

WINDER

GEORGIA, USA

CITIZENS' REPORT CITY GOVERNMENT/CITY SERVICES



FINANCIAL REVIEW
OF THE FISCAL YEAR ENDED JUNE 30, 2008



Quick Contact Guide for Citizens

Winder City Hall	45 East Athens Street · P.O. Box 566 · Winder, GA 30680	cityhall@cityofwinder.com	(770) 867-3106
Winder Police Department	94 North Broad Street · Winder, GA 30680	For Emergencies dial 911	(770) 867-2156
Winder Fire Department	90 North Broad Street · Winder, GA 30680	For Emergencies dial 911	(770) 867-3212
Winder Utilities Department	83 West May Street · Winder, GA 30680	Water Gas Fleet Maintenance	(770) 867-7978 (770) 867-7629 (770) 867-6068
	For after-hours emergencies, call the Winder Police Department at (770) 867-2156.		
Water Treatment/ Sewer Treatment and Collection			(770) 868-0863
	For after-hours emergencies, call the Winder Police Department at (770) 867-2156.		
Public Works	83 West May Street · Winder, GA 30680	Street Solid Waste Rose Hill Cemetary	(770) 867-2780 (770) 867-7121 (770) 867-2780
Planning, Inspections, License and Permits	23 North Jackson Street · Winder, GA 30680		(678) 425-6812
Winder Community Center	113 East Athens Street · Winder, GA 30680		(770) 867-9011
Code Enforcement Officer			(678) 425-6868
Main Street Winder	Porter Street · Winder, GA 30680		(770) 867-8088
City Attorney, John Stell Russell, Stell, Smith & Mattison PC	98 North Broad Street · Winder, GA 30680		(770) 867-7431
Cultural Arts Center	105 East Athens Street · P.O. Box 566 · Winder, GA 30680		(678) 425-6884
Winder Community Television (WCTV)	105 East Athens Street · P.O. Box 566 · Winder, GA 30680		(770) 586-5056

Please visit us at www.cityofwinder.com to view or print this document and all current information about your City. Additional copies are also available at 45 E. Athens St., Winder, GA 30680, or call 770-867-3106.

Front Cover – Winder Fire Department Centennial

The Winder Fire Department celebrated one hundred years (1908-2008). On September 20, 2008, at the Centennial Open House a restored hand drawn hose cart was presented to Fire Chief Ray Mattison to be displayed in the Winder Fire Department Museum. This cart is similar to a cart used by the first City of Winder Fire Chief C.M. Ferguson in 1908.



CITY OF WINDER

Report to the Citizens

GEORGE "CHIP"
THOMPSON III
MAYOR

CITY COUNCIL:

SONNY MORRIS
MAYOR PRO-TEM
WARD 1

CHARLIE EBERHART
WARD 2

RIDLEY PARRISH
WARD 3

FRANK DUNAGAN
WARD 4

MIKE MINGUS
AT LARGE

DAVID MAYNARD
AT LARGE

BOB BECK
CITY ADMINISTRATOR

SABRINA WALL
CITY CLERK

LESLIE GINN
FINANCE DIRECTOR

PENNY WILKINS
HUMAN RESOURCES DIRECTOR

AMBROSE JACKSON
PURCHASING DIRECTOR

JOHN E. STELL
CITY ATTORNEY

We are pleased to present this *Citizens' Report*, also known as the Popular Annual Financial Report (PAFR), for the fiscal year ended June 30, 2008, for the City of Winder. The purpose of the report is to present useful information regarding your City's government operations, services, programs, and financial condition. As you review this report, I hope you will agree that we have made significant progress this year working together as a community.

While this report is unaudited, the financial information was derived from the City's Comprehensive Annual Financial Report (CAFR). The CAFR received a favorable opinion from the City's independent auditors, Rushton & Co., LLC, stating the financial statements are fairly presented in conformity with generally accepted accounting principles (GAAP). Please note that the financial information shown here is abbreviated and condensed from the GAAP financial statements shown in the CAFR. Specifically, management's discussion and analysis, budgetary comparisons, component units, basic financial statements, and footnote disclosures are not included here. For more detailed financial information, I encourage you to go to www.cityofwinder.com to view or print a copy of the CAFR or contact the Finance Director at the address below.

The City's Comprehensive Annual Financial Reports for the years ended in 2002 through 2007 were awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The Certificate of Achievement is the highest form of recognition for excellence in financial reporting. To be awarded this Certificate, a government must publish an easily readable and efficiently organized report that is compliant with both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The City's 2008 CAFR has been submitted to GFOA for consideration of this Certificate, and we believe our current report continues to conform to the Certificate of Achievement program requirements.

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

Sincerely,

Bob Beck,
City Administrator



Your City Government

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



Winder Mayor and City Council

Council (Left to Right)

David Maynard, At Large
 Frank Dunagan, Fourth Ward
 Charlie Eberhart, Second Ward
 Sonny Morris, First Ward
 Mike Mingus, At Large
 Ridley Parrish, Third Ward

Mayor (Seated Second from Left)

George "Chip" Thompson, III

Contact Information:

Winder City Hall
 P. O. Box 566
 Winder, Ga. 30680
 (770) 867-3106
 Email: cityhall@cityofwinder.com

The City of Winder – Where Challenges Become Opportunities

Economic Trends and Outlook

The City of Winder is the largest city in Barrow County, and is the county seat. Barrow County is located in the center of Georgia's Golden Triangle and is the nucleus of research and technological advancements. In close proximity to Atlanta, Barrow County is just west of Athens and east of Gwinnett County. This central location, between four large employment and educational markets, makes Barrow County the twelfth fastest growing county in the United States. Served primarily by Highway 316 and I-85, Barrow County is an escape from congested traffic and city noise.

