

2011

Comprehensive Annual Financial Report City of Winder, Georgia For the Fiscal Year Ending June 30, 2011



Scenes from Winder, GA

Prepared By:
City of Winder, Georgia
Finance Department







CITY OF WINDER, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2011

**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, 2011

Introductory Section

Letter of Transmittal

Certificate of Achievement

Organizational Chart

City Officials and Administrative Personnel



City Of Winder

Letter of Transmittal

George "Chip"
Thompson III
Mayor

November 14, 2011

The Honorable Mayor George "Chip" Thompson III,
Members of the City Council and Citizens of the
City of Winder

City Council:

Sonny Morris
Mayor Pro-Tem
Ward 1

Charlie Eberhart
Ward 2

Ridley Parrish
Ward 3

Frank Dunagan
Ward 4

David Maynard
At Large

Bob Dixon
At Large

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, 2011.

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.

Rushton & Company, LLC, Gainesville, Georgia, a licensed firm of certified public accountants, 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, 2011, are free of material misstatements. 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, 2011, 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 137.



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www.cityofwinder.com Phone (770) 867-3106 Fax (770) 307-0424

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Winder's MD&A can be found immediately following the report of the independent auditors.

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. The City is located between Atlanta to the west, Athens to the east, Interstate 85 to the north and state highway 316 to the south.

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, sidewalks, and stormwater infrastructure. During 2009, the City was designated as a "Certified City of Ethics" by the Georgia Municipal Association. Around a third of the cities in Georgia have received this designation.

Fire taxes, 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 an escape from congested traffic and city noise. Like many other communities, Winder has seen a decline in growth over the last few years; however, Barrow County was among the top 20 fastest growing counties in the country during the last decade.

Funding for the operations of the City comes from the following primary sources: sales taxes, fire taxes, fines and forfeitures, licensing and permitting activities and utility profits. Over the last two fiscal years, three of the five primary funding sources declined due to the slow down in the economy and water conservation. In February 2009, the City underwent a re-organization in order to reduce costs and eliminate positions that were no longer needed due to the lack of work in certain departments, ie. building inspections. During Fiscal Year 2010 and 2011, the City continued working diligently to reduce expenses expecting a reduction in revenues.

The City's overall utility customer base has remained relatively stagnate over the past year. The average number of water customers saw a slight increase of .2%, and the average gas customer base increased by a mere .4%. Another factor in measuring the economic condition of a community is its overall property fair market value, and Winder's has increased by approximately 40% during the last decade. However, the City's tax digest decreased by approximately 8.7% during 2011 with the lowest fair market values since 2005. Sales tax collections in 2011 equaled the amount of sales taxes the City received in 2004. These factors indicate that the recession continues to affect our local governments and community. The City of Winder continues to re-evaluate costs on a monthly basis and will adjust the budget as necessary.

Major Initiatives

Utilities

The City's Water and Sewer Department was awarded the Georgia Association of Water Professionals Gold Awards for Water Treatment Plant Operations and Regulatory Compliance, for Cedar Creek and Marburg Creek NPDES Permit Compliance, and for Marburg Creek Reuse NPDES Permit Compliance.

The American Public Gas Association presented the City's Gas Department with the 2010 Safety Award.

During 2011, the City Council approved a new deposit refunding program for the City of Winder utility customers. Customer deposits are now applied to customer accounts for those customers with an excellent payment history for 12 consecutive months.

The Georgia Department of Transportation (GDOT) continues to work on the SR 211 (West Athens/Horton Street/McNeal Road) project. The City's Water and Gas Departments have upgraded all of the utilities in the area due to the highway project.

The GIS (Geographic Information Systems) Department provides support to all of the City's departments and to the public by creating and maintaining maps of the City's utilities and public works.

Community Center, Cultural Arts Center and WTV 21

The City of Winder's Community Center is available for rent by the general public, businesses, and non-profit organizations for a variety of events ranging from seminars, fundraisers, banquets, and large scale weddings. During 2011, over 300 events were held in the Community Center.

The City of Winder's Cultural Arts Center, which houses the Colleen O Williams Theater, WTV21 offices and studio, provided many opportunities for the citizens of Winder and Barrow County to enjoy many concerts, plays, and Children's Summer Drama Camp. The camp which was co-sponsored by the Winder-Barrow Community Theatre, offered introductory and advanced classes for many reduced tuition or scholarship campers.

