, 2007 accumulated amortization was \$86,604 for a balance of \$21,396.

Restricted Assets

Certain proceeds of proprietary fund revenue bonds are classified as restricted assets on the Statement of net assets because their use is limited by applicable bond covenants. The Water and Sewer Fund sinking fund accounts are used to segregate resources accumulated for debt service payments. Other assets earmarked for restricted use in accordance with legal provisions or external requirements are indicated on the balance sheets. When an expense is incurred for which both restricted and unrestricted net assets are available, the City's policy is to apply the restricted net assets first.

Capital Assets

Property, plant, and equipment have been recorded at cost, if purchased, and if donated, at fair market value on the date of donation. The City maintains a capital threshold of \$5,000. Interest expense of the

proprietary funds is capitalized during construction when assets are constructed with borrowed monies. Capital assets are reported in both the applicable governmental or business-type activities columns in the government-wide statements. Capital assets are charged to expenditures when purchased in the governmental fund statements, and capitalized in the proprietary fund statements. Depreciation is calculated on the straight-line basis. Depreciation is based on the following estimated useful lives:

Depreciation Schedules

	Buildings	Plant/System	Vehicles and Equipment
Governmental Funds	10-40	33-40	3-10
Water and Sewer	10-40	33-40	3-10
Gas	10-40	40	3-10
Solid Waste Management	10-40	40	3-10
Special Facilities	10-40	NA	3-10
Broadband	NA	20	NA
Internal Service Funds	NA	NA	3-10

Infrastructure is depreciated over 30-50 years straight-line. Beginning with Fiscal Year 2006, the City has reported all infrastructure assets in accordance with GASB Statement #34.

One-half year of depreciation is taken in the year the assets are acquired or retired. Gains or losses from sale or retirement of assets are included in current operations in the government-wide statements and individual proprietary fund financials.

Major improvements that extend the life of an asset are capitalized. Normal maintenance and repairs are charged to expense as incurred.

Compensated Absences

Vacation pay is accrued when earned. Vacation leave must be used during the year earned. At the end of the calendar year, any unused vacation leave is paid to the employee. Sick leave benefits are not accrued because the payment of the benefits is contingent upon the future illness of an employee. Sick leave is generally earned and accumulated at the rate of 6 hours per month. Employees may elect to apply accumulated sick leave to time of service at their retirement. Upon termination of employment, individuals are not paid for unused sick leave.

Long-term Obligations

In the government-wide financial statements, long-term debt and other liabilities are reported as liabilities of governmental activities or business-type activities. They are also reported as liabilities in the proprietary fund financial statements. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the percent of bond principal retired method. The deferred book loss is presented as a reduction of the face amount of the bonds payable.

In the governmental fund financial statements, long-term debt is not reported as a liability. Instead, the face amount of debt issued is reported as other financing sources, and payment of principal and interest are reported as expenditures. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from actual debt proceeds received, are reported as debt service expenditures.

Fund Equity

In the government-wide statements, equity is classified as net assets and displayed as "Invested in Capital Assets, Net of Related Debt"; "Restricted Net Assets"; or "Unrestricted Net Assets". Invested in capital assets represents capital assets, including restricted capital assets, net of accumulated depreciation reduced by any bonds, mortgages, notes or other debt attributable to the acquisition, construction or improvement of those assets. Restricted net assets consist of net assets with constraints

placed on their use. Unrestricted net assets are all other net assets that do not meet the criteria for classification as “invested in capital assets, net of related debt” or “restricted”.

In the fund financial statements, fund equity has several components. Reserves of the fund balance represent funds that are not available for appropriation or are legally segregated for a future use. Designations of fund balance represent funds that have tentatively been set aside for future use. The remaining fund balance is classified as unreserved and undesignated fund balance. In the proprietary funds, equity is presented in the same manner as the government-wide statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the City to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds (business-type activities). For the City of Winder, these revenues are charges for services for water, sewer, natural gas, solid waste, and building rentals. Operating expenses are necessary costs incurred to provide goods or services that are the primary activity of each fund.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and in the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported after general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are also eliminated.

Comparative Data

Comparative data for the prior year has been presented in some of the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative data (presentation of prior year totals by fund type) has not been presented in each fund since its inclusion would make the statements unduly complex and difficult to read. Also, certain prior year amounts have been reclassified to conform to the current year presentation.

2-Budgetary Information

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to May 1, the Mayor submits to the City Council a proposed operating budget, in a separate budget document, for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means to finance them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to July 1, the final budget is presented to the City Council by the Mayor and is legally enacted through passage of a budget resolution.

4. Budgetary control is maintained at the department level.
5. Formal budgetary integration is employed as a management control device during the year for all funds except the Agency Fund.
6. The annual budgetary data reported for the General Fund and the annually-budgeted Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles and represent the original appropriation ordinance and other budget amendments as adopted by the City Council. Appropriations lapse at the end of each fiscal year for these funds.

The City Administrator is permitted to transfer appropriations within a department. City Council must approve transfers between functions and subsequent budgetary amendments. Expenditures may not legally exceed budgeted appropriations at the department level within the fund.

The City allocated the proper amount for the total annual operations of the TV Station; however, the budget allocation for capital outlay was needed for operations due to the hiring of additional personnel. A budget amendment was not made to correct the actual allocations.

Significant departures must be in excess of \$75,000 and more than 4.0% of the budgeted amount, within each department. There were no significant departures from the total budgeted amounts in the General Fund. Internal Service Fund charges were not budgeted by department.

In the TV Station Fund the material budget variation is as follows:

<u>Department</u>	<u>Final Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
TV Station Fund			
Television Administration	\$ 61,100	\$ 178,767	\$ (117,667)

At June 30, 2007 the Community TV Station had a fund balance deficit of \$23,252, which was a result of a prior year deficit along with the fact that the TV Station receives no financial support other than from the City of Winder's General Fund. The City transferred \$201,000 as budgeted, but additional funds were needed due to the hiring of new staff.

Non significant departures from the City's budgeted amounts are as follows:

<u>Department</u>	<u>Final Appropriations</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund			
Current Expenditures			
Public Works	\$ 1,460,416	\$ 1,482,152	\$ (21,736)
Capital Outlay			
General Government	48,000	63,684	(15,684)
Debt Service			
Principal	181,000	201,681	(20,681)
Grant Fund			
Current Expenditures			
Grant Administration	62,433	63,431	(998)
Hotel/Motel Fund			
Current Expenditures	20,000	26,822	(6,822)
Business Development			

3-Deposits and Investments

Total deposits and cash investments as of June 30, 2007, are summarized as follows:

Balances per statement of net assets:	
Cash-Primary Government	\$ 8,245,831
Cash-CU-Downtown Development Authority	4,777
Restricted assets:	
Investment-Bond Sinking Accounts	553,866
 Balances per statement of fiduciary net assets:	
Cash-Agency Fund	10,237
Total	<u>\$ 8,814,711</u>
Cash deposited with financial institutions	\$ 5,573,472
Cash deposited with Georgia Fund 1	2,684,973
US Bank-Bond Sinking Fund	553,866
Petty Cash	2,400
Total	<u>\$ 8,814,711</u>

Credit risk

State statutes authorize the City to invest in obligations of the State of Georgia or other states; obligations issued by the United States government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of June 30, 2007, the investments in the Georgia Fund 1 was rated AAAM and the investment in the US Bank was rated AAA by Standard & Poor's.

At June 30, 2007, the City had the following investments:

<u>Investments</u>	<u>Maturities</u>	<u>Rating</u>	<u>Value</u>
Investment Reported in Cash:			
Georgia Fund 1	26 day weighted average	AAAM	\$ 2,684,973
Investment Reported in Restricted Assets:			
US Bank Bond Sinking Fund	26 day weighted average	AAA	553,866
Real Estate Investment:			
Granite Building	N/A	N/A	257,609
	Total		<u>\$ 3,496,448</u>

Interest rate risk

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

Custodial credit risk - deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) that are not covered by FDIC insurance must be collateralized by 110% the value of the deposits by obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. At June 30, 2007, all deposits of the City were adequately insured or collateralized.

Investment - Granite Building

The City's General Fund invested in a historical building in the amount of \$257,609. The City considers this a real estate investment since the Georgia Historical Society has identified this building as the oldest standing granite structure in Georgia and the City plans to resell the building to an investor/developer.

4-Accounts and Intergovernmental Receivables

Receivables as of year-end for the City's individual, major, and non-major governmental funds in the aggregate are as follows:

	Major	Nonmajor		Total
	General	Special Revenue	Capital Projects	
Receivables:				
Intergovernmental				
State of Georgia Sales Tax	\$ 300,000	\$ -	\$ -	\$ 300,000
Governors Office of Highway Safety	-	29,088	-	29,088
Barrow County Board of Commissioners	-	-	50,193	50,193
Total Intergovernmental	<u>300,000</u>	<u>29,088</u>	<u>50,193</u>	<u>379,281</u>
Taxes				
Barrow County Tax Commissioner-Net	48,504	-	-	48,504
Accounts	<u>52,945</u>	<u>7,459</u>	<u>-</u>	<u>60,404</u>
Total Receivables	<u><u>\$ 401,449</u></u>	<u><u>\$ 36,547</u></u>	<u><u>\$ 50,193</u></u>	<u><u>\$ 488,189</u></u>

The City does not maintain an allowance for bad debts on accounts. Annually, accounts that are determined to be uncollectible are written off.

5-Restricted Assets

The City's restricted assets include the following:

Business-type Activities

Bond Sinking Accounts Investments	<u><u>\$ 553,866</u></u>
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6-Capital Assets

Capital asset activity for governmental activities for the year ended June 30, 2007 was as follows:

	Balance 06/30/06	Additions	Decreases	Balance 06/30/07
Non-Depreciable:				
Land	\$ 314,532	\$ -	\$ -	\$ 314,532
Construction in Progress	-	168,544	-	168,544
Total Non-Depreciable	<u>314,532</u>	<u>168,544</u>	<u>-</u>	<u>483,076</u>
Depreciable:				
Buildings	2,745,653	12,900	-	2,758,553
Vehicles	2,050,026	426,984	(48,790)	2,428,220
Furniture and Equipment	2,018,530	252,466	-	2,270,996
Infrastructure	23,193,053	147,596	-	23,340,649
Total Depreciable	<u>30,007,262</u>	<u>839,946</u>	<u>(48,790)</u>	<u>30,798,418</u>
Accumulated Depreciation:				
Buildings	(598,204)	(65,959)	-	(664,163)
Vehicles	(1,598,667)	(146,660)	48,790	(1,696,537)
Furniture and Equipment	(1,620,514)	(128,398)	-	(1,748,912)
Infrastructure	(14,159,803)	(707,505)	-	(14,867,308)
Total Accumulated Depr.	<u>(17,977,188)</u>	<u>(1,048,522)</u>	<u>48,790</u>	<u>(18,976,920)</u>
Total Depreciable, net	<u>12,030,074</u>	<u>(208,576)</u>	<u>-</u>	<u>11,821,498</u>
Government Activities, Capital Assets, Net	<u>\$ 12,344,606</u>	<u>\$ (40,032)</u>	<u>\$ -</u>	<u>\$ 12,304,574</u>

Depreciation expense for governmental activities is charged to functions as follows:

General Government	\$ 126,820
Public Safety	173,488
Public Works	747,597
Facilities Maintenance	617
Total Depreciation	<u><u>\$ 1,048,522</u></u>

Capital asset activity for business-type activities for the year ended June 30, 2007 was as follows:

	Balance 06/30/06	Additions	Decreases	Balance 06/30/07
Non-Depreciable				
Land	\$ 5,463,522	\$ -	\$ -	\$ 5,463,522
Construction In Progress	1,520,755	12,413,927	(1,520,755)	12,413,927
Total Non-Depreciable	6,984,277	12,413,927	(1,520,755)	17,877,449
Depreciable				
Plant and System	51,981,213	1,391,981	-	53,373,194
Buildings	1,961,663	54,595	-	2,016,258
Vehicles	895,668	60,290	-	955,958
Furniture and Equipment	1,447,802	73,950	-	1,521,752
Total Depreciable	56,286,346	1,580,816	-	57,867,162
Accumulated Depreciation				
Plant and System	(20,259,051)	(1,812,600)	-	(22,071,651)
Buildings	(314,769)	(57,255)	-	(372,024)
Vehicles	(761,316)	(41,903)	-	(803,219)
Furniture and Equipment	(1,244,718)	(75,896)	-	(1,320,614)
Total Accumulated Depr.	(22,579,854)	(1,987,654)	-	(24,567,508)
Total Depreciable, net	33,706,492	(406,838)	-	33,299,654
Business Type Activities, Capital Assets, Net				
	\$ 40,690,769	\$ 12,007,089	\$ (1,520,755)	\$ 51,177,103

Depreciation expense for business-type activities is charged to functions as follows:

Water and Sewer Fund	\$ 1,707,709
Gas Fund	193,592
Solid Waste Management Fund	21,828
Special Facilities	52,684
Broadband	341
Internal Service Funds	11,500
Total Depreciation	\$ 1,987,654

7-Risk Management

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has joined together with other municipalities in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The authority to participate in this pool rests with the City Council.

As part of these risk pools, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss.

The City also allows the pool's agents and attorneys to represent the City in investigation, settlement discussions and all levels of litigation arising out of any claim made against the City within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Settled claims in the past three years have not exceeded the coverage.

8-Long-Term Debt

Long-term debt information is presented separately for governmental and business-type activities. The table below presents current year changes in long-term debt and the current portions due for each issue.