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. The general economy has sharply declined since the end of the last fiscal year, especially in the last few months. Therefore the City has redoubled its efforts to reduce operational costs through increasing the effectiveness and efficiency of the City's operations and administration.

The City's utility customer base continued to grow, but much more slowly than in prior years. The water utility customer base grew by only 1.7% while the gas and sewer utility base grew by less than 1%. In prior years, the growth in these sectors would usually exceed 5%. Though water sales were up (due to changes in availability rates based on meter size for business and no water usage included in the base rates), the volume of water sold actually decreased due to extreme drought conditions and the resulting outdoor water use restrictions.

One factor in measuring the economic condition of a community is its overall property fair market value and Winder's has more than doubled over the last decade. However, the City's tax digest increased only approximately 5.4% and proceeds from the local option sales were flat for the fiscal year and will probably decrease considerably during the next fiscal year. The City issued approximately the same number of business licenses this year as last year.

The construction segment of the economy locally and nationally has been in decline, especially in the residential sector. The following chart shows building activity within the City of Winder for the last three years.

FY Ending June 30	New Residential		New Commercial	
	# Permits	Value	# Permits	Value
2006	160	\$ 17,753,604	29	\$ 11,777,894
2007	166	\$ 17,425,659	11	\$ 3,642,500
2008	138	\$ 12,656,749	11	\$ 8,326,194

Both the number of residential permits and value declined sharply, but commercial was surprisingly steady. The number of renovation permits (not shown) actually increased, but the value decreased by approximately 13% from the prior year. Based on the general state of the local and national economy, the City expects FY 09 to be a difficult year financially. The City's primary sources of revenue (sales taxes, utility profits, licenses and permits, etc.) are especially vulnerable to changes in the economy.

Major Initiatives and Accomplishments

Downtown Redevelopment

- The City completed its *Streetscape Phase I* which included redesigning the gazebo park area and the gazebo parking lot to allow more green space in downtown Winder.



Before Construction



After Construction

- The City, along with the Downtown Development Authority, added gates to alleyways within the Historical District and a new wrought iron fence with lights and landscaping to the Candler Street parking lot.

Cultural Arts Center

- The Cultural Arts Center, which houses the *Colleen O. Williams Theater*, held 185 separate events, with 324 days of cultural arts and community interest programs and conferences – covering basically all facets of the arts.



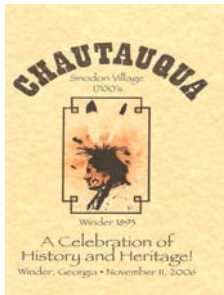
- The *Sunday Afternoon at the Colleen Concert Series* provided low-cost family concerts of varied content and theme one Sunday afternoon per month during the year. Another event that was offered, in coordination with the Winder-Barrow Community Theatre, was a tuition-free *Children's Drama Camp* that hosted over 60 campers, ages 8 to 16.



Community Television

- The City's *WCTV24*, located inside the Cultural Arts Center, launched 5 new original programs this year. One of these programs, *Cop Talk*, is written and hosted by two of our own Winder Police Officers, Captain Dennis Dorsey and Lieutenant Todd Druse.
- Channel 24 also airs the local football games which are definitely a local favorite.

Community Center and Main Street



The Winder Community Center hosted *over 330 events* this past year. In addition to sponsoring several events, Winder Mainstreet hosted the annual *Chautauqua* celebration which had over 100 exhibits and was attended by several thousand people.



Community Development

- The license and permit department handled some *1,683 building related transactions* and issued *1,090 business licenses*. The Planning Department updated several zoning ordinances, provided administrative support for all zoning requests, and provided technical assistance for the streetscape beautification program.
- The City Inspection Department, along with the Code Enforcement Department, inspected vacant buildings to help establish a vacant structure registry which will help keep these buildings up to code within the City.

Intergovernmental Cooperation

- The City continues to work well with its local governmental partners. Renegotiation continued with all Barrow governments on service delivery strategies and tax equity. An updated comprehensive plan for Barrow County, which includes the City of Winder, is nearing completion. The City continues to provide space for Lanier Tech and the Adult Learning Center, which provides additional educational opportunities for approximately 650 students.



Public Safety

- *The Police Department handled some 15,000 calls for service* and worked closely with the Boys and Girls Club, local school system and other organizations to provide a positive experience and *opportunities* for our children.
- The Department has installed laptops in most of the marked patrol cars. Electronic ticket writers have also been installed into two patrol cars for testing. These ticket writers will enable the officers to use their laptop to communicate with the Georgia Department of Driver Services and reduce data entry for the Municipal Court Clerk.



- The Department's Dog Bite Prevention Program received Honorable Mention Award at the Georgia Association of Chief of Police annual awards ceremony. This program has been presented to over 9,000 people (mostly children) in Georgia.
- The Department received \$47,800 HEAT grant from the Governor's of Highway Safety for continued support of the HEAT Officer.
- The Police Department also improved its emergency communications center to enable the officers and dispatchers to provide more efficient response to our citizens' needs.



- The Fire Department responded to **1,006 emergency calls** with an average response time of **3.57 minutes**. The Department's slogan, "**City Pride – City Wide**" is shown with its involvement in the community by offering the smoke detector program for the seniors, blood pressure screening, and the annual Empty Stocking Drive.
- The Fire Department began its Centennial Celebration. As part of the celebration, the fire fighters restored the 1940 Peter Pirsch Fire Engine that the City purchased in June of 1940.



- The Fire Department also began Phase II of the new training center for the firefighters. The training center will consist of a Live Burn Building which will be used in conjunction with the Rescue/Recover Simulator at the training center.