WTV21 produces 3 original programs: Talk of the Town with Karen Allen, Barrow County Board of Commissioner meetings, and City of Winder City Council meetings. Channel 21 also airs special local events held throughout the year, such as the Winder festivals and Christmas parade, along with other programs received via satellite from third-party sources.

Public Safety

In the past year, the Winder Police Department was again awarded the Governor's Office of Highway Safety Heat Grant in the amount of \$20,200. This grant provided for one HEAT Officer, the maintenance of the HEAT patrol car, and other equipment. In 2009, the Department of Justice awarded the Police Department with a COPS Hiring Recovery Program grant totaling \$332,868. Two officers were hired because of this grant which covers the officers' salaries and benefits for three years.

The Winder Fire Department held the first "Live Burn" training exercise at its new Live Burn Building on December 7, 2010. The department's training center consists of a Live Burn Building and a Rescue/Recovery Simulator.

During FY 2011, Police Chief Stanley Rogers and Fire Chief Ray Mattison retired. The City named Dennis Dorsey as the new Police Chief and Matt Whiting as the Interim Fire Chief.

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. These officers raise funds for the police department's annual "Christmas with a Cop" program and the fire department's "Empty Stocking Fund" program which benefit many local children at Christmas.

Public Works

The City of Winder Public Works Department has been concentrating its efforts on the upgrading of the City's signage, cleaning and maintaining the railroad right of ways, and revitalizing the City's sidewalks, roads, common areas, and stormwater system. During FY 2011, the City was awarded \$500,000 from the GDOT traffic enhancement grant for its Streetscape program which should begin during FY 2012. This grant along with an earlier award of \$500,000 from GDOT will enable the City to move forward with its Streetscape program which will make enhancements to Broad Street from the Post Office to the Train Depot.

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 prepares a Proposed Budget. The Mayor presents the Proposed Budget 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 Budget Officer 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.

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, 2010. This is the 9th consecutive year that the City has received this award. 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 to determine its eligibility for another Certificate of Achievement for the fiscal year ended June 30, 2011.

The GFOA has presented 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, 2010. This is the 5th consecutive year that the City has received this distinguished award. 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 to determine its eligibility for another Certificate of Achievement for the fiscal year ended June 30, 2011.

Introductory Section

The GFOA has presented a Distinguished Budget Presentation Award to the City of Winder for its annual budget for the fiscal year beginning July 1, 2010. This is the 1st year that the City has received this distinguished award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

A Distinguished Budget Presentation Award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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 in the Finance Department. Each member of the department has a sincere appreciation for the contributions made in the preparation of this report and acknowledges 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,



Leslie W. Henderson
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, 2010

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.