	Balance 6/30/2006	Increase	Decrease	Balance 6/30/2007	Due In FY 2008
Governmental Activities:					
Capital Lease	\$ 262,200	\$ -	\$ (24,512)	\$ 237,688	\$ 25,558
Mortgages Payable	500,691	-	(177,169)	323,522	213,371
Compensated Absences Payable	99,775	195,486	(171,849)	123,412	123,412
Total Governmental Activities	\$ 862,666	\$ 195,486	\$ (373,530)	\$ 684,622	\$ 362,341
Business-Type Activities:					
Notes Payable-					
1991 GEFA Sewer Treatment	\$ 410,244	-	\$ (71,459)	\$ 338,785	\$ 75,687
1992 GEFA Sewer Treatment	444,793	-	(70,058)	374,735	74,494
1997 GEFA Water Tank & Lines	314,283	-	(23,726)	290,557	24,991
2002 GEFA Water Tank & Lines	159,566	-	(18,373)	141,193	18,739
2003 GEFA Water Tank & Lines	579,369	-	(20,703)	558,666	21,585
2006 GEFA Water - Ceder Creek	-	6,907,668	-	6,907,668	-
State Of Georgia Revolving	854,414	-	(161,299)	693,115	164,536
Bonds Payable-					
1996 Series	215,000	-	(215,000)	-	-
1998 Series	6,414,358	-	(452,369)	5,961,989	451,221
2005 Series	5,882,000	-	(94,000)	5,788,000	320,000
Deferred Bond Refunding Loss	(993,869)	-	161,445	(832,424)	(161,444)
Capital Leases	749,149	-	(307,397)	441,752	315,713
Compensated Absences Payable	36,183	44,913	(51,247)	29,849	29,849
Total Business-Type Activities	\$ 15,065,490	\$ 6,952,581	\$ (1,324,186)	\$ 20,693,885	\$ 1,335,371

*Compensated absences due not carry over from year to year, therefore they are all current obligations.

Governmental Activities

The City has financed the acquisition of a vehicle (fire truck) by means of a 10-year lease at 4.18% interest. The lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date. The fire truck initially cost \$284,970, accumulated depreciation as of June 30, 2007, is \$56,994, for a net book value of \$227,976.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2007 were as follows:

Year Ending June 30,	Governmental Activities
2008	\$ 35,006
2009	35,006
2010	35,006
2011	35,006
2012	35,006
2013-2015	105,009
Total Minimum Lease Payments	280,039
Less Amount Representing Interest	(42,351)
Present Value of Minimum Lease Payments	\$ 237,688

The City's obligation to pay such lease payments is conditional on the annual appropriation of funds by the City Council.

The City financed the acquisition of new office facilities during FY 2004 for a total purchase price of \$770,310. As of June 30, 2007, accumulated depreciation was \$87,160 with a net book value of \$683,150. The purchase is being amortized over a 5 ½ year period at 2.95% annual interest rate. The annual requirements to amortize the debt outstanding are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2008	\$213,371	\$ 6,946	\$ 220,317
2009	110,151	984	111,135
Totals	<u>\$323,522</u>	<u>\$ 7,930</u>	<u>\$ 331,452</u>

In the Governmental Activities, compensated absences will be liquidated by the General Fund.

Business-type Activities

Water and Sewer Revenue Bonds

The Water and Sewer Fund has issued Water and Sewer Revenue Bonds (Series 1998, and Series 2005). These revenue bonds constitute special obligations of the City solely secured by a lien on and pledge of the net revenues of the water and sewer system.

On April 1, 1998, the City issued the Water and Sewerage Revenue Bonds, Series 1998 in the amount of \$9,964,358 to finance the costs of making renovations, additions, extensions and expansions to the City's existing water and sewerage system and refund the City's Series 1987 Bonds. The principal on the Series 1998 bonds is payable in 21 annual installments which began December 1, 1998, and ends December 1, 2018. Interest is payable at a rate of 3.6% to 5.0% on June 1 and December 1 which began December 1, 1998, and ends December 1, 2018. The annual requirements to amortize outstanding debt of the 1998 Water and Sewerage Revenue Bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2008	\$ 451,221	\$ 250,910	\$ 702,131
2009	450,399	233,830	684,229
2010	444,913	216,441	661,354
2011	448,605	198,644	647,249
2012	443,769	181,358	625,127
2013-2017	1,233,082	732,694	1,965,776
2018-2019	2,490,000	126,000	2,616,000
Totals	<u>\$ 5,961,989</u>	<u>\$ 1,939,877</u>	<u>\$ 7,901,866</u>

On February 1, 2005 the City issued Water and Sewerage Revenue Refunding Bonds, series 2005 due at various dates ending December 1, 2016. Water and Sewerage Revenue bonds of 1993 and 1996 were defeased amounting to \$290,000 and \$5,045,000 respectively.

The annual requirement to amortize outstanding debt of the 2005 Water and Sewerage Revenue Bonds is as follows:

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2008	\$ 320,000	\$ 208,799	\$ 528,799
2009	335,000	196,649	531,649
2010	349,000	183,960	532,960
2011	362,000	170,771	532,771
2012	380,000	157,007	537,007
2013-2017	4,042,000	420,008	4,462,008
Totals	<u>\$ 5,788,000</u>	<u>\$ 1,337,194</u>	<u>\$ 7,125,194</u>

The City is in compliance with all significant provisions of the bond indentures, series 1998, and 2005.

Notes Payable

The City's Water and Sewer Fund has also entered into loan agreements in the original amount of \$3,071,647 with the Georgia Environmental Facilities Authority (GEFA), a State agency. The GEFA makes low interest long-term loans to fund improvements to publicly owned water and sewer systems. Once the loan commitment has been made, loan proceeds are drawn down as costs are incurred. Payback of the loan principal does not begin until after the funded project has been completed. Interest is paid on all outstanding amounts. The City's current GEFA loans outstanding have interest rates ranging from 1.55% to 5.8%. The following tables show the details of GEFA Loans through June 30, 2007 and the annual requirements to amortize the debt outstanding:

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2008	\$ 215,496	\$ 80,317	\$ 295,813
2009	227,696	68,116	295,812
2010	240,244	55,568	295,812
2011	253,640	42,172	295,812
2012	131,553	30,757	162,310
2013-2017	341,708	99,777	441,485
2018-2022	182,609	45,163	227,772
2023-2025	110,990	6,569	117,559
Totals	<u>\$ 1,703,936</u>	<u>\$ 428,439</u>	<u>\$ 2,132,375</u>

In FY 2007 the City entered into an additional loan agreement with GEFA for financing the Cedar Creek Wastewater Reclamation Facility. At June 30, 2007 the outstanding balance of the GEFA loan was \$6,907,668. No amortization schedule has been set up because the project and loan have not been closed. Construction cost to date is \$10,367,000 which includes accrued estimated interest on this loan of \$139,000.

Other liabilities of the Water and Sewer Fund include a loan agreement the City has entered into with the State of Georgia under the State Revolving Fund Program (SRF) in the original amount of \$2,158,982. The SRF makes low interest loans to public sewer systems for capital improvements. The SRF program is funded by a combination of State funds and a grant to the State from the Federal Environmental Protection Agency. At June 30, 2007 the City had a total of \$693,115 outstanding in SRF loans bearing interest at 2.0% per annum. The following table shows the annual requirements to amortize the outstanding loan:

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2008	\$ 164,536	\$ 12,381	\$ 176,917
2009	167,892	9,025	176,917
2010	171,264	5,652	176,916
2011	189,423	2,170	191,593
Totals	<u>\$ 693,115</u>	<u>\$ 29,228</u>	<u>\$ 722,343</u>

Capital Lease

The Water and Sewer Fund has one capital lease outstanding at June 30, 2007. The lease is for the replacement of the water and gas meters (Cost \$2,218,757, accumulated depreciation \$751,706, net book value \$1,467,051, interest rate 2.95%). The following table shows the annual requirements to amortize the outstanding capital lease:

Fiscal Year Ending June 30	Principal	Interest	Total Debt Service
2008	\$ 315,713	\$ 9,919	\$ 325,632
2009	126,039	1,250	127,289
Totals	<u>\$ 441,752</u>	<u>\$ 11,169</u>	<u>\$ 452,921</u>

In the Business-type activities, compensated absences will be liquidated by the applicable fund.

9-Advance Bond Refunding

In fiscal year 1998, a portion of the Series 1998 Water and Sewerage Revenue Bonds was used to refund the Series 1987 Bonds in the amount of \$3,405,709. The City deposited with the paying agent for the Series 1987 Bonds, a portion of the proceeds of the sale of the Series 1998 Bonds, which was invested by the paying agent in certain direct obligations of the United States Government, maturing on or prior to June 1, 1998, the principal and interest on which was sufficient to provide for the payment of the interest on the Series 1987 Bonds to their redemption date and redemption price on June 1, 1998. In connection with this advance refunding the City recognized a loss in the amount of \$1,177,731. This loss is being amortized over a fourteen-year period (the life of the 1987 bonds) using the straight-line method. As of June 30, 2007, accumulated amortization was \$764,123 with a net book value of \$413,608.

In fiscal year 1998, there were also bond issuance costs incurred with the issuance of the Series 1998 Bonds in the amount of \$365,541. As of June 30, 2007, the accumulated amortization was \$146,276 with a net book value of \$219,265. These costs have been deferred and are being amortized over the life of the bonds based on annual principal retired. At June 30, 2007, the outstanding balance on the defeased bond from the 1998 refunding is as follows:

1987 \$504,757

In fiscal year 2006, the 1993 Water and Sewerage Revenue Bonds and a portion of the 1996 Water and Sewerage Revenue Bonds were defeased into the Series 2005 Water and Sewerage Revenue Bonds. In connection with this defeasement, the City recognized a book loss in the amount of \$605,674. This loss is being amortized over a 7 year 10 month period (the life of the defeased Series 1993 Bonds) using the straight-line method. As of June 30, 2007, accumulated amortization was \$186,858 with a net book value of \$418,816.

There were also bond issue costs incurred with the Series 2005 Bonds in the amount of \$114,750. As of June 30, 2007, accumulated amortization was \$4,312 with a net book value of \$110,438. These costs have been deferred and are being amortized over the life of the bonds based on annual principal retired. At June 30, 2007, the outstanding balances on the defeased bonds from the 2005 refunding are as follows:

1993 \$ 290,000
 1996 \$5,045,000

10-Water Fund Intergovernmental Receivable, Deferred Revenue and Special Item

On June 29, 2006, the City of Winder entered into an intergovernmental agreement with Barrow County, Georgia ("County") to sell 1,000,000 gallons per day of sewage treatment capacity rights at the City's Cedar Creek Wastewater Reclamation Facility for a total of \$10,416,000. The contract states that \$5,832,000 of the total is for immediate transfer and assignment of capacity to Barrow County from the City; therefore the City has set up an intergovernmental receivable for this amount. This portion of the contract is to help fund the construction cost of the facility so the City is recognizing revenue and will also reserve net assets for capital projects. In FY 2007, the City recognized revenue of 20% (\$1,166,400) as a special item because the City has provided the right for 200,000 gallons per day of the County's wastewater to enter the City's current wastewater treatment facility. In FY 2008, the City will recognize the remaining \$4,665,600 (currently deferred revenue) as a special item when the additional 800,000 gallons per day will be available. The City considers this a special item because it is infrequent in occurrence, significant and is subject to management control. The remaining balance of the contract (\$4,584,000) is a shared capacity charge and will be paid as the County collects tap fees of \$1,500 each. As the County collects and submits tap fees, the City will recognize this remaining revenue.

The Intergovernmental Receivable activity for the year ended June 30, 2007 is as follows:

	<u>Balance 6/30/2006</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance 6/30/2007</u>	<u>Due In FY 2008</u>
Barrow County					
Intergovernmental Receivable	\$ -	\$ 5,832,000	\$ (2,000,000)	\$ 3,832,000	\$ 126,563

A maturities schedule of the intergovernmental receivable is as follows:

Fiscal Year Ending June 30	Principal	4.16% Interest	Total Receivable Per Year
2008	\$ 126,563	\$ 159,411	\$ 285,974
2009	131,828	154,146	285,974
2010	137,312	148,662	285,974
2011	143,025	142,950	285,975
2012	148,974	137,000	285,974
2013-2017	843,152	586,721	1,429,873
2018-2022	1,033,739	396,134	1,429,873
2023-2027	1,267,407	162,467	1,429,874
Totals	\$ 3,832,000	\$ 1,887,491	\$ 5,719,491

11-Interfund Receivables, Payables and Transfers

Interfund balances at June 30, 2007, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The City expects to repay all interfund balances within one year.

There were no interfund receivables or payables as of June 30, 2007.

Interfund transfers in (out) for the year ended June 30, 2007, are as follows:

	General Fund	Hotel/Motel	TV Station	Broad-band	Special Facilities	Water & Sewer	Gas	Soild Waste	Transfers In	Transfers Out	Net Transactions
Governmental Activities											
General Fund	\$ -	\$ 50,000	\$ (201,000)	\$ (42,000)	\$ (1,668,325)	\$ 4,607,320	\$ 375,000	\$ (565,412)	\$ 5,032,320	\$ (2,476,737)	\$ 2,555,583
Hotel/Motel	(50,000)	-	-	-	-	-	-	-	-	(50,000)	(50,000)
TV Station	201,000	-	-	-	-	-	-	-	201,000	-	201,000
Total Governmental	151,000	50,000	(201,000)	(42,000)	(1,668,325)	4,607,320	375,000	(565,412)	5,233,320	(2,526,737)	2,706,583
Business-type Activities											
Water & Sewer	(4,607,320)	-	-	-	-	-	-	-	-	(4,607,320)	(4,607,320)
Gas	(375,000)	-	-	-	-	-	-	-	-	(375,000)	(375,000)
Soild Waste	565,412	-	-	-	-	-	-	-	565,412	-	565,412
Special Facilities	1,668,325	-	-	-	-	-	-	-	1,668,325	-	1,668,325
Broadband	42,000	-	-	-	-	-	-	-	42,000	-	42,000
Total Business-type	(2,706,583)	-	-	-	-	-	-	-	2,275,737	(4,982,320)	(2,706,583)
Net Transactions	\$ (2,555,583)	\$ 50,000	\$ (201,000)	\$ (42,000)	\$ (1,668,325)	\$ 4,607,320	\$ 375,000	\$ (565,412)	\$ 7,509,057	\$ (7,509,057)	\$ -

Transfers are used to reclassify revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary operations.