Wastewater Treatment

- The City's *Cedar Creek Wastewater Reclamation Facility* became fully operational July 2008 and provides four million gallons of wastewater treatment capacity. The facility is a state of the art treatment plant that produces clean water with very minimum odor for the residents who live in close proximity of the plant.



Utilities

- The *Utilities Administration* handled over **15,650 utility locates**, and **answered 19,987 calls**. The Department started its GPS/GIS Program for mapping and documenting the entire City's water, gas, storm water, and conduit infrastructure. The months before and during Christmas, the Utilities Department raised money for the Barrow County Family Connection. The Department also received 1st place award for Most Improved and 3rd place for Most Money Raised for 150 and under employees from the March of Dimes.
- *The Gas Department* installed **263 new meters**, ran over **72,000 feet of new gas line**, and repaired **240 leaks**. The Gas Department received the Marketing Award from the Municipal Gas Authority of Georgia.
- *The Water Department* installed **598 water taps/meters**, made **551** service repairs, added and maintained a system with over **14,000 accounts**, representing a population of over **30,000 people**. Residents can bring in a copy of their utility bill into the Utility Department to obtain indoor and outdoor conservation kits free of charge. During FY 2008, **406 indoor and 145 outdoor kits** were distributed to City of Winder utility customers.
- *The Fleet Maintenance Department* handled **1,012 work orders** and maintained a city fleet of over **290 vehicles and equipment**. The City implemented a vehicle and equipment replacement policy that will reduce the number of work orders and costs for the Fleet Department.
- The City, through a contract with H.S. Feldman, Inc. treated **an average of 3.55 million** gallons of water per day and processed **and average of 1.24 million** gallons of wastewater per day.
- In the *Utility Services Department*, over **187,700 utility bills** were calculated, mailed, processed and collected. This was an increase of over 7,200 bills from the prior year. The Meter Reading Department reads over 14,000 water meters and 5,400 gas meters monthly by **Electronic Radio Transmission (ERT)**, located on resident's meter, with a

mobile unit mounted in their trucks. The Meter Readers also handled over **9,500 service calls**, including repairing and replacing damaged ERT's and meters.

Building Maintenance

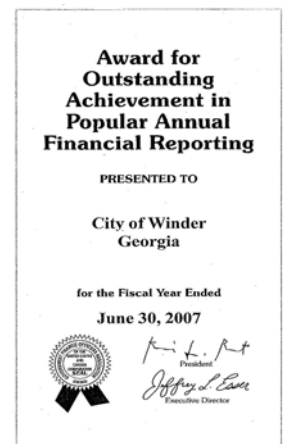
- The Building Maintenance Department handles the maintenance of the City's many buildings. This Department also annually repairs donated bicycles and collects gifts for the children of this community.

Public Works

- *The Street Department* picked up **537 loads of debris and 13,292 bags of leaves and yard waste**. The Department also cleaned **47 sidewalks** and **140 ditches** along with installing **820 feet of pipe** and patching **298 street** locations.
- *Garbage collection and disposal* is handled through a contract with United Waste Services, a private company located in Barrow County. United Waste collected and disposed of **6,584 tons of garbage for 5,447 customers** within the City of Winder.

Administrative

- The *Personnel Department's mission* is to recruit, train, support, and retain the most capable and productive staff for the City of Winder, while ensuring fair employment and equal opportunity under State and Federal laws. At June 30, 2008 the City **employed 214.2 full time equivalent** employees within various departments. In April 2008, the City held its **7th annual Employee Health Fair** that consisted of numerous booths and experiences.
- The Finance Department received a "**Certificate of Achievement of Excellence in Financial Reporting**" for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2007. This is the sixth straight year the department has received this award.
- The Government Finance Officers Association of the United States and Canada (GFOA) has given an **Award for Outstanding Achievement in Popular Annual Financial Reporting** to the City of Winder for its Popular Annual Financial Report (Citizens' Report) for the fiscal year ended June 30, 2007. In order to receive this award, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA.