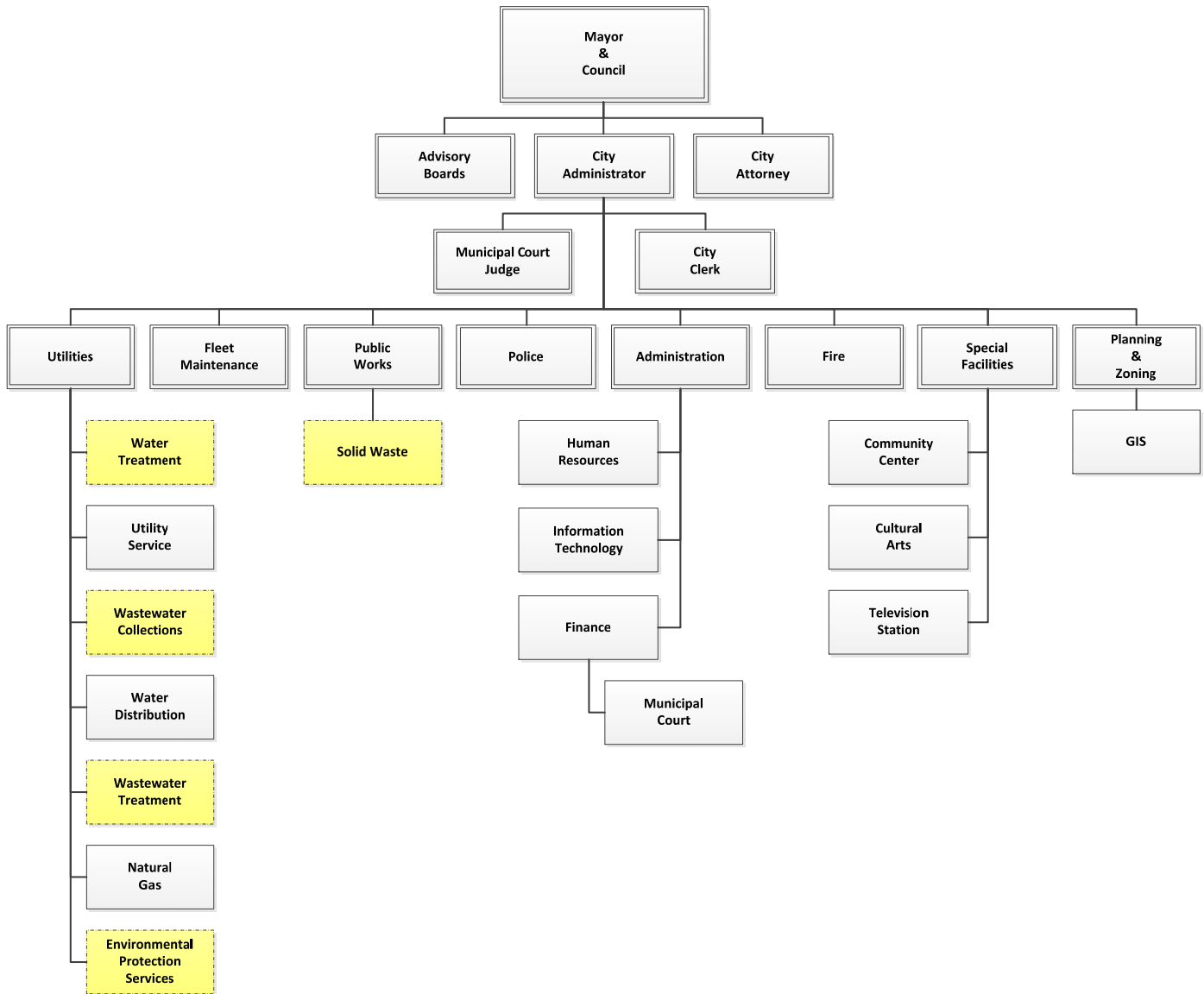
Linda C. Danison

President

Jeffrey R. Emer

Executive Director

Organization Chart



Note: Contractors shown in yellow

City Officials and Administrative Personnel

ELECTED OFFICIALS

Mayor



George "Chip" Thompson, III

City Council



Sonny Morris, Mayor Pro-Tem
Ward 1



Charlie Eberhart
Ward 2



J. Ridley Parrish
Ward 3



Frank Dunagan
Ward 4



Bob Dixon
At-Large



David Maynard
At-Large

John Stell, City Attorney
Sabrina Wall, City Clerk

DEPARTMENT DIRECTORS

Donald Toms, City Administrator

| | | | |
|------------------|------------------------------|-----------------|---------------------------|
| Leslie Henderson | Finance Director | Alex Wages | IT Director |
| Ken Chalker | Public Works Director | Penny Wilkins | Personnel Director |
| Roger Wilhelm | Water Department Director | Dawn Reidling | Billing Director |
| Mike Jewell | Gas Department Director | Barry Edgar | Planning Director |
| Don Wildsmith | Cultural Arts Director | Fawn Alexander | Community Center Director |
| Ricky Page | Vehicle Maintenance Director | Marty McPherson | TV Station Director |
| Matt Whiting | Fire Chief | Dennis Dorsey | Police Chief |

MAILING ADDRESS

45 East Athens Street, 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, 2011

Financial Section

Independent Auditor's Report
Management's Discussion and Analysis
Basic Financial Statements
Notes to the Financial Statements



Independent Auditor's Report

Honorable Mayor and
Members of the City Council
City of Winder, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the 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, 2011, 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, management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Winder, Georgia, as of June 30, 2011, and the respective changes in financial position and where applicable, cash flows, and the budgetary comparison of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2011, on our consideration of the City of Winder, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 15 through 26 and 72 through 73 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our 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, combining and individual financial statements, the statistical section, and the special purpose local option sales tax schedule of expenditures are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements, and the special purpose local option sales tax schedule of expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 11, 2011

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 assets of the City of Winder's governmental activities and business-type activities exceeded its liabilities at the close of the fiscal year by \$78.2 million. Of this amount, \$14.8 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The primary government's total net assets decreased by \$344,000 during FY 2011. Government-wide revenues increased by \$635,000 and expenses increased by \$115,000 from prior year.