12-Retirement Plan

The City maintains a defined benefit pension plan (the City of Winder Retirement Plan) to provide retirement and disability benefits for all full-time general and uniformed personnel of the City. The Plan is a participating member of the Georgia Municipal Employees Benefit System (The Plan) (GMEBS), an agent multiple-employer pension employee retirement system (PERS) that acts as a common investment and administrative agent for Cities in the State of Georgia. An annual report that includes financial statements and required supplemental information is issued by GMEBS. A copy of the report may be obtained by writing to Georgia Municipal Association, 201 Pryor Street SW, Atlanta, Georgia 30303. The authority to participate in this plan rests with the City Council.

All full-time City employees are eligible to participate in the plan after one year of service. Employees are not required to contribute to the Plan. The City is required to contribute the amount necessary to fund the

Plan, using the actuarial basis specified by the Plan. The Plan is subject to minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10).

Under the Plan, pension benefits vest after ten years of service. Benefits are based on the five highest year's average salary. Participants may retire at the earlier of age 65 with 5 years of service or age 60 with 30 years of service. An alternative normal retirement benefit is offered for participants who satisfy the Rule of 70. Benefits are payable for life in an amount equal to 2.00 percent of annual salary for employees with retirement dates before August 1, 2000 or 3.00 percent of annual salary for employees with retirements dates after August 1, 2000. The plan also provides death and disability benefits. These benefit provisions and all other requirements are established by the GMEBS Board of Trustees and the adoption agreement executed by the City.

As of May 1, 2007, employee membership data related to the pension plan was as follows:

Inactive Participants:	
Retiree and beneficiaries currently receiving ben	61
Terminated employees entitled to benefits but not receiving benefits	49
Total	<u>110</u>
Active Plan Participants:	
Vested	43
Nonvested	107
Total	<u>150</u>
Total Number of Plan Participants	<u><u>260</u></u>

Data relating to the Plan on May 1 for the past four years is as follows:

Fiscal Year	Annual Required Contr (ARC)	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)	Interest on NPO	NPO at June 30,2007
2004	\$ 331,095	\$ 345,418	103.67%	\$ (14,323)	\$ -	\$ -
2005	423,802	473,314	111.68%	(49,512)	-	-
2006	369,702	454,285	122.88%	(84,583)	-	-
2007	477,451	419,842	87.93%	57,609	432	58,041

Analysis of funding progress is presented below:

Actuarial Valuation Date May 1	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Projected Unit Credit (b)	Excess (Deficit) of Assets Over AAL (a-b)	Funded Ratio (a/b)	Covered Payroll (c)	Excess (Deficit) as a Percentage of Covered Payroll ((a-b)/c)
2004	\$ 7,052,769	\$ 8,286,115	\$ (1,233,346)	85.12%	\$ 4,196,504	(29.39%)
2005	7,511,211	8,226,007	(714,796)	91.31%	4,491,236	(15.92%)
2006	8,000,559	8,899,011	(898,452)	89.90%	5,018,026	(17.90%)
2007	8,526,546	11,795,943	(3,269,397)	72.28%	5,854,339	(55.85%)

The Information was determined as part of the Actuarial Report as of May 1, 2007. Additional information included in the report follows:

Valuation Date	May 1, 2007
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar Open

Remaining Amortization Period	
Initial unfunded accrued liability	21 Years
Accrued liability arising from changes in plan	20 Years
Accrued liability arising from plan losses (gains)	15 Years
Accrued liability arising from plan assumptions/method	30 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Assumed Rate of Return on Assets	8.0%
Projected Merit/Seniority Salary Increases	5.0%
Projected Inflation	0.0%

In May 2007, GASB issued Statement No. 50, "Pension Disclosures – an amendment of GASB Statements No. 25 and No. 27." This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) which requires additional note disclosures. This Statement is effective for financial statements for periods beginning after June 15, 2007. The City has not determined the impact, if any, upon its financial position, results of operations or cash flows upon adoption.

13-Deferred Compensation

The City offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all full time City employees (who work more than thirty hours per week) after the first ninety days of employment. The plan is funded through payroll deductions with the maximum contribution being 25% and a ceiling dollar amount of \$15,500 per year. The plan assets are invested, and administrated by public organizations unrelated to the City.

14-Contingent Liabilities

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City. There were no known contingent liabilities that would materially effect the financial statements.

15-Related Organizations

The City Council is responsible for appointing various members of the boards of other organizations, but the City's accountability for these organizations do not extend beyond making the appointments. In addition, City officials serve on the boards of several organizations in which the City does not have a voting majority. Organizations related to the City in one or both of these manners include the following –

- Housing Authority of the City of Winder
- Piedmont Regional Library
- Barrow County Board of Health
- Winder-Barrow Development Authority
- Winder Planning Board
- Winder-Barrow Industrial Building Authority
- Winder Tree Commission
- Historic Preservation Commission
- Public Facilities Authority

16-Joint Venture

Under Georgia law, the City, in conjunction with other cities and counties in the area, are members of the Northeast Georgia Regional Development Center (RDC) and is required to pay annual dues. During its year ended June 30, 2007, the City's dues were paid by Barrow County, which did not request reimbursement from the City. According to the RDC, all dues are billed to the County and the management of the County determines if each municipality within the County should be billed for their pro-rata share of the dues. Membership in an RDC is required by the official Code of Georgia Annotated (OCGA) Section 50-8-34 that provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the governments are liable for any debts or obligations of an RDC. Separate financial statements may be obtained from the following location:

Northeast Georgia Regional Development Center
 305 Research Drive
 Athens, Georgia 30605

17-Hotel/Motel Tax

The City levied and collects a 7% hotel/motel tax in accordance with OCGA 48-13-51. Collections for the year ended June 30, 2007 were \$ 94,861. The City expended all amounts required for the purpose of promoting tourism, conventions and trade shows. The total amount of the tax expended for the purposes listed above for the year ended June 30, 2007 was \$ 46,821, or 49.36%.

18-Special Local Option Sales Tax

Barrow County collects SPLOST funds for the City. In connection therewith, the County collects the revenues and remits the funds to the City on a monthly basis. The City expends the funds for Streets, Recreation Facilities, Downtown Redevelopment Projects, Streetscape, and Sewer Facilities. All such transactions are reflected in the Capital Projects Fund.

19-Indirect Costs Allocations

Indirect expenses of general government and administrative support are fully allocated to the City's operational departments and funds. The purpose of the indirect costs allocations is to charge the operating departments and funds for administrative support services. Costs are allocated based on actual expenditure by functional activity, capital employed in the activity or the number of employees within the functional activity. The following table presents the costs allocated:

Indirect Costs Allocations	
For The Year Ended June 30, 2007	
Costs for Allocation	
Administrative	\$ 2,202,340
Facilities Maintenance	312,360
	<u>\$ 2,514,700</u>
Distribution of Indirect Costs	
Water and Sewer Fund	\$ 627,769
Gas Fund	981,041
Solid Waste Management F	122,900
Special Facilities Fund	31,460
Grant Fund	11,100
TV Station	20,660
General Fund	
Public Safety	525,305
Public Works	173,441
Municipal Court	21,024
	<u>\$ 2,514,700</u>

20- GASB Statements Numbers 43 and 45

In May 2004, the GASB issued Statement No. 43, "Financial Reporting for Other Postemployment Benefit Plans Other Than Pension Plans" and in June 2004, the GASB issued Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefit Other Than Pension Plans." Statement No. 43 establishes accounting and financial reporting standards for healthcare and other nonpension benefits provided to employees as part of their compensation for services. The statement will be implemented in the City's fiscal year ending June 30, 2008 to meet GASB requirements. Statement No. 45 establishes standards for the measurement, recognition, and display of other postemployment benefits expenses and related liabilities and assets, and other related disclosure requirements. This statement will be implemented in the fiscal year ending June 30, 2008 to meet GASB requirements. The City has not determined the impact, if any, upon its financial position, results of operations or cash flows upon adoption of these two Statements.

21- GASB Statements Numbers 48, 49 and 51

Statement Number 48

In September 2006, GASB issued Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues." Statement No. 48 establishes criteria that governments will use to ascertain whether proceeds received in exchange for interest in that governments expected cash flows from collecting specific receivables or future revenues should be reported as revenue or a liability. The City has determined that it has no pledged receivables or future revenues in the fiscal year ended June 30, 2007.

Statement Number 49

In November 2006, GASB issued Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations." Statement No. 49 specifies five obligating events which would require a government to disclose the nature and source of pollution remediation obligations, the amount of the estimated liability, the methods and assumptions used for the estimate, the potential for changes in estimates and estimated recoveries that reduce the measurement of the liability. The City has not met any of the requirements that would obligate it for Pollution Remediation at June 30, 2007.

Statement Number 51

In June 2007, GASB issued Statement No. 51, "Accounting and Financial Reporting for Intangible Assets." Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to enhance the comparability of the accounting and financial reporting of such assets among state and local governments. This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. This statement will be implemented on or before the fiscal year ending June 30, 2010 to meet GASB requirements. The City has not determined the impact, if any, upon its financial position, results of operations or cash flows upon adoption of this Statement.





CITY OF WINDER, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

Required Supplementary Information

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

Notes to the Required Supplementary Information

City of Winder, Georgia
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2007
With Comparative Totals for the Year Ended June 30, 2006

	2007		
	Budgeted Amounts		Actual
	Original	Final	
Revenues:			
Taxes	\$ 3,840,000	\$ 3,840,000	\$ 4,071,352
License and Permits	412,500	412,500	394,301
Intergovernmental	-	-	41,790
Charges for Service	30,000	30,000	35,979
Fines and Forfeitures	418,175	418,175	482,823
Interest	150,000	150,000	336,982
Miscellaneous and Other	-	-	78,890
Indirect Cost Allocation	2,732,360	2,731,115	2,514,700
Total Revenues	7,583,035	7,581,790	7,956,817
Expenditures:			
Current			
General Government	2,536,035	2,581,635	2,435,171
Public Safety	5,328,727	5,410,827	5,302,884
Public Works	1,572,056	1,460,416	1,482,152
Facilities Maintenance	423,100	423,100	312,360
Capital Outlay			
General Government	80,000	48,000	63,684
Public Safety	394,100	439,100	418,898
Public Works	1,050,000	1,050,000	272,686
Debt Service			
Principal	221,200	181,000	201,681
Interest and Fiscal Charges	51,400	29,300	14,932
Total Expenditures	11,656,618	11,623,378	10,504,448
Excess Of Revenues Over (Under)			
Expenditures	(4,073,583)	(4,041,588)	(2,547,631)
Other Financing Sources:			
Transfers In From Other Funds	3,017,778	3,017,778	2,555,583
Issuance of Debt Instruments	1,331,000	1,331,000	-
Total Other Sources	4,348,778	4,348,778	2,555,583
Net Change In Fund Balance	\$ 275,195	\$ 307,190	7,952
Beginning Fund Balance			1,506,300
Ending Fund Balance			\$ 1,514,252

The accompanying Notes to the Required Supplementary Information are an integral part of this statement.

Variance With Final Budget	2006 Actual
\$ 231,352	\$ 3,858,760 *
(18,199)	459,511 *
41,790	-
5,979	62,319
64,648	352,027
186,982	167,134
78,890	23,277
(216,415)	2,425,711
375,027	7,348,739
146,464	2,219,673
107,943	4,542,672
(21,736)	1,417,267
110,740	297,098
(15,684)	103,554
20,202	118,551
777,314	133,284
(20,681)	173,678
14,368	32,060
1,118,930	9,037,837
1,493,957	(1,689,098)
(462,195)	1,625,585
(1,331,000)	286,373
(1,793,195)	1,911,958
\$ (299,238)	222,860
	1,283,440
	\$ 1,506,300

* In FY 2006 the City classified Franchise Fees as Licenses and Permits rather than Taxes. These taxes are now classified correctly.

Notes to the Required Supplemental Information

1-Budgetary Information

The City adopted annual budgets for the 2007 fiscal year for all governmental funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. Prior to May 1, the Finance Department prepares a draft budget for the City Administrator. After reviewing the draft budget and meeting with the departments, the City Administrator and Finance staff prepare a Proposed Budget as well as a five year Capital Improvement Plan. The Mayor presents both to City Council in May. The Council conducts public hearings in May and June, and adopts budgeted revenues and appropriations for the upcoming fiscal year by resolution no later than June 30, the close of the City's fiscal year.

The appropriated budget is prepared by fund, function and department. Department heads may make transfers of appropriations within a department. Transfers between departments and subsequent budgetary amendments require the approval of the City Council. The department is the legal level of control. The legal level of control is the level at which expenditures may not legally exceed the budget without approval by the City Council. Appropriations lapse at year-end. Budgeted amounts shown on the financial statements are as adopted by the City Council.

Significant departures must be in excess of \$75,000 and more than 4.0% of the budgeted amount, within each department. There were no significant departures from the total budgeted amounts in the General Fund. Internal Fund charges were not budgeted by department. Non-significant departures are shown in Note 2 of the notes to the financial statements.



CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

Supplementary Information

Nonmajor Governmental Funds Financial Statements

Budgetary Comparisons

General Fund

Special Revenue Funds

Capital Projects Fund

Agency Fund Statement of Changes in Assets and Liabilities

Nonmajor Proprietary Funds Financial Statements

Internal Service Funds Combining Statements

Capital Assets Used in the Operations of Governmental Funds

Special Purpose Local Options Sales Tax

City of Winder, Georgia
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2007

	Special Revenue			Capital Project	Total
	Community TV Station	Hotel/Motel Tax	Grant	Capital Projects Fund	
Assets					
Cash and Cash Equivalents	\$ 689	\$ 28,284	\$ 32,290	\$ 321,434	\$ 382,697
Accounts Receivable	-	7,459	-	-	7,459
Prepaid Items	52	-	-	-	52
Intergovernmental Receivable	-	-	29,088	50,193	79,281
Total Assets	\$ 741	\$ 35,743	\$ 61,378	\$ 371,627	\$ 469,489
Liabilities					
Accounts Payable and Accrued Liabilities	\$ 23,993	\$ 7,297	\$ 2,078	\$ 542	\$ 33,910
Total Liabilities	23,993	7,297	2,078	542	33,910
Fund Balance					
Reserved for Prepaid Items	52	-	-	-	52
Unreserved, Undesignated	(23,304)	28,446	59,300	371,085	435,527
Total Fund Balance	(23,252)	28,446	59,300	371,085	435,579
Total Liabilities and Fund Balance	\$ 741	\$ 35,743	\$ 61,378	\$ 371,627	\$ 469,489

City of Winder, Georgia
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2007

	Special Revenue		Capital Project	Total
	Community TV Station	Hotel/Motel Tax	Capital Projects Fund	
Revenues:				
Taxes	\$ -	\$ 94,861	\$ -	\$ 94,861
Intergovernmental	-	-	92,399	587,584
Charges for Services	755	-	-	755
Interest	-	-	7,957	7,957
Total Revenues	755	94,861	503,142	691,157
Expenditures:				
Current:				
Business Development	-	26,822	-	26,822
Television Administration	178,767	-	-	178,767
Grant	-	-	63,431	63,431
Capital Outlay	28,294	-	177,121	253,223
Total Expenditures	207,061	26,822	177,121	522,243
Excess Revenues Over (Under) Expenditures	(206,306)	68,039	(18,840)	168,914
Other Financing Sources (Uses):				
Transfers In:				
General Fund	201,000	-	-	201,000
Transfers Out:				
General Fund	-	(50,000)	-	(50,000)
Total Other Sources (Uses)	201,000	(50,000)	-	151,000
Net Change Increase (Decrease) in Fund Balance	(5,306)	18,039	(18,840)	319,914
Beginning Fund Balance	(17,946)	10,407	78,140	115,665
Ending Fund Balance	\$ (23,252)	\$ 28,446	\$ 59,300	\$ 435,579

City of Winder, Georgia
 General Fund
 Schedule of Revenues
 Budget and Actual
 For the Year Ended June 30, 2007
 With Comparative Totals for the Year Ended June 30, 2006

	Budgeted Amounts		Actual	Variance	2006
	Original	Final		With Final Budget	
Revenues:					
Taxes-					
Fire District Taxes	\$ 600,000	\$ 600,000	\$ 634,143	\$ 34,143	\$ 625,110
Intangible/Transfer Tax	5,000	5,000	16,851	11,851	11,934
Street Light Assessment	84,000	84,000	79,449	(4,551)	63,829
General Sales Tax	1,766,000	1,766,000	1,866,221	100,221	1,764,368
Selective Sales Tax	280,000	280,000	346,715	66,715	318,671
Business Taxes	1,105,000	1,105,000	1,127,973	22,973	1,074,848
Total Taxes	3,840,000	3,840,000	4,071,352	231,352	3,858,760
License and Permits-					
Business Licenses	185,000	185,000	217,901	32,901	194,806
Building Permits	227,500	227,500	176,400	(51,100)	264,705
Total License and Permits	412,500	412,500	394,301	(18,199)	459,511
Intergovernmental-					
State Government Payments in Lieu of Taxes	-	-	41,790	41,790	-
Total Intergovernmental	-	-	41,790	41,790	-
Charges for Service-					
General Government	-	-	585	585	-
Public Safety	-	-	9,404	9,404	17,044
Cemetery Fees	30,000	30,000	25,990	(4,010)	45,275
Total Charges for Service	30,000	30,000	35,979	5,979	62,319
Fines and Forfeitures - Municipal Court	418,175	418,175	482,823	64,648	352,027
Investment Earnings - Interest Income	150,000	150,000	336,982	186,982	167,134
Miscellaneous-					
Rents	-	-	20,700	20,700	22,427
Other	-	-	58,190	58,190	850
Issuance of Debt Instruments	1,331,000	1,331,000	-	(1,331,000)	-
Total Miscellaneous	1,331,000	1,331,000	78,890	(1,252,110)	23,277
Indirect Cost Allocation	2,732,360	2,731,115	2,514,700	(216,415)	2,425,711
Total Revenues	\$ 8,914,035	\$ 8,912,790	\$ 7,956,817	\$ (955,973)	\$ 7,348,739

City of Winder, Georgia
 General Fund
 Schedule of Expenditures
 Budget and Actual
 For the Year Ended June 30, 2007
 With Comparative Totals for the Year Ended June 30, 2006

	Budgeted Amounts		Actual	Variance	2006
	Original	Final		With Final Budget	
General Government:					
Legislative	\$ 258,300	\$ 305,300	\$ 304,423	\$ 877	\$ 210,394
Administration	2,520,135	2,486,735	2,376,039	110,696	2,112,833
Total General Government	2,778,435	2,792,035	2,680,462	111,573	2,323,227
Public Safety:					
Police Department	3,879,561	4,006,661	3,909,924	96,737	3,180,898
Fire Department	1,891,166	1,891,166	1,846,864	44,302	1,480,325
Total Public Safety	5,770,727	5,897,827	5,756,788	141,039	4,661,223
Public Works	2,684,356	2,510,416	1,754,838	755,578	1,550,551
Facilities Maintenance	423,100	423,100	312,360	110,740	297,098
Total General Fund Expenditures	\$ 11,656,618	\$ 11,623,378	\$ 10,504,448	\$ 1,118,930	\$ 8,832,099

City of Winder, Georgia
 Special Revenue Fund (Hotel/Motel Tax)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Taxes-				
Hotel Motel Tax (2%)	\$ 20,000	\$ 20,000	\$ 27,189	\$ 7,189
Hotel Motel Tax (5 %)	50,000	50,000	67,672	17,672
Total Revenues	70,000	70,000	94,861	24,861
Expenditures:				
Business Development	20,000	20,000	26,822	(6,822)
Total Expenditures	20,000	20,000	26,822	(6,822)
Transfers (Out)	(50,000)	(50,000)	(50,000)	-
Total Expenditures and Transfers Out	70,000	70,000	76,822	(6,822)
Excess Of Revenues Over (Under) Expenditures	\$ -	\$ -	18,039	\$ 18,039
Beginning Fund Balance			10,407	
Ending Fund Balance			\$ 28,446	

City of Winder, Georgia
 Special Revenue Fund (Community TV Station)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Charges for Services	\$ -	\$ 755	\$ 755	\$ -
Proceeds - Debt	150,000	-	-	-
Total Revenues	150,000	755	755	-
Expenditures:				
Television Administration	51,100	61,100	178,767	(117,667)
Capital Outlay	150,000	150,000	28,294	121,706
Total Expenditures	201,100	211,100	207,061	4,039
Excess Revenues Over (Under) Expenditures	(51,100)	(210,345)	(206,306)	4,039
Transfers In:				
General Fund	51,100	201,000	201,000	-
Total Transfers In	51,100	201,000	201,000	-
Net Change Increase (Decrease) in Fund Balance	\$ -	\$ (9,345)	(5,306)	\$ 4,039
Beginning Fund Balance			(17,946)	
Ending Fund Balance			\$ (23,252)	

City of Winder, Georgia
 Special Revenue Fund (Grant)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Year Ended June 30, 2007

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 886,315	\$ 797,127	\$ 92,399	\$ (704,728)
Total Revenues	886,315	797,127	92,399	(704,728)
Expenditures:				
Grant Administration	-	62,433	63,431	(998)
Capital Outlay	1,172,700	1,221,450	47,808	1,173,642
Total Expenditures	1,172,700	1,283,883	111,239	1,172,644
Excess Revenues Over (Under) Expenditures	(286,385)	(486,756)	(18,840)	467,916
Transfers In				
General Fund	286,385	286,385	-	(286,385)
Total Transfers In	286,385	286,385	-	(286,385)
Net Change Increase (Decrease) in Fund Balance	\$ -	\$ (200,371)	(18,840)	\$ 181,531
Beginning Fund Balance			78,140	
Ending Fund Balance			\$ 59,300	

City of Winder, Georgia
 Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Year Ended June 30, 2007

Revenues:	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Intergovernmental	\$ 300,000	\$ 300,000	\$ 495,185	\$ 195,185
Interest	-	-	7,957	7,957
Total Revenues	300,000	300,000	503,142	203,142
Expenditures:				
Capital Outlay	300,000	300,000	177,121	122,879
Total Expenditures	300,000	300,000	177,121	122,879
Excess Revenues Over (Under) Expenditures	-	-	326,021	326,021
Net Change Increase (Decrease) in Fund Balance	\$ -	\$ -	326,021	\$ 326,021
Beginning Fund Balance			45,064	
Ending Fund Balance			\$ 371,085	

City of Winder, Georgia
 Agency Fund - Municipal Court
 Statement of Changes in Assets and Liabilities
 For the Year Ended June 30, 2007

	<u>Balance 6/30/2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2007</u>
<u>Assets</u>				
Cash and Cash Equivalents	\$ 99,655	\$ 700,806	\$ (790,224)	\$ 10,237
Accounts Receivable	51,790	693,519	(700,806)	44,503
Total Assets	\$ 151,445	\$ 1,394,325	\$ (1,491,030)	\$ 54,740
<u>Liabilities</u>				
Accounts Payable & Accrued Liabilities	\$ 151,445	\$ 792,975	\$ (889,680)	\$ 54,740
Total Liabilities	\$ 151,445	\$ 792,975	\$ (889,680)	\$ 54,740

City of Winder, Georgia
 Nonmajor Enterprise Funds
 Combining Statement of Net Assets
 June 30, 2007

<u>Assets</u>	Solid Waste Management Fund	Special Facilities Fund	Broadband Fund	Totals
Current Assets				
Cash and Cash Equivalents	\$ 284,581	\$ 736	\$ 207	\$ 285,524
Accounts Receivable	128,544	30,521	-	159,065
Prepaid Items	14,319	1,454	-	15,773
Total Current Assets	427,444	32,711	207	460,362
Non-Current Assets				
Property, Plant and Equipment - Net	82,361	3,333,547	49,616	3,465,524
Total Assets	509,805	3,366,258	49,823	3,925,886
<u>Liabilities</u>				
Current Liabilities				
Accounts Payable and Accrued Liabilities	41,801	27,139	-	68,940
Customer Deposits	-	4,605	-	4,605
Total Current Liabilities	41,801	31,744	-	73,545
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	82,361	3,333,547	49,616	3,465,524
Unrestricted Net Assets	385,643	967	207	386,817
Total Net Assets	\$ 468,004	\$ 3,334,514	\$ 49,823	\$ 3,852,341

City of Winder, Georgia
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds			
	Solid Waste	Special Facilities		
	Management Fund	Fund	Broadband Fund	Totals
Operating Revenues				
Charges For Services	\$ 1,033,926	\$ 126,662	\$ 8,164	\$ 1,168,752
Penalties and Interest	25,237	-	-	25,237
Total Revenues	1,059,163	126,662	8,164	1,193,989
Expenses				
Personal Services	426,397	128,782	-	555,179
Purchased Property Services	635,323	31,696	-	667,019
Supplies	38,972	123,353	-	162,325
Depreciation	21,828	52,684	341	74,853
Internal Fund Charges	253,066	-	-	253,066
Indirect Costs Allocation	122,900	31,460	-	154,360
Total Expenses	1,498,486	367,975	341	1,866,802
Net Operating Revenues (Expenses)	(439,323)	(241,313)	7,823	(672,813)
Transfers				
Transfers In - General Fund	565,412	1,668,325	42,000	2,275,737
Change in Net Assets	126,089	1,427,012	49,823	1,602,924
Net Assets, Beginning of the Year	341,915	1,907,502	-	2,249,417
Net Assets, End of the Year	\$ 468,004	\$ 3,334,514	\$ 49,823	\$ 3,852,341

City of Winder, Georgia
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2007

	Business-type Activities - Enterprise Funds			
	Solid Waste	Special Facilities	Broadband Fund	Totals
	Management Fund	Fund		
Cash Flows From (To) Operating Activities:				
Receipts From Customers	\$ 1,061,037	\$ 105,246	\$ 8,164	\$ 1,174,447
Payments to Employees	(426,397)	(128,782)	-	(555,179)
Internal Activity	(375,966)	(31,460)	-	(407,426)
Payments to Suppliers	(717,793)	(130,187)	-	(847,980)
Net Cash Provided (Used) by Operating Activities	(459,119)	(185,183)	8,164	(636,138)
Cash Flows From Noncapital Financing Activities				
Transfers from General Fund	565,412	1,668,325	42,000	2,275,737
Cash Flows (To) Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets, Net	(28,600)	(1,512,304)	(49,957)	(1,590,861)
Net Increase (Decrease) in Cash	77,693	(29,162)	207	48,738
Cash and Cash Equivalents, Beginning of Year	206,888	29,898	-	236,786
Cash and Cash Equivalents, End of the Year	\$ 284,581	\$ 736	\$ 207	\$ 285,524
Reconciliation of Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities				
Operating Income (Loss)	\$ (439,323)	\$ (241,313)	\$ 7,823	\$ (672,813)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation and Amortization	21,828	52,684	341	74,853
Changes in Current Assets and Liabilities				
Increase (Decrease) in Accounts Payable & Accrued Liabilities	(29,785)	26,114	-	(3,671)
Increase (Decrease) in Customer Deposits	-	4,605	-	4,605
(Increase) Decrease in Prepaid Items	(13,713)	(1,252)	-	(14,965)
(Increase) Decrease in Accounts Receivables	1,874	(26,021)	-	(24,147)
Net Cash Provided (Used) by Operating Activities	\$ (459,119)	\$ (185,183)	\$ 8,164	\$ (636,138)