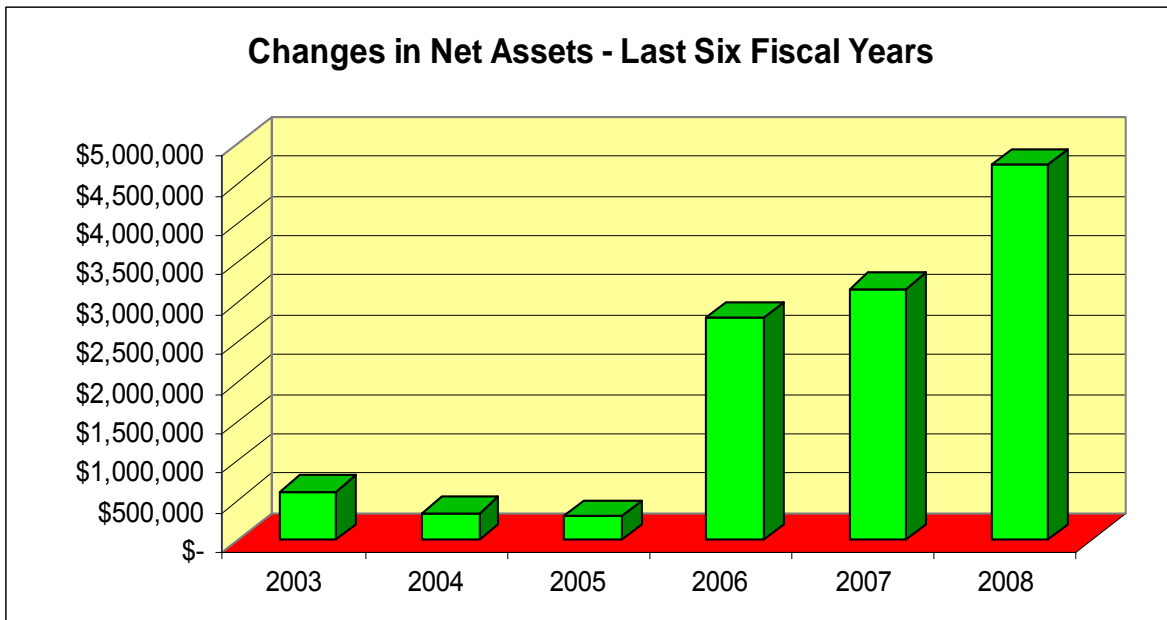


Financial Highlights

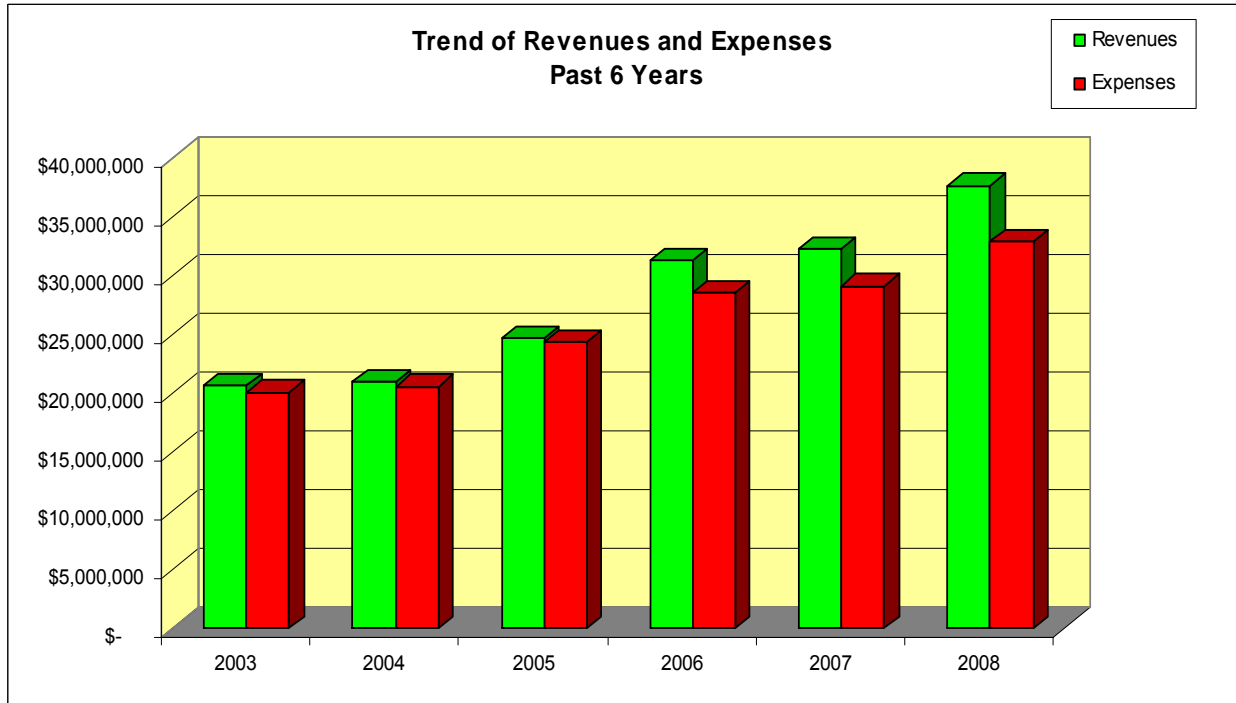
- The City of Winder had a stable year financially. The *City's net assets (the difference between revenues and expenses) increased by \$4,749,112* or 9.8% through operations and increased an additional \$28,426,000 through a prior period adjustment to recognize water and sewer lines donated to the City in prior years. The increase in net assets due to operations is attributable to intergovernmental agreements in the Water Fund and business type activities net profit. By contrast, City's net assets only increased approximately \$302,000 between 2004 and 2005, by \$2,810,429 in 2006 and \$3,183,271 in FY 2007. The City of *Winder did not levy a property tax* in 2008 and has not levied a property tax since 1977.
- The graph entitled "Changes in Net Assets," summarizes the changes in net assets over the past 6 years. Net Assets are the difference between the City's assets and liabilities at a given point in time. Assets include cash, vehicles, equipment, and infrastructure, such as streets, water plants, and systems. Liabilities are financial obligations of the City and primarily consist of short-term and long-term debt. Over time, increases or decreases in net assets can serve as a useful indicator of whether the financial position of City as a whole is deteriorating or improving. As shown on the Statement, the *City's financial position improved from the prior year*. The other graph shows the 6 year trends of city-wide revenues and expenses, the difference in which either increases or decreases the net assets of the City.
- The City also has fund financial statements. These statements are presented to provide a more narrow focus on the short-term resources and needs of the particular funds. A fund is an accounting unit used to maintain control over resources designated for activities or objectives. The City has two basic fund types: Governmental Funds and Business-Type activities or Proprietary Funds.
- The primary governmental fund is the General Fund. The General Fund includes primarily governmental activities such as general government, public safety (police and fire), and public works (streets, etc.). Sources of General Fund revenue include sales taxes, license and permit fees, fines and forfeitures, and transfers from business-type activities. *Revenues* and other sources of financing from the Governmental Funds *increased by \$2,866,799* or 25% over 2007. This is primarily due to \$1,645,000 received for issuance of debt and an increase of \$600,000 in indirect cost allocated out to other funds. Governmental *revenues and other sources of financing exceeded expenditures by \$527,217*.
- The Business-Type activities consist primarily of utility funds such as Water/Sewer, Gas, and Solid Waste Management. Another business activity fund is the Special Facilities Fund, which consists primarily of the operation of the Community Center and the Cultural Arts Center. As their names indicate, these funds are operated much like a business, in that their revenues are derived primarily by the sale of products or services.
- Business-type activity *revenues increased by \$4,887,713 or 18.7%*. Of this amount, \$4,665,600 was recognition of the intergovernmental agreement from Barrow County for water rights. The remaining is a very modest increase reflecting a slow-down in the building industry and the effects on water sales due to the 100 year drought.