As of the close of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$1.6 million a decrease of \$1 million from the prior year. This decrease is, in part, attributable to activity within the capital projects SPLOST fund. This fund uses project-based budgeting and as a result, has years where expenditures exceed revenues. Approximately 84% of governmental fund balance, \$1.4 million, is available for spending at the City's discretion (unassigned fund balance).

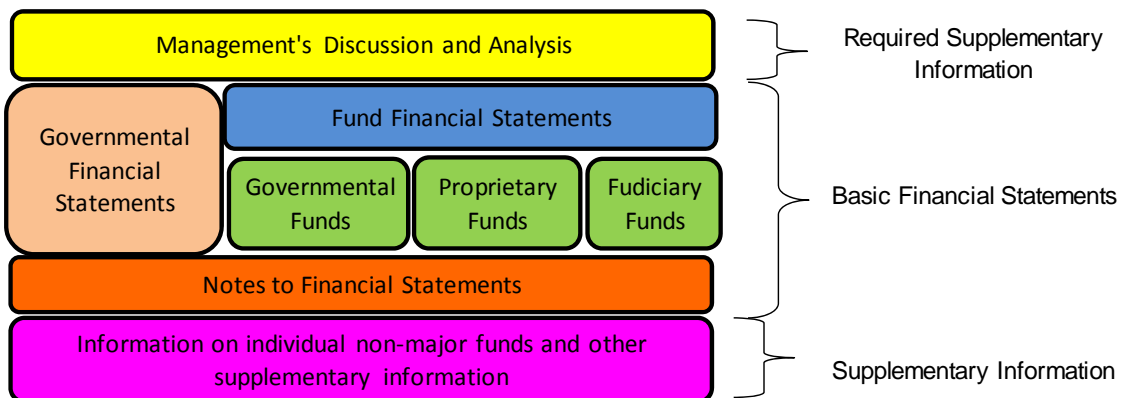
At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1.7 million or 15% of total General Fund expenditures.

Enterprise (business-type) fund unreserved net assets for the FY 2011 was \$13 million or 67% of total enterprise fund expenses.

The City's over all expenses had a modest increase of \$115,000 from FY 2010. Health insurance and retirement cost the City an additional \$370,000 from prior year but management has been able to offset these cost in other areas. Professional fees increased due to COLA stipulations in contracts; however, the City's salaries and wages declined by \$127,000 due to no increases in pay and employee retirements.

Report Layout

The following illustration is provided as a guide for the financial statements:



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 six 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 enterprise funds (Water and Sewer Fund and Gas Fund) and four nonmajor enterprise 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 solid waste, 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.
 - *Fiduciary funds.* Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.
 - 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, excluding the Capital Projects Fund, and schedules of General Fund revenues and expenditures are presented here.
 - Agency Funds Changes in Assets and Liabilities represents the activities of the City of Winder's Municipal Court and Downtown Improvement Funds.
 - Nonmajor Proprietary Funds Statements. The City has six nonmajor proprietary funds, four of which are enterprise funds and 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.

Government-Wide Financial Analysis

The government-wide statements report information about the City of Winder as a whole using accounting methods similar to those used by private sector companies.

Net assets may serve over time as a useful indicator of a government's financial condition. In the case of the City of Winder, assets exceeded liabilities by \$78,197,000 at the close of fiscal year 2011. This is a decrease from the prior year of \$344,000. Water revenues increased by \$1.5 million due to increased water rates implemented in September 2010, however the Environmental Protection Fund remained unfunded and produced a net loss of \$396,000. Permits, tap fees and investment earnings are still down from pre-recession years by over 75% and will be slow to recover in the next few years. At June 30, 2011, the City had \$62.4 million invested in capital assets, net of related debt and accumulated depreciation and \$1.0 million in restricted net assets. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Assets at June 30, 2011 and 2010

| | Net Assets