City of Winder, Georgia
 Internal Service Funds
 Combining Statement of Net Assets
 June 30, 2007

<u>Assets</u>	<u>Utility Service</u>	<u>Vehicle Maintenance</u>	<u>Totals</u>
Current Assets:			
Cash and Cash Equivalents	\$ -	\$ 11,542	\$ 11,542
Prepaid Items	8,474	3,707	12,181
Total Current Assets	8,474	15,249	23,723
<u>Non-Current Assets</u>			
Property, Plant and Equipment - Net	56,252	9,110	65,362
Total Non-Current Assets	56,252	9,110	65,362
Total Assets	64,726	24,359	89,085
<u>Liabilities</u>			
Current Liabilities:			
Accounts Payable and Accrued Liabilities	64,726	24,359	89,085
Total Current Liabilities	64,726	24,359	89,085
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt	56,252	9,110	65,362
Unrestricted Net Assets	(56,252)	(9,110)	(65,362)
Total Net Assets	\$ -	\$ -	\$ -

City of Winder, Georgia
 Internal Service Funds
 Combining Statement of Revenues, Expenses and Changes in Net Assets
 For the Year Ended June 30, 2007

Operating Revenues:	Utility Service	Vehicle Maintenance	Totals
Charges For Services	\$ 1,181,253	\$ 444,846	\$ 1,626,099
Operating Expenses:			
Personal Services	961,490	254,773	1,216,263
Professional and Technical	14,303	1,128	15,431
Purchased Property Services	120,582	17,098	137,680
Supplies	80,188	169,237	249,425
Depreciation	8,890	2,610	11,500
Total Expenses	1,185,453	444,846	1,630,299
Net Operating Revenues (Expenses)	(4,200)	-	(4,200)
Change in Net Assets	(4,200)	-	(4,200)
Net Assets, Beginning of the Year	4,200	-	4,200
Net Assets, End of the Year	\$ -	\$ -	\$ -

City of Winder, Georgia
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2007

	Utility Service	Vehicle Maintenance	Totals
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 1,181,253	\$ 444,846	\$ 1,626,099
Payments to Suppliers	(191,211)	(181,973)	(373,184)
Payments to Employees	(961,490)	(254,773)	(1,216,263)
Net Cash Provided by Operating Activities	28,552	8,100	36,652
Cash Flows From Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(28,634)	-	(28,634)
Net Cash From (To) Capital and Related Financing Activities	(28,634)	-	(28,634)
Net Increase (Decrease) in Cash	(82)	8,100	8,018
Cash and Cash Equivalents, Beginning of Year	82	3,442	3,524
Cash and Cash Equivalents, End of the Year	\$ -	\$ 11,542	\$ 11,542
Reconciliation of Operating Income (Loss) To Net Cash Provided (Used) By Operating Activities:			
Operating Income (Loss)	\$ (4,200)	\$ -	\$ (4,200)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation and Amortization	8,890	2,610	11,500
Changes in assets and liabilities:			
Increase (decrease) in accounts payables	32,336	8,894	41,230
(Increase) in prepaid items	(8,474)	(3,404)	(11,878)
Net Cash Provided by Operating Activities	\$ 28,552	\$ 8,100	\$ 36,652

City of Winder, Georgia
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
For the Year Ended June 30, 2007

Function and Activity	Land	Buildings	Vehicles	Equipment and Other	Infrastructure	Construction in Progress	Total
General Government	\$ 314,532	\$ 2,710,861	\$ 153,232	\$ 675,702	\$ -	\$ -	\$ 3,854,327
Public Safety							
Law Enforcement	-	34,792	833,297	538,489	-	-	1,406,578
Fire Protection	-	-	837,569	181,598	-	-	1,019,167
Total Public Safety	-	34,792	1,670,866	720,087	-	-	2,425,745
Public Works	-	12,900	573,958	832,831	23,340,649	168,544	24,928,882
Facilities Maintenance	-	-	30,164	42,376	-	-	72,540
Total Capital Assets	\$ 314,532	\$ 2,758,553	\$ 2,428,220	\$ 2,270,996	\$ 23,340,649	\$ 168,544	\$ 31,281,494

City of Winder, Georgia
 Capital Assets Used in the Operation of Governmental Funds
 Schedule of Changes by Function and Activity
 For the Year Ended June 30, 2007

ALL ASSET TYPES	Balance 06/30/06	Additions	Decreases	Balance 06/30/07
General Government	\$ 3,795,068	\$ 131,799	\$ (72,540)	\$ 3,854,327
Public Safety				
Law Enforcement	1,076,117	330,461	-	1,406,578
Fire Protection	931,712	136,245	(48,790)	1,019,167
Total Public Safety	2,007,829	466,706	(48,790)	2,425,745
Public Works	24,479,075	449,807	-	24,928,882
Facilities Maintenance	-	72,540	-	72,540
TV Station	39,822	-	(39,822)	-
Total Capital Assets	\$ 30,321,794	\$ 1,120,852	\$ (161,152)	\$ 31,281,494

City of Winder, Georgia
 Special Purpose Local Options Sales Tax
 Schedule of Expenditures
 For the Year Ended June 30, 2007

	Original Estimated Cost (Unaudited)	Latest Estimated Cost (Unaudited)	Prior Years Cumulative Expenditures	Total Current Year Expenditures	Total Cumulative Expenditures	Estimated Percent Complete (Unaudited)
2005 SPECIAL PURPOSE LOCAL						
SALES TAX						
Local Street Projects	\$ 4,500,736	\$ 4,500,736	\$ -	\$ 60,252	\$ 60,252	1.34%
Recreation Facilities, Downtown Redevelopment Projects, and Streetscapes	925,149	925,149	-	-	-	0.00%
Sewer Facilities	696,945	696,945	-	-	-	0.00%
Totals	<u>\$ 6,122,830</u>	<u>\$ 6,122,830</u>	<u>\$ -</u>	<u>\$ 60,252</u>	<u>\$ 60,252</u>	
2001 SPECIAL PURPOSE LOCAL						
SALES TAX - STREETS						
Local Street Projects	\$ 1,125,000	\$ 1,125,000	\$ 1,679,198	\$ 116,869	\$ 1,796,067	100.00%
Total	<u>\$ 1,125,000</u>	<u>\$ 1,125,000</u>	<u>\$ 1,679,198</u>	<u>\$ 116,869</u>	<u>\$ 1,796,067</u>	

Notes: This schedule discloses projects that are funded by sales tax revenues.
 Projects may have additional funding sources.





CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

Statistical Section

Statistical Section

Statistical tables differ from financial statements in that they usually cover more than one fiscal year and may present non-accounting data, un-audited data, projections and the like.

The objective of the statistical section information is to provide financial statement users with additional historical perspective, context, and detail to assist in using the information in the financial statements, notes to financial statements, and required supplementary information to understand and assess a government's economic condition. Where data is readily available, the City has presented data retroactively as well as for the current year. Some schedules are presented current year and prior year only as data is not readily available. The goal for most schedules is to build a 10 year history. Changes in prior year data reflects more accurate information obtained after the FY 2006 Financials were released.

The statistical section information is presented in the following five categories:

Financial Trends Information:

Financial trends information is intended to assist the user in understanding and assessing how a government's financial position has changed over time.

Schedules in this category are:

- Net Assets by Component
- Changes in Net Assets
- Fund Balances – Governmental Funds
- Changes in Fund Balances – Governmental Funds

Revenue Capacity Information:

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own-source revenues. Note: Although the City of Winder has not assessed a property tax since 1977, the City has elected to present assessed and fair market value of property in the City, since this is a significant potential future revenue source for the City. Existing property tax rates (imposed by other entities) are also presented to show the tax burden being carried by City residents.

The Local Option Sales Tax is imposed county wide, collected by the State of Georgia, and then disbursed by the State according to an agreed upon formula. The sales tax is the largest source of general fund revenue, therefore, the City has elected to present a sales and use tax rate schedule which also includes city sales tax proceeds for the last ten years. Because of the importance of this income source for all political jurisdictions in Barrow County, the City has also elected to include retail sales information from the Economic Census.

Utility sales are the primary sources of income for the City, therefore, the City has elected to present several alternative schedules in these areas to further assist users in understanding this important aspect of City finances. For example, in lieu of the schedule of largest taxpayers, the City has chosen to present its largest gas and water users.

Schedules in this category are:

- Assessed and Fair Market Value of Taxable Property
- Property Tax Millage Rates – Direct and Overlapping
- Sales and Use Taxes – Direct and Overlapping
- Comparison of Retail Trade Data –Barrow County

Water and Sewer Rates/Water Sold by Customer Type
 Water and Sewer Connection/Tap Fees
 Largest Water and Sewer Customers
 Gas Rates/Gas Sold by Customer Type
 Largest Natural Gas Customers

Debt Capacity Information:

Debt Capacity information is intended to assist users in understanding and assessing a government's debt and its ability to issue debt. Note: The City of Winder has no outstanding General Bonded Debt. Therefore, schedules dealing specifically with this type of debt have been omitted.

Schedules in this category are:

Direct and Overlapping Debt
 Ratio of Outstanding Debt by Type
 Statement of Legal Debt Margin
 Statement of Pledged Revenue Coverage

Demographic and Economic Information:

Demographic and economic information is intend (1) to assist users in understanding the socioeconomic environment within which a government operates and (2) to provide information that facilitates comparisons of financial statement information over time and among governments.

Schedules in this category are:

Demographic and Economic Statistics Schedule, which includes population, total personal income, per capita income, median age, unemployment rate and educational attainment.
 Principal Employers

Operating Information:

Operating information is intended to provide contextual information about a government's operation and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

Schedules in this category are:

Full Time Equivalent City Government Employees by Function/Program
 Operating Indicators by Function/Program
 Capital Assets Statistics by Function/Program

City of Winder, Georgia
Statistical Section – Financial Trends
Net Assets by Component (Accrual Basis of Accounting)
Last Five Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Governmental Activities:					
Invested in capital assets, net of related debt	\$ 2,262,897	\$ 2,149,205	\$ 3,308,583	\$ 11,581,715	\$ 11,743,364
Restricted	135,998	413,177	146,467	84,583	-
Unrestricted	565,089	999,001	1,239,112	1,565,584	1,823,629
Total Government activities net assets	\$ 2,963,984	\$ 3,561,383	\$ 4,694,162	\$ 13,231,882	\$ 13,566,993
Business-type activities:					
Invested in capital assets, net of related debt	\$ 24,639,966	\$ 24,306,003	\$ 24,132,167	\$ 25,661,462	\$ 30,513,067
Restricted	728,724	672,349	548,046	452,046	1,720,266
Unrestricted	4,529,367	4,665,997	4,133,913	6,058,066	2,786,401
Total Business-type activities net assets	\$ 29,898,057	\$ 29,644,349	\$ 28,814,126	\$ 32,171,574	\$ 35,019,734
Primary Government:					
Invested in capital assets, net of related debt	\$ 26,902,863	\$ 26,455,208	\$ 27,440,750	\$ 37,243,177	\$ 42,256,431
Restricted	864,722	1,085,526	694,513	536,629	1,720,266
Unrestricted	5,094,456	5,664,998	5,373,025	7,623,650	4,610,030
Total Primary Government Net Assets	\$ 32,862,041	\$ 33,205,732	\$ 33,508,288	\$ 45,403,456	\$ 48,586,727

City of Winder, Georgia
Statistical Section – Financial Trends
Changes in Net Assets (Accrual Basis of Accounting)
Last Five Fiscal Years

	2003	2004	2005	2006	2007
EXPENSES:					
Governmental Activities:					
General Government	\$ 1,480,598	\$ 1,682,832	\$ 1,997,146	\$ 2,282,796	\$ 2,897,153
Public Safety	3,405,996	3,550,090	3,891,632	4,367,839	4,996,553
Public Works	1,363,924	1,308,288	1,270,889	1,938,344	2,056,673
Maintenance Shop*	284,278	342,969	398,294	-	-
Facilities Maintenance	183,483	205,125	265,652	303,219	314,028
Interest and Fiscal Agent Charges	11,087	16,698	27,759	32,060	14,932
Total Governmental Activities Expenses	\$ 6,729,366	7,106,002	7,851,372	8,924,258	10,279,339
Business Type Activities:					
Water and Sewer	6,474,827	6,594,104	7,471,036	7,279,531	7,871,412
Gas	5,678,860	5,581,235	7,737,640	10,690,785	9,252,798
Solid Waste Management	1,065,700	1,124,311	1,156,442	1,429,381	1,375,586
Special Facilities	142,144	176,693	159,458	209,543	336,515
Broadband Fund	-	-	-	-	341
Total Business Type Activities Expenses	13,361,531	13,476,343	16,524,576	19,609,240	18,836,652
Total Primary Government Expenses	\$ 20,090,897	\$ 20,582,345	\$ 24,375,948	\$ 28,533,498	\$ 29,115,991
INDIRECT COSTS:					
Governmental Activities:					
General Government	\$ (465,400)	\$ (1,401,074)	\$ (1,966,593)	\$ (2,381,233)	\$ (2,181,680)
Public Safety	112,000	230,828	506,842	525,674	557,429
Public Works	94,500	155,455	206,871	205,209	173,441
Maintenance Shop*	20,400	(335,523)	(199,854)	-	-
Facilities Maintenance	-	(205,125)	(263,008)	-	(312,360)
Total Governmental Activities Indirect Cost	(238,500)	(1,555,439)	(1,715,742)	(1,650,350)	(1,763,170)
Business Type Activities:					
Water and Sewer	133,000	759,172	713,784	737,581	627,769
Gas	52,700	640,975	826,480	717,560	981,041
Solid Waste Management	52,800	131,992	154,910	178,308	122,900
Special Facilities	-	23,300	20,568	16,901	31,460
Total Business Type Activities Indirect Cost	238,500	1,555,439	1,715,742	1,650,350	1,763,170
Total Primary Government Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -

* Maintenance Shop Department became a Internal Service Fund in FY 2006

City of Winder, Georgia
Statistical Section – Financial Trends
Changes in Net Assets (Accrual Basis of Accounting)
Last Five Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
PROGRAM REVENUES:					
Governmental Activities:					
Charges for Service:					
General Government	\$ 907,711	\$ 948,424	\$ 1,005,824	\$ 1,023,457	\$ 404,764
Public Safety	713,113	315,699	315,811	413,549	483,103
Public Works	55,536	39,077	17,330	109,104	25,990
Maintenance Shop	-	-	-	-	-
Facilities Maintenance	-	-	-	-	-
Interest and Fiscal Agent Charges	-	-	-	-	-
Operating Grants and Contributions					
General Government	-	-	-	-	41,790
Public Safety	353,183	505,760	686,993	820,394	92,399
Capital Grants and Contributions					
Public Works	293,822	349,971	306,433	363,047	495,185
Total Governmental Activities Program Revenues	<u>2,323,365</u>	<u>2,158,931</u>	<u>2,332,391</u>	<u>2,729,551</u>	<u>1,543,231</u>
Business Type Activities:					
Charges for Service:					
Water and Sewer	7,950,019	8,130,205	9,216,420	11,923,559	12,133,881
Gas	7,020,706	7,139,095	9,206,529	12,506,598	10,606,003
Solid Waste Management	979,213	1,004,654	1,025,230	1,023,772	1,059,163
Special Facilities	91,577	103,382	83,610	88,614	126,662
Broadband Fund	-	-	-	-	8,164
Capital Grants and Contributions-Water					
	-	-	-	193,534	970,864
Total Business Type Activities Program Revenues	<u>16,041,515</u>	<u>16,377,336</u>	<u>19,531,789</u>	<u>25,736,077</u>	<u>24,904,737</u>
Total Primary Government Program Revenues	<u>\$ 18,364,880</u>	<u>\$ 18,536,267</u>	<u>\$ 21,864,180</u>	<u>\$ 28,465,628</u>	<u>\$ 26,447,968</u>
NET REVENUES (EXPENSES):					
Governmental Activities	\$ (4,167,501)	\$ (3,391,632)	\$ (3,803,239)	\$ (4,544,357)	\$ (6,972,938)
Business Type Activities	2,441,484	1,345,554	1,291,471	4,476,487	4,304,915
Total Primary Government Net Expense	<u>\$ (1,726,017)</u>	<u>\$ (2,046,078)</u>	<u>\$ (2,511,768)</u>	<u>\$ (67,870)</u>	<u>\$ (2,668,023)</u>

City of Winder, Georgia
Statistical Section – Financial Trends
Changes in Net Assets (Accrual Basis of Accounting)
Last Five Fiscal Years

	2003	2004	2005	2006	2007
General Revenues and Other Changes in Net Assets:					
Governmental Activities:					
Taxes-					
General Sales Taxes (1)	\$ 1,432,078	\$ 1,522,457	\$ 1,665,761	\$ 1,764,368	\$ 1,866,220
Selective Sales Taxes	350,335	280,962	279,860	403,293	441,576
Business Taxes (1)	412,256	438,184	474,874	510,902	1,127,973
Other Taxes (1)	-	-	-	-	741,868
Interest Earnings	18,853	58,787	90,282	176,458	344,939
Miscellaneous Revenues	39,373	83,351	303,547	23,277	78,890
Transfers	1,835,548	1,605,290	2,121,694	1,697,386	2,706,583
Total Governmental Activities	4,088,443	3,989,031	4,936,018	4,575,684	7,308,049
Business Type Activities:					
Interest Earnings	93,251	6,028	-	-	83,428
Special Item (2)	-	-	-	-	1,166,400
Transfers	(1,835,548)	(1,605,290)	(2,121,694)	(1,697,386)	(2,706,583)
Total Business Type Activities	(1,742,297)	(1,599,262)	(2,121,694)	(1,697,386)	(1,456,755)
Total Primary Government	\$ 2,346,146	\$ 2,389,769	\$ 2,814,324	\$ 2,878,298	\$ 5,851,294
Changes in Net Assets:					
Governmental Activities	\$ (79,058)	\$ 597,399	\$ 1,132,779	\$ 31,327	\$ 335,111
Business Type Activities	699,187	(253,708)	(830,223)	2,779,101	2,848,160
Total Primary Government	\$ 620,129	\$ 343,691	\$ 302,556	\$ 2,810,428	\$ 3,183,271

(1) The variations on General Sales Tax, Selective Sales Tax, and Other Tax reflects a change in the chart of accounts and definitions of accounts mandated by the State of Georgia.

(2) The special item for FY 2007 was wastewater capacity rights sold to Barrow County.

City of Winder, Georgia
Statistical Section – Financial Trends
Fund Balances,
Governmental Funds
Last Five Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund:					
Reserved For Prepaid Items	\$ 60,098	\$ -	\$ 39,830	\$ -	\$ 84,684
Unreserved/Undesignated	481,576	969,030	1,243,610	1,506,300	1,429,568
Total General Fund	<u>541,674</u>	<u>969,030</u>	<u>1,283,440</u>	<u>1,506,300</u>	<u>1,514,252</u>
All Other Governmental Funds:					
Reserved For Prepaid Items	-	-	-	-	52
Unreserved Reported in Capital Projects	135,998	413,177	146,467	45,065	371,085
Unreserved Reported in Special Funds	-	-	-	70,600	64,442
Total All Other Governmental Funds	<u>135,998</u>	<u>413,177</u>	<u>146,467</u>	<u>115,665</u>	<u>435,579</u>
Total All Governmental Funds	<u>\$ 677,672</u>	<u>\$1,382,207</u>	<u>\$ 1,429,907</u>	<u>\$ 1,621,965</u>	<u>\$ 1,949,831</u>

City of Winder, Georgia
Statistical Section – Financial Trends
Changes in Fund Balances
Governmental Funds
Last Five Years

	2003	2004	2005	2006	2007
Revenues:					
Taxes(1)	\$ 2,771,315	\$ 2,965,634	\$ 3,282,762	\$ 3,379,437	\$ 4,166,213
License and Permits(1)	891,211	899,005	997,222	1,023,457	394,301
Intergovernmental	69,189	125,137	124,891	539,249	629,374
Charges for Service	161,901	39,077	25,932	62,319	36,734
Fines and Forfeitures	606,748	300,453	298,861	352,027	482,823
Interest	18,853	58,787	90,282	176,458	344,939
Miscellaneous and Other	55,893	135,897	303,547	23,277	78,890
Indirect Cost Allocation	465,400	1,941,722	2,429,455	2,425,711	2,514,700
Total Revenues	5,040,510	6,465,712	7,552,952	7,981,935	8,647,974
Expenditures:					
General Government	1,391,720	1,593,934	1,873,045	2,248,013	2,640,760
Public Safety	3,467,450	3,677,462	4,216,251	4,735,535	5,366,315
Public Works	1,361,504	1,402,579	1,430,406	1,417,268	1,482,152
Maintenance Shop(2)	296,137	335,523	391,279	-	-
Facilities Maintenance	183,483	205,125	260,866	297,098	312,360
Capital Outlay	339,010	825,747	1,312,232	869,983	1,008,491
Debt Service-					
Principal	164,282	51,406	115,101	173,678	201,681
Interest and Fiscal Agent Fees	11,087	16,698	27,759	32,060	14,932
Total Expenditures	7,214,673	8,108,474	9,626,939	9,773,635	11,026,691
Excess of Revenues Over (Under) Expenditures	(2,174,163)	(1,642,762)	(2,073,987)	(1,791,700)	(2,378,717)
Other Financing Sources (Uses):					
Transfers in	2,213,059	2,032,903	2,533,575	2,974,458	5,233,320
Transfers out	(377,511)	(427,613)	(411,881)	(1,277,072)	(2,526,737)
Proceeds from borrowing	-	742,000	-	286,373	-
Total Other Financing Sources (Uses)	1,835,548	2,347,290	2,121,694	1,983,759	2,706,583
Net Change in Fund Balances	\$ (338,615)	\$ 704,528	\$ 47,707	\$ 192,059	\$ 327,866
Debt Service as a Percentage of Noncapital Expenditures	2.55%	0.94%	1.72%	2.31%	2.16%
Total Debt Service Expenditures	\$ 175,369	\$ 68,104	\$ 142,860	\$ 205,738	\$ 216,613
Total Non-Capital Expenditures	\$ 6,875,663	\$ 7,282,727	\$ 8,314,707	\$ 8,903,652	\$ 10,018,200

(1) The variations on Taxes, and License and Permits reflect a change in the chart of accounts and definitions of accounts mandated by the State of Georgia.

(2) Maintenance Shop Department became an Internal Service Fund in FY 2006

City of Winder, Georgia
Statistical Section – Revenue Capacity
Assessed and Fair Market Value of Taxable Property
Last Ten Years

Fiscal Year					
Ended	Gross Digest	Residential	Commercial	Industrial	All
June 30	Assessed Value	Property	Property	Property	Other
1998	\$ 178,375,150	\$ 87,037,036	\$ 57,508,531	\$ 3,048,575	\$ 30,781,008
1999	189,925,983	92,583,908	62,166,868	3,020,348	32,154,859
2000	195,481,100	97,686,625	67,060,709	1,870,801	28,862,965
2001	224,181,894	119,720,816	70,515,072	2,184,577	31,761,429
2002	236,581,395	131,303,510	69,180,088	2,154,461	33,943,336
2003	248,878,213	144,623,706	67,141,239	2,067,216	35,046,052
2004	303,857,107	191,458,252	69,999,671	3,072,732	39,326,452
2005	325,968,587	207,620,213	74,398,933	3,108,170	40,841,271
2006	353,228,843	223,000,014	83,933,556	3,076,393	43,218,880
2007	385,648,472	245,861,535	94,611,405	3,298,941	41,876,591

* Assessed Value is 40 percent per state law

**Includes Homestead Exemptions and Exempt Property

Sources: Barrow County Tax Commissioner
Ga. Dept of Revenue

Less Exempt Property**	Total Net Assessed Value	Total Direct Tax	Total Net Fair Market Value	Percentage Assessed Value To Fair Market Value
\$ 29,393,933	\$ 148,981,217	0.00%	\$ 372,453,043	40%
29,746,248	160,179,735	-	400,449,338	40%
30,095,397	165,385,703	-	413,464,258	40%
20,289,428	203,892,466	-	509,731,165	40%
40,622,708	195,958,687	-	489,896,718	40%
43,712,029	205,166,184	-	512,915,460	40%
44,786,497	259,070,610	-	647,676,525	40%
45,555,879	280,412,708	-	701,031,770	40%
45,615,571	307,613,272	-	769,033,180	40%
50,335,464	335,313,008	-	838,282,520	40%

City of Winder, Georgia
Statistical Section – Revenue Capacity
Property Tax Millage Rates – Direct and Overlapping
Last Ten Fiscal Years as of June 30

<u>Year</u>	<u>City of Winder</u>	<u>School System</u>	<u>Barrow County M & O</u>	<u>Fire District Tax</u>	<u>State</u>	<u>Barrow County Total</u>
1998	-	19.52	9.50	-	0.25	29.27
1999	-	19.52	9.35	1.00	0.25	30.12
2000	-	20.60	7.57	1.00	0.25	29.42
2001	-	20.60	7.57	1.00	0.25	29.42
2002	-	20.60	6.83	0.93	0.25	28.61
2003	-	18.90	6.77	1.64	0.25	27.56
2004	-	18.90	6.77	1.64	0.25	27.56
2005	-	17.50	6.77	2.15	0.25	26.67
2006	-	17.50	9.82	2.15	0.25	29.72
2007	-	18.50	7.57	2.15	0.25	28.47

Source: Barrow County Tax Commissioner

Note: The City of Winder has not levied a property tax since 1977. Fire Taxes are levied by the Barrow County Board of Commissioners. The proceeds are then remitted to the City of Winder to assist in providing fire protection services in the Winder Fire District.

City of Winder, Georgia
Statistical Section – Revenue Capacity
Sales and Use Taxes – Direct and Overlapping
Last Ten Fiscal Years

Year of Levy	LOST		LOST		ELOST		Total All Sales Tax
	City of Winder	LOST Proceeds City of Winder	Barrow County/ Other Municipalities	SPLOST Barrow County	Barrow County School System	State of Georgia	
1998	0.2481%	\$ 1,043,000	0.7519%	1%	1%	4%	7%
1999	0.2481%	\$ 1,205,000	0.7519%	1%	1%	4%	7%
2000	0.2481%	\$ 1,306,000	0.7519%	1%	1%	4%	7%
2001	0.2481%	\$ 1,404,000	0.7519%	1%	1%	4%	7%
2002	0.2481%	\$ 1,473,000	0.7519%	1%	1%	4%	7%
2003	0.2141%	\$ 1,432,000	0.7859%	1%	1%	4%	7%
2004	0.2089%	\$ 1,523,000	0.7911%	1%	1%	4%	7%
2005	0.2040%	\$ 1,665,761	0.7960%	1%	1%	4%	7%
2006	0.1987%	\$ 1,764,000	0.8013%	1%	1%	4%	7%
2007	0.1937%	\$ 1,866,200	0.8063%	1%	1%	4%	7%

Note: All sales taxes are levied county-wide and collected by the State of Georgia. The State then distributes the various local option sales taxes to the local jurisdictions. There is no sales tax levied directly by the City of Winder. The City receives a portion of LOST based on a negotiated distribution formula. City proceeds are reported on a fiscal year basis and rounded. Sales tax rates are levied on a calendar year basis.