- Business-type expenses **increased by approximately \$341,029 or 1.5%**. Again, this very modest increase is indicative of somewhat flat sales. Business-type **revenues exceeded expenses (including internal service fund) by \$5,351,295**.
- The last statement shown is a comparison of cash flows between fiscal year 2007 and fiscal 2008. Cash flow statements offer a unique look into the City's financial condition in that it is a virtual "checkbook" analysis of city operations. Cash flow statements are essential for evaluating the City's overall financial position, as it shows all monies received or spent by the City regardless of the source or how it is classified. This is important because in revenue and expense statements prepared in accordance with generally accepted accounting principals (GAAP), not all monies spent are recorded as current expenses. For example, in the business-type activities fund, if a pickup truck is purchased, it is not recorded as a current expense because the City is swapping one asset (cash) for another (the truck). However, the City still must have the **cash available** to purchase the truck.
- Another example of the importance of cash flow analysis is with the debt service in the utility funds. When the City embarks on a major infrastructure project, such as a new water or sewer plant, the cost can run into the millions of dollars. The City typically borrows the money for a twenty year period and makes principal and interest payments much like a home mortgage. Again in revenue/expense reports prepared according to GAAP, the principal payments are not shown as a current expense item. However, the City must still have the **cash available** to cover these obligations. The cash flow statement is set up on a non-departmental basis and clearly shows the cost of personnel, the cost of debt service, and the amount spent on capital outlay. The statement shows **a positive cash flow of \$2,587,504**. This is important to note since the City had a negative cash flow in 2005. The accompanying graph shows the cash flow trend of the City for the past 6 years.
- Note: The City's Comprehensive Annual Financial Report does contain audited financial information in greater detail. For further information, please contact the City Finance Director at (770) 867-3106 or visit our website at www.cityofwinder.com .