Sources of information: Ga. Department of Revenue, LOST Distribution Certificates

LOST = Local Option Sales Tax. Distribution rates among the various governments have been agreed to in an intergovernmental agreement.

SPLOST = Special Purpose Local Option Sales Tax. Projects are approved through referendum and revenues may be shared through intergovernmental agreements.

ELOST = Education Local Option Sales Tax. All proceeds go to the Barrow County School System.

City of Winder, Georgia
Statistical Section – Revenue Capacity
Comparison of Retail Trade Sector-Barrow County, GA
1997 and 2002

NAICS Code	Description	Number of Establishments		Sales
		1997	2002	1997
44-45	Retail trade (Totals)	145	145	\$ 344,841
441	Motor vehicle & parts dealers	19	16	D
442	Furniture & home furnishings stores	10	10	D
443	Electronics & appliance stores	5	3	\$ 4,291
444	Building material & garden equipment & supplies dealers	8	10	\$ 30,007
445	Food & beverage stores	27	25	\$ 63,962
446	Health & personal care stores	11	9	D
447	Gasoline stations	25	30	\$ 22,921
448	Clothing & clothing accessories stores	13	9	\$ 6,904
451	Sporting goods, hobby, book, & music stores	2	4	D
452	General merchandise stores	5	7	D
453	Miscellaneous store retailers	15	17	D
454	Nonstore retailers	5	5	D

Source: 1997 and 2002 Economic Census - Barrow County Georgia as conducted by the U.S. Census Bureau

Notes: Economic Census Data is collected every five years and published during the next two years.

The letter "D" indicates information withheld to avoid disclosing data of individual companies; data is included in higher level totals.

\$000)	Annual Payroll (\$000)		Paid Employees	
	2002	1997	2002	2002
\$ 525,648	\$ 30,825	\$ 46,183	1,798	2,104
D	D	D	(250-499)	(250-499)
D	D	D	(20-99)	(20-99)
D	\$ 660	D	37	(20-99)
\$ 63,909	\$ 5,957	\$ 9,705	234	316
\$ 67,785	\$ 6,353	\$ 6,952	536	454
\$ 24,390	D	\$ 1,743	(100-249)	107
\$ 38,023	\$ 1,584	\$ 1,829	134	111
D	\$ 719	D	67	(20-99)
D	D	D	(1-19)	(1-19)
\$ 78,069	D	\$ 8,658	(250-499)	576
D	D	D	(20-99)	(20-99)
\$ 9,891	D	\$ 1,201	(20-99)	30

City of Winder
Statistical Section – Revenue Capacity
Water and Sewer Rates/Water Sold by Customer
Last Five Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Water and Sewer Rates					
Water Monthly Service Rates:					
Inside City-					
First 2,000 gallons	\$ 10.50	\$ 10.50	\$ 11.50	\$ 12.60	\$ 12.60
Next 5,000 gallons (\$ per thousand)	\$ 3.30	\$ 3.43	\$ 3.63	\$ 4.15	\$ 4.15
Over 7,000 gallons (\$ per thousand)	\$ 3.70	\$ 3.83	\$ 4.03	\$ 4.99	\$ 4.99
Outside City-					
First 2,000 gallons	\$ 19.25	\$ 19.25	\$ 20.25	\$ 22.58	\$ 22.58
Next 5,000 gallons (\$ per thousand)	\$ 3.80	\$ 4.13	\$ 4.33	\$ 5.09	\$ 5.09
Over 7,000 gallons (\$ per thousand)	\$ 4.10	\$ 4.43	\$ 4.63	\$ 5.57	\$ 5.57
Sewer Monthly Service Rates-					
Minimum Charge	\$ 8.00	\$ 9.20	\$ 10.80	\$ 10.80	\$ 10.80
Effective sewer rate as percent of water bill	80%	80%	80%	80%	80%
Water Sold by Type Customer					
Annual Water Sales by Volume (000 gallons)					
by Category					
Residential	615,300	644,412	660,811	719,808	812,636
Commercial/Institutional/Other	182,083	217,405	194,993	232,115	209,882
Industrial	211,963	195,626	227,494	252,905	261,740
Total	<u>1,009,346</u>	<u>1,057,443</u>	<u>1,083,298</u>	<u>1,204,828</u>	<u>1,284,258</u>
Average Direct Rate (per 1000 gallons)	<u>\$ 5.10</u>	<u>\$ 5.15</u>	<u>\$ 5.79</u>	<u>\$ 6.26</u>	<u>\$ 6.23</u>
Average Number of Customers*					
Residential	9,799	10,553	11,539	11,790	12,308
Commercial/Institutional/Other	852	912	995	1,064	1,065
Industrial	6	6	6	6	6
Total	<u>10,657</u>	<u>11,471</u>	<u>12,540</u>	<u>12,860</u>	<u>13,379</u>
*Average number of customers is derived by dividing the total number of customers billed for the year by 12. This figure represents the equivalent number of "full time" customers or average number of customers on the systems all 12 months of the fiscal year. Commercial accounts may include more than one customer. Many commercial accounts have single meters for multiple commercial rental space.					
Annual Water Sales (\$) by Category:					
Residential	\$ 3,532,358	\$ 3,741,446	\$ 4,196,709	\$ 5,111,122	\$ 5,584,230
Commercial/Institutional/Other	768,893	814,405	906,924	1,108,308	972,898
Industrial	841,439	891,246	1,166,139	1,324,683	1,447,811
Total Water Sales	<u>\$ 5,142,690</u>	<u>\$ 5,447,097</u>	<u>\$ 6,269,772</u>	<u>\$ 7,544,113</u>	<u>\$ 8,004,939</u>
Sewer:					
Average Number of Users	<u>3,883</u>	<u>3,968</u>	<u>4,084</u>	<u>4,266</u>	<u>4,446</u>
Annual Sewer Sales	<u>\$ 1,310,384</u>	<u>\$ 1,387,948</u>	<u>\$ 1,581,677</u>	<u>\$ 1,873,759</u>	<u>\$ 1,927,510</u>
Total Annual Water/Sewer Sales	<u>\$ 6,453,074</u>	<u>\$ 6,835,045</u>	<u>\$ 7,851,449</u>	<u>\$ 9,417,872</u>	<u>\$ 9,932,449</u>

Source: City of Winder Water Department

City of Winder
Statistical Section – Revenue Capacity
Water and Sewer Connection/Tap Fees
Effective June 30, 2007

Current Fees

<u>Meter Size</u>	<u>Inside City</u>	<u>Outside City</u>
Water Connection Fee	\$ 3,500	\$ 3,500
5/8-3/4 Inch Water Tap	\$ 3,500	\$ 3,500
Sewer Connection Fee	\$ 3,500	\$ 3,500
4" Sewer Tap fee	\$ 3,500	\$ 3,500

Note: Larger meters and sewer taps are available at higher rates

Source: City of Winder Water Department

City of Winder
Statistical Section – Revenue Capacity
Largest Water and Sewer Customers
Current and Four Years Prior
June 30, 2007

2007			
<u>Customer</u>	<u>Product/Service</u>	<u>Total Billings</u>	<u>Percent of System Revenues</u>
Harrison Poultry	Poultry Processing	\$ 827,680	8.47%
Stepan	Surfactant Mfg.	377,115	3.86%
Johns-Manville	Fiberglass Insulation	252,042	2.58%
Rhodia	Surfactant Mfg.	220,073	2.25%
Winder Health Care	Nursing Home	53,442	0.55%
Winder Village	Mobile Home Park	40,088	0.41%
Wal-Mart	Retail	33,188	0.34%
Total			<u>18.46%</u>

Note: No other single customer exceeds .3% of total billings

2003			
<u>Customer</u>	<u>Product/Service</u>	<u>Total Billings</u>	<u>Percent of System Revenues</u>
Harrison Poultry	Poultry Processing	\$ 628,600	9.74%
Stepan	Surfactant Mfg.	352,335	5.46%
Johns-Manville	Fiberglass Insulation	179,114	2.78%
Rhodia	Surfactant Mfg.	165,465	2.56%
Winder Health Care	Nursing Home	43,974	0.68%
Total			<u>21.22%</u>

Source: City of Winder Utility Billing Department

The earliest data readily available for statistical comparison is FY 2003

City of Winder
Statistical Section – Revenue Capacity
Gas Rates (Distribution Change)/Gas Sales By Customer Type
Last Five Fiscal Years

	2003	2004	2005	2006	2007
Gas Monthly Distribution Charge:*					
Residential/Small Comm (1st 300 cu) (Flat Rate)	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00	\$ 8.00
Residential/Small Comm (\$ per mcf over 300 cu ft)	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.50	\$ 3.50
Commercial (\$ per mcf)	\$ 3.30	\$ 3.30	\$ 3.30	\$ 3.90	\$ 3.90
Interruptible (Industrial) (avg.):					
First 2,000 mcf (\$ per mcf)	\$ 1.72	\$ 1.72	\$ 1.72	\$ 1.72	\$ 1.72
Next 3,000 mcf (\$ per mcf)	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05
Next 2,000 mcf (\$ per mcf)	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.70	\$ 0.70
Over 7,000 mcf (\$ per mcf)	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55	\$ 0.55
Annual Gas Sales by Volume (mcf) by Category:					
Residential/Small Commercial	301,432	310,755	298,416	288,601	326,526
Medium/Large Commercial	63,557	65,522	60,149	56,789	106,169
Interruptible (Industrial):	206,333	212,715	501,379	279,712	477,885
Total	571,322	588,992	859,944	625,102	910,580
Average Number of Customers by Category**					
Residential/Small Commercial	3,933	4,109	4,225	4,572	4,847
Medium/Large Commercial	42	46	54	54	54
Interruptible (Industrial):	5	5	6	6	6
Total	3,980	4,160	4,285	4,632	4,907

*Because the base cost of natural gas can fluctuate substantially on a monthly basis, the City has chosen to present its distribution charge or "mark up". This amount is added to the base cost of natural gas each month.

Any increase or decrease in the base cost of natural gas is automatically passed on to the customer on a monthly basis, however the distribution charge remains relatively constant. The gas flat rate minimum increased to \$12.00 per month effective 5/1/2007.

**Average number of customers is derived by dividing the total number of customers billed for the year by 12.

This figure represents the equivalent number of "full time" customers, or average number of customers on the system all 12 months of the fiscal year. Prior year number of gas customers has been adjusted to exclude bills for credits and adjustments. The new numbers are a more accurate reflection of actual customers.

Annual Gas Sales (\$) by Category

Residential	\$ 4,193,937	\$ 4,291,133	\$ 4,054,620	\$ 6,780,800	\$ 5,084,226
Commercial	803,368	821,987	737,658	1,277,792	1,246,827
Interruptible (Industrial):	1,793,531	1,835,097	4,291,477	4,282,773	4,143,015
Total	\$ 6,790,836	\$ 6,948,217	\$ 9,083,755	\$ 12,341,365	\$ 10,474,068

Source: City of Winder Gas Department

City of Winder
Statistical Section – Revenue Capacity
Largest Natural Gas System Customers
Current and Four Years Prior
June 30, 2007

2007			
<u>Customer</u>	<u>Product/Service</u>	<u>Total Billings</u>	<u>Percent of System Revenues</u>
Johns-Manville	Fiberglass Insulation	\$ 1,964,817	18.88%
Rhodia	Surfactant Mfg.	866,081	8.32%
Harrison Poultry	Poultry Processing	678,390	6.52%
Stepan	Surfactant Mfg.	623,695	5.99%
Harrison Feed Mill	Animal Feed	499,996	4.81%
Foley Products	Concrete Products	152,818	1.47%
Mast Tank Cleaning	Tanker Truck Wash	100,417	0.97%
Wal-Mart	Retail	97,898	0.94%
Total			<u>47.90%</u>

2003			
<u>Customer</u>	<u>Product/Service</u>	<u>Total Billings</u>	<u>Percent of System Revenues</u>
Johns-Manville	Fiberglass Insulation	\$ 1,423,843	20.97%
Rhodia	Surfactant Mfg.	455,903	6.71%
Harrison Poultry	Poultry Processing	290,290	4.27%
Stepan	Surfactant Mfg.	266,794	3.93%
Foley Products	Concrete Products	105,809	1.56%
Total			<u>37.44%</u>

Source: City of Winder Utility Billing Department

The earliest data readily available for statistical comparison is FY 2003

City of Winder, Georgia
Statistical Section – Debt Capacity
Direct and Overlapping Debt
June 30, 2007

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Barrow County Schools:			
For New Construction/expansion/renovation			
General Obligation Bonds	\$ 23,785,000	18.73%	\$ 4,454,931
Capital Leases	2,382,744	16.88%	402,207
Total Barrow County Schools Overlapping Debt			4,857,138
Barrow County Government:			
Debt Repaid With Property Taxes			
General Obligation Bonds	\$ 83,525,000	18.73%	15,644,233
Capital Leases	2,896,050	16.88%	488,853
Total Barrow County Government Overlapping Debt			16,133,086
Total Overlapping Debt			20,990,224
City of Winder:			
Direct Debt			561,210
Total Direct and Overlapping Debt			\$ 21,551,434

Notes: For debt repaid with property taxes, the percentage of overlapping debt is estimated using the ratio of the city's assessed taxable value as a percentage of the county digest of total assessed taxable value (16.88%).

For debt paid by sales taxes, the percentage of overlapping debt is estimated using 2006 Census population estimates for the City as a percentage of the total County 2006 Census estimated population (20.58%).

For debt where sales tax revenues are used but the debt is a general obligation of the taxpayer (due to potential sales tax shortfalls or future sales tax referendums not approved) an average of the above percentages was used (18.73%). This is the case with the Barrow County School System and most large projects for Barrow County.

Barrow County's Fiscal Year ends on September 30. The current year audit had not been completed. Therefore, figures are taken from the audit of the FY ended September 30, 2006.