Changes in Net Assets For Last Six Fiscal Years



Source: 2008 CAFR page 93

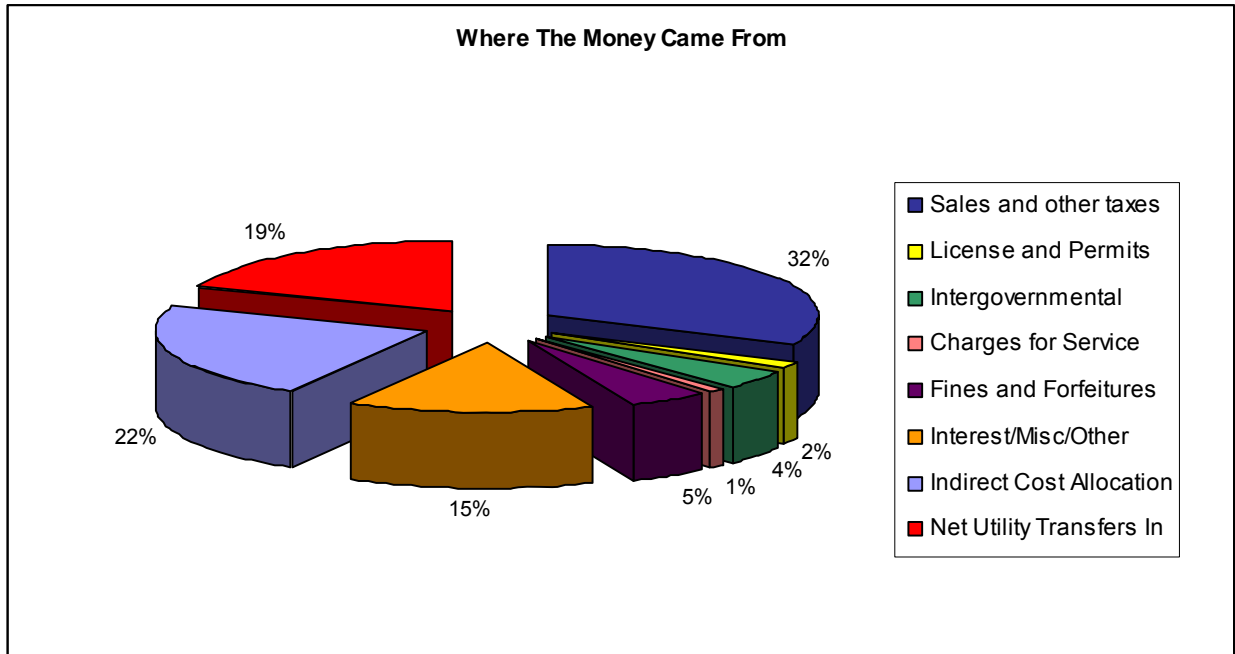


Source: 2008 CAFR pages 91-93

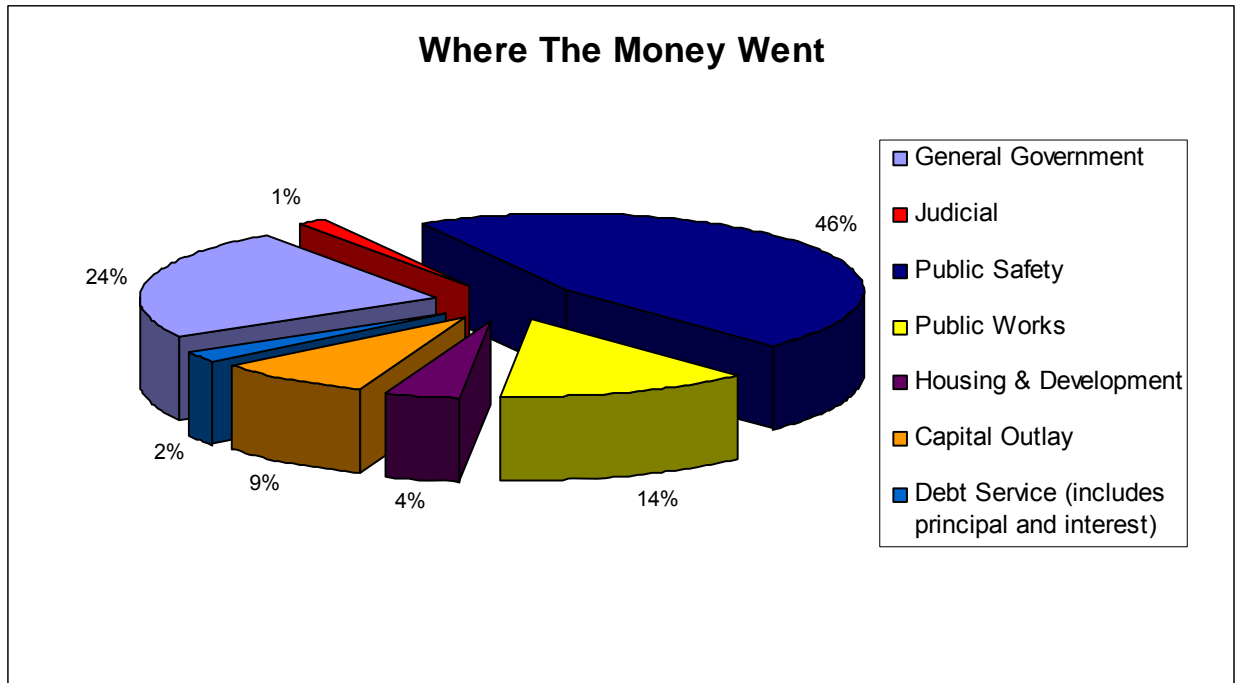
Governmental Funds - Revenues and Expenditures

For the Fiscal Year Ended June 30, 2008

Total Revenues and Sources of Financing - \$14,221,056



Total Expenditures - \$13,693,839

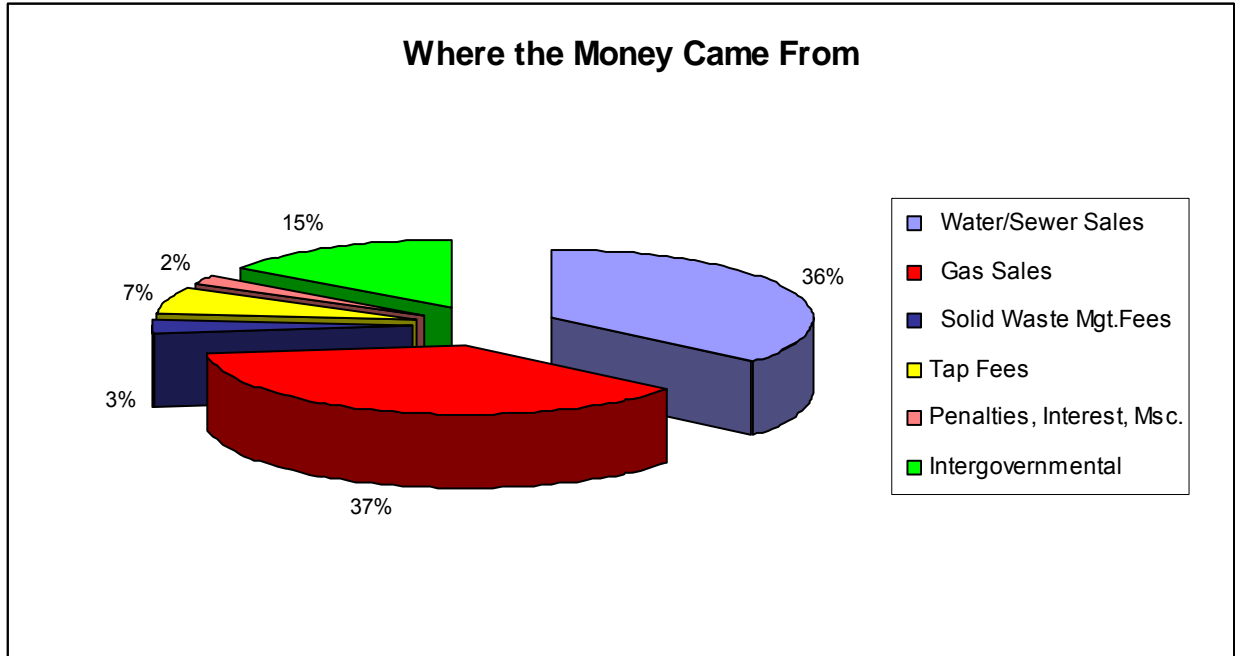


Source: 2008 CAFR page 28

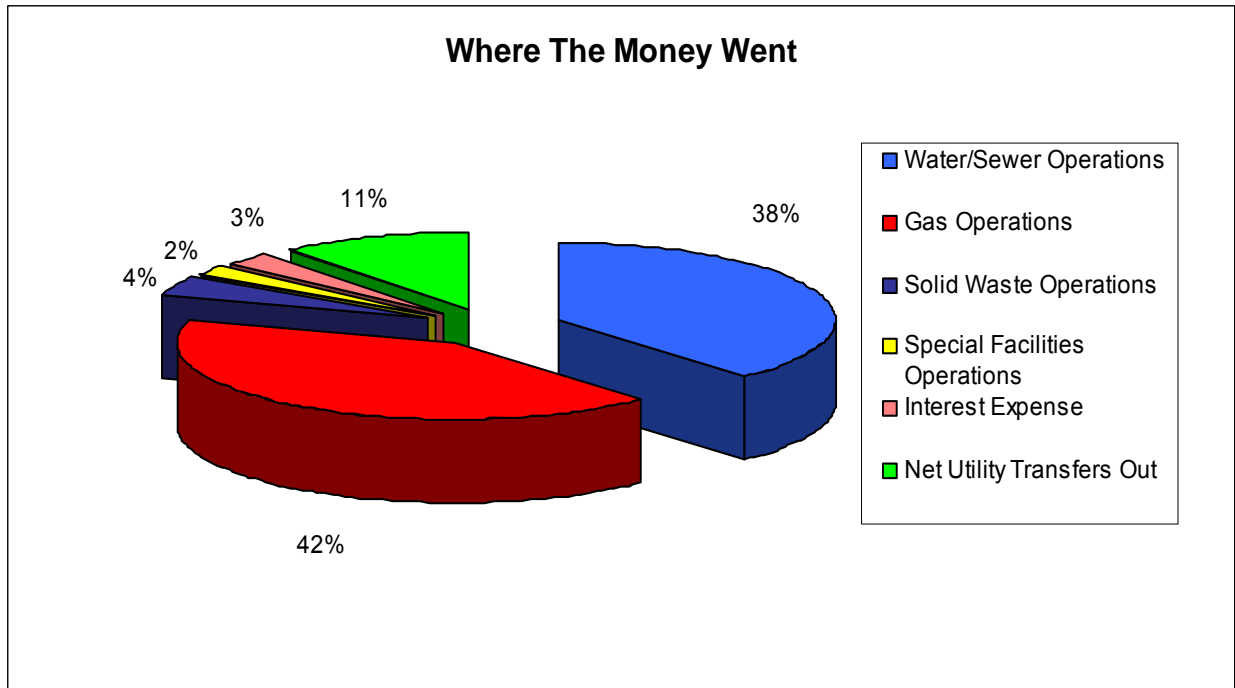
Business-Type Funds – Revenues and Expenses

For the Fiscal Year Ended June 30, 2008

Revenues and Sources of Financing - \$31,042,278



Total Expenses - \$25,750,983



Source: 2008 CAFR pages 32-33

Government-Wide Combining Statement of Cash Flows – 2007 and 2008

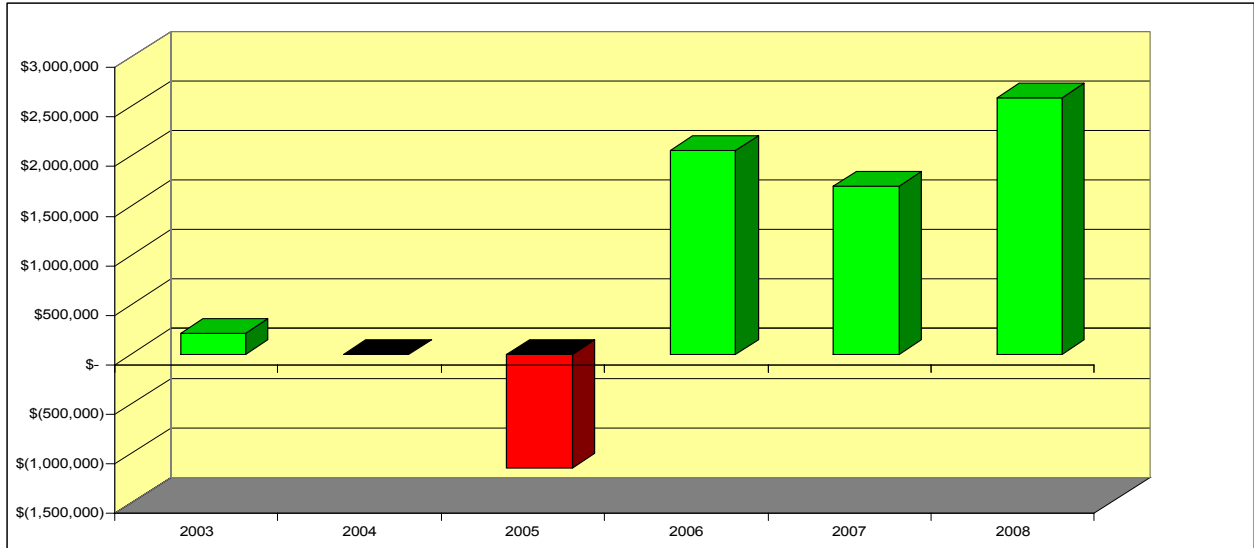
	2008		GOVERNMENT-WIDE TOTAL
	PROPRIETARY FUNDS	GOVERNMENTAL FUNDS	
Cash Flows From Operating Activities:			
Receipts From Customers	\$ 26,282,164	\$ 483,862	\$ 26,766,026
Receipts From Taxes	-	5,117,077 *	5,117,077
Net Receipts from Municipal Court	-	648,812	648,812
Operating Expenditures	(15,168,000)	(2,725,586)	(17,893,586)
Payments to Employees	(3,034,237)	(8,146,094)	(11,180,331)
Internal Activity	(1,791,074)	1,791,074	-
Net Cash Provided by Operating Activities	6,288,853	(2,830,855)	3,457,998
Cash Flows From Noncapital Financing Activities			
Intergovernmental Grants	-	-	-
Transfers to (from) Other Funds	(2,829,760)	2,829,760	-
Net Cash From (To) Noncapital Financing Activities	(2,829,760)	2,829,760	-
Cash Flows From Capital and Related Financing Activities:			
Acquisition and Construction of Capital Assets	(7,332,026)	(1,253,108)	(8,585,134)
Principal Payments on Long-term Debts	(731,352)	(292,687)	(1,024,039)
Principal Payments on Bonds	(771,221)	-	(771,221)
Interest and Fiscal Charges on Long-Term Debt	(659,326)	(21,462)	(680,788)
Proceeds from Sales of Assets	87,855	32,050	119,905
Proceeds from Issuance of Long-Term Debt	8,073,756	1,645,000	9,718,756
Net Cash From (To) Capital and Related Financing Activities	(1,332,314)	109,793	(1,222,521)
Cash Flows From Investing Activities:			
Interest On Investments	24,555	327,473	352,028
Net Increase (Decrease) in Cash	\$ 2,151,333	\$ 436,171	\$ 2,587,504

* In FY 2007 SPLOST was recorded as receipts from customers. For FY 2008 it is recorded as receipts from Taxes

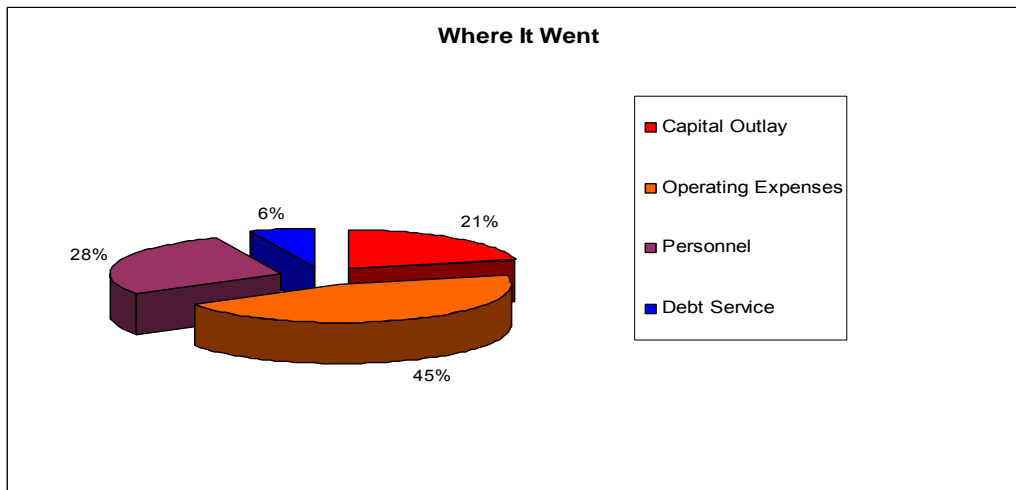
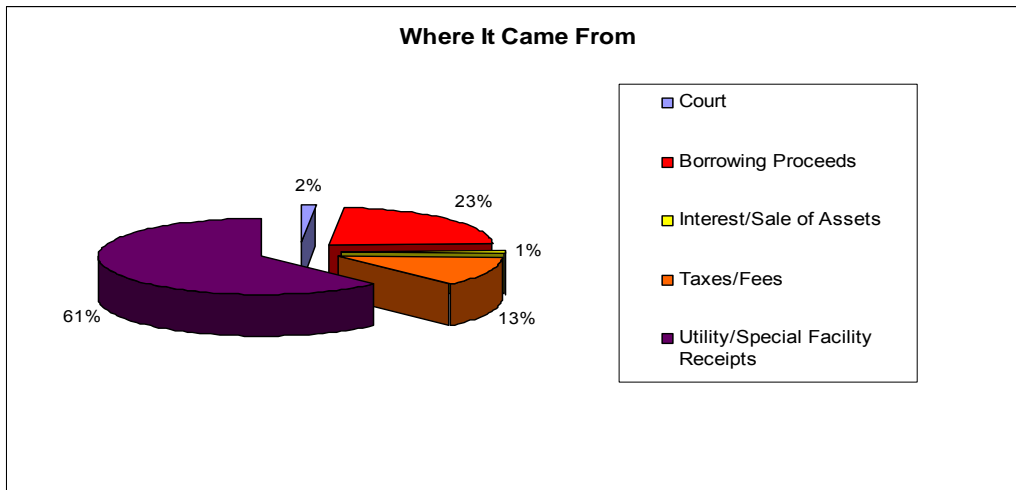
Government-Wide Combining Statement of Cash Flows – 2007 and 2008

GOVERNMENT-WIDE TOTAL	2007	
	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS
\$ 24,861,796	\$ 1,216,656	\$ 23,645,140
4,220,844	4,220,844	-
482,823	482,823	-
(12,999,139)	(1,843,477)	(11,155,662)
(9,401,396)	(6,422,520)	(2,978,876)
-	1,318,324	(1,318,324)
7,164,928	(1,027,350)	8,192,278
3,017,613	-	3,017,613
-	2,706,583	(2,706,583)
3,017,613	2,706,583	311,030
(13,504,216)	(1,030,230)	(12,473,986)
(874,696)	(201,681)	(673,015)
(761,369)	-	(761,369)
(682,074)	(14,932)	(667,142)
-	-	-
6,907,668	-	6,907,668
(8,914,687)	(1,246,843)	(7,667,844)
428,367	344,939	83,428
\$ 1,696,221	\$ 777,329	\$ 918,892

Government-Wide Net Change in Cash – Last Six Fiscal Years



Cash Flow for Fiscal Year Ended June 30, 2008







**Citizens Report
For the Fiscal Year Ended June 30, 2008
Prepared by the City of Winder
Finance Department**