Although the Barrow County School System ends June 30, the audit for the FY ending 6/30/07 will not be conducted until 2008. Therefore figures are taken from the audit of the FY ending 6/30/06.

City of Winder, Georgia
Statistical Section – Debt Capacity
Ratio of Outstanding Debt by Type
Last Five Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income	\$ Per Capita
	G/O Bonds	Capital Leases	Mortgages	Water/Sewer Bonds	Capital Leases	GEFA/SRF Loans/Notes			
2003	\$ -	\$ 74,703	\$ -	\$ 14,164,358	\$ 219,597	\$ 2,978,669	\$ 17,437,327	7.29%	\$ 1,501
2004	\$ -	\$ 36,723	\$ 728,574	\$ 12,788,379	\$ 1,381,813	\$ 3,329,963	\$ 18,265,452	6.40%	\$ 1,504
2005	\$ -	\$ 10,074	\$ 640,122	\$ 12,233,045	\$ 1,047,228	\$ 3,114,408	\$ 17,044,877	5.86%	\$ 1,369
2006	\$ -	\$ 262,200	\$ 500,691	\$ 11,517,489	\$ 749,149	\$ 2,762,669	\$ 15,792,198	5.04%	\$ 1,200
2007	\$ -	\$ 237,688	\$ 323,522	\$ 10,917,565	\$ 441,752	\$ 9,304,719	\$ 21,225,246	6.48%	\$ 1,569

Source: City of Winder Finance Department and Georgia Department of Community Affairs

City of Winder, Georgia
Statistical Section – Debt Capacity
Statement of Legal Debt Margin
Last Ten Years

Thousands of Dollars

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Assessed Value (Net) Tax Digest	\$ 372,453	\$ 400,449	\$ 413,464	\$ 509,731	\$ 489,897	\$ 512,915	\$ 647,677	\$ 701,032	\$ 769,033	\$ 838,283
General Bonded Debt Limit (10% of Tax Digest)	\$ 37,245	\$ 40,045	\$ 41,346	\$ 50,973	\$ 48,990	\$ 51,292	\$ 64,768	\$ 70,103	\$ 76,903	\$ 83,828
Total Debt Applicable to Limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Net Debt Applicable to the limits as a % of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Source: City of Winder Finance Department and Barrow County Tax Commissioner

City of Winder, Georgia
Statistical Section – Debt Capacity
Statement of Pledged Revenue Coverage – Water and Sewer Fund
Last Ten Years

Thousands of Dollars

Year	Utility Service Charges	Less Operating Expenses	Net Available Revenue	Current Revenue Bond Debt Service			Coverage
				Principal	Interest	Total	
1998	\$ 4,586	\$ 2,316	\$ 2,270	\$ 280	\$ 606	\$ 886	2.56
1999	\$ 5,354	\$ 2,493	\$ 2,861	\$ 355	\$ 809	\$ 1,164	2.46
2000	\$ 5,885	\$ 2,891	\$ 2,994	\$ 605	\$ 726	\$ 1,331	2.25
2001	\$ 6,857	\$ 3,071	\$ 3,786	\$ 630	\$ 701	\$ 1,331	2.84
2002	\$ 7,758	\$ 3,708	\$ 4,050	\$ 655	\$ 675	\$ 1,330	3.05
2003	\$ 7,950	\$ 4,163	\$ 3,787	\$ 685	\$ 647	\$ 1,332	2.84
2004	\$ 8,130	\$ 4,198	\$ 3,932	\$ 710	\$ 617	\$ 1,327	2.96
2005	\$ 9,210	\$ 4,267	\$ 4,943	\$ 745	\$ 688	\$ 1,433	3.45
2006	\$ 11,755	\$ 4,784	\$ 6,971	\$ 877	\$ 521	\$ 1,398	4.99
2007	\$ 12,134	\$ 5,292	\$ 6,842	\$ 761	\$ 489	\$ 1,250	5.47

Note: Operating Expenses excludes Depreciation, Amortization and Indirect Costs Allocations
Source: City of Winder Finance Department

City of Winder, Georgia
Statistical Section – Demographic and Economic
Demographic and Economic Statistics
Last Eight Years

<u>Year</u>	<u>Population City</u>	<u>Population County**</u>	<u>Personal Income**</u>	<u>Per Capita Income**</u>	<u>Median Age**</u>	<u>Unemployment Rate</u>	<u>*Educational Attainment **</u>	
							<u>% High School Degree or Higher*</u>	<u>% Bachelors Degree or Higher</u>
2000	10,201	46,144	\$203,724,171	\$19,971	32.5	3.0	73.3	10.9
2001	10,772	51,231	\$227,580,044	\$21,127	32.5	3.8	73.3	10.9
2002	11,276	51,016	\$228,778,764	\$20,289	32.4	4.6	73.3	10.9
2003	11,617	53,479	\$239,077,860	\$20,580	32.4	4.5	73.3	10.9
2004	12,145	56,656	\$285,419,645	\$23,501	32.3	4.5	73.3	10.9
2005	12,451	59,954	\$290,855,360	\$23,360	32.3	4.6	73.3	10.9
2006	13,161	63,702	\$313,231,800	\$23,800	32.3	4.2	73.3	10.9
2007	13,532	65,765	\$327,474,400	\$24,200	32.3	4.3	73.3	10.9

Sources of Information and basis for estimates:

U.S. Census Bureau - City & County Populations, Median Age, and Educational Attainment

Georgia Department of Community Affairs - Personal Income and Per Capita Income

Georgia Department of Labor - Unemployment Rate

*Statistics not available on an annual basis

**When city statistics are unavailable, Barrow County statistics are used.

2006 data changed due to actual figures rather than estimated at time of release.

City of Winder, Georgia
Statistical Section – Demographic and Economic
Principal Employers – Current and Eleven Years Ago
June 30, 2007

<u>Employer</u>	<u>2007</u>			<u>1996</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Total Percentage of Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Total Percentage of Employment</u>
Barrow County School System	1,800	1	5.82%	-	-	0.00%
Harrison Poultry	876	2	2.83%	560	1	2.99%
Barrow County Government	550	3	1.78%	245	6	1.31%
Total Logistics Control	495	4	1.60%	-	-	0.00%
Chateau Elan	464	5	1.50%	420	3	2.25%
Anderson Merchandisers	435	6	1.41%	-	-	0.00%
John's Manville	268	7	0.87%	293	4	1.57%
Akins Ford	235	8	0.76%	-	-	0.00%
Barrow Regional Medical Center	225	9	0.73%	-	-	0.00%
United Waste Services	215	10	0.70%	-	-	0.00%
Duckhead Apparel	-	-	-	290	5	1.55%
Thrall Car Mfg.	-	-	-	500	2	2.67%
All Employment	30,923			18,700		

Notes: Statistics are kept only on a county-wide basis, therefore, Barrow County statistics are used.
 Bold indicates employers that are either within the City Limits of Winder, or are in the City's utilities service areas.
 Some data not available. 1996 rankings included only top five non-governmental employers.

Sources of Information:

Barrow County Chamber of Commerce - Principal employers and all employment - 2007
 Barrow County Comprehensive Plan - Principal Employers - 1996
 Bureau of the Census - All Employment 1996

City of Winder, Georgia
Statistical Section – Operating Information
Full Time-Equivalent Government Employees
Last Two Fiscal Years

	<u>2006</u>	<u>2007</u>
Function/Program		
General Government		
Administration/Personnel	8.75	8.75
Finance/IT	5.00	5.00
Planning, License and Permits	4.00	4.00
Other	1.00	2.00
Public Safety		
Police Department:		
Police Administration	5.00	5.00
Officers	43.00	45.00
Fire Department:		
Fire Administration	3.00	3.00
Fire Fighters	19.00	19.90
Municipal Court/Probation	2.00	2.00
Public Works		
Street/Cemetery	18.65	18.65
Facilities Maintenance	9.50	9.50
Special Facilities - Community Center	3.25	3.25
Internal - Fleet Maintenance	5.00	5.00
Component Unit- Downtown Development	1.00	0.00
Utilities (Business-Type Activities)		
Water Distribution	19.00	19.00
Water Treatment	*	*
Wastewater Treatment	*	*
Sewer Collection	*	*
Gas	11.00	11.00
Solid Waste	15.25	15.25
Utility Services (Billing and Collection)	19.00	19.00
Total	<u>192.40</u>	<u>195.30</u>

Source: City of Winder Budget

* Water Plant operations, sewer plant operations and sewer collection operations are operated by H.S. Feldman, Inc. by contract with the City of Winder.

Does not include part-time elected officials.

Information Prior to FY 2006 was not readily available in this format.

City of Winder, Georgia
Statistical Section – Operating Information
Operating Indicators by Function/Program
Last Two Fiscal Years

	<u>2006</u>	<u>2007</u>
Function/Program		
Public Safety		
Police Department:		
Total Calls for Service	16,000	16,000
Motor Vehicle Accident Reports	811	793
Criminal Investigation Cases	3,417	4,612
Clearance Rate	54%	71%
Miles Patrolled	378,000	407,000
Fire Department		
Total Emergency Responses	1,166	1,261
Fire Calls	63	88
Rescue Calls	753	822
Other Emergency Calls	350	351
Average Response Time (Minutes)	3:28	3:36
Public Works		
Streets/Cemetery:		
Loads of Loose Debris Picked up	1,077	959
Number of bags of leaves/yard waste picked up	33,602	22,565
Graves Opened/Closed	44	30
Number of street locations patched	133	142
Other work orders (signs, grass cutting, etc.)	1,069	1,828
Special Facilities - Community Center		
Number of Events	331	342
Internal - Fleet Maintenance		
Number of vehicle service/repairs	1,018	973

City of Winder, Georgia
Statistical Section – Operating Information
Operating Indicators by Function/Program
Last Two Fiscal Years

	2006	2007
Utilities (Business-Type Activities)		
Water Distribution:		
New Taps/Meters Installed	567	631
Leaks Repaired	422	431
Total Number Customers - Year End	13,328	13,930
Water Plants - Average Daily Production (mgd)*	3.87	4.37
Sewer Plants- Average Daily Treatment (mgd)*	1.42	1.22
Sewer Collection - New Taps	385	70
Total Number of Customers - Year End	4,563	4,760
Gas:		
New Meters Installed	273	301
Leaks Repaired	65	72
New Gas Line Run (ft)	20,262	10,666
Total Number of Customers- Year End	5,084	5,380
Solid Waste:		
Tons of Garbage Collected	7,561	4,575
Total Number of Customers - Year End	5,195	5,447
Utility Services (Billing and Collection):		
Number of bills processed, sent and collected	175,309	180,525
Increase (decrease) from prior year	10,244	5,216

Source: City of Winder Operational Reports and Billing Records. Water plant operations, sewer plant operations and sewer collection operations are operated by H.S. Feldman, Inc. by contract with the City of Winder.

*mgd = million gallons per day

Most sewer taps are made by the developer and later deeded to the City.

Operational indicators not available for certain administrative functions

Major street paving projects are contracted to privately owned paving companies

Year End Service Accounts are as of June 30 for each fiscal year.

Effective April 1, 2007, the City of Winder contracted with a private operator to collect and dispose of garbage. However the City continues to bill and collect for garbage collection.

Operating Indicators were not readily available in this format for years prior to FY 2006.

City of Winder, Georgia
Statistical Section – Operating Information
Capital Assets Statistics by Function/Program
Last Two Fiscal Years

	2006	2007
Public Safety		
Police Department:		
Stations	1	1
Precincts	2	2
Number of Police Vehicles	34	36
Fire Department:		
Stations	2	2
Pumpers	3	3
Ladder/Rescue	2	2
Public Works		
Streets:		
Miles of Streets	107	112
Cemetery:		
Acres in Cemetery	27	27
Special Facilities		
Community Center		
Rooms available for rental	3	3
Cultural Arts Center/Theater		
Theater and rooms available for rental	0	3
Internal - Fleet Maintenance		
Number of Maintenance Facilities	1	1
Utilities (Business-Type Activities)		
Water Distribution		
Water Mains (Miles)	344	354
Fire Hydrants	2,298	2,351
Number of Connections-Year End	13,328	13,930
Water Treatment and Supply		
Number of Plants	2.00	2.00
Production Capacity (mgd)	5.10	5.10
Purchase Contract (mdg)	5.00	5.00
Wastewater Treatment		
Number of Plants	2.00	2.00
Treatment Capacity (mgd)	3.15	3.15
Wastewater Collection		
Miles of Sewer Line	102	107
Number of Connections - Year End	4,563	4,760
Gas		
Miles of gas line	149	153
Base Supply Contract (mcf per day)	5,000	5,000
Number of Connections-Year End	5,084	5,381
Solid Waste Collection		
Number of Garbage Trucks	5	5
Number of Refuse Collection Trucks	3	3
Number of Service Accounts - Year End	5,195	5,447
Miscellaneous		
Approximate City Land Area (sq miles)	11	14

Note: mgd = million gallons per day
mcf = thousand cubic feet
Capital Asset Statistics were not available in this format prior to FY 2006
2006 data changed due to actual figures rather than estimates used at time of release.

Source: Various City Departments



CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2007

**Report of Independent Certified Public Accountant on Internal Control
Over Financial Reporting and on Compliance and Other Matters
Based on an Audit of the Financial Statements Performed in
Accordance with Government Auditing Standards**



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CERTIFIED PUBLIC ACCOUNTANTS

November 28, 2007

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*

The Honorable Mayor Lamar Ouzts and
Members of the City Council
City of Winder, Georgia 30680

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Winder, Georgia as of and for the year ended June 30, 2007, which collectively comprise the City's basic financial statements, and have issued my report thereon dated November 28, 2007. I conducted my 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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Winder, Georgia's financial statements are free of material misstatements, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the City of Winder, Georgia's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the

financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

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



Certified Public Accountant





**City of Winder, Georgia
Comprehensive Annual Financial Report
June 30, 2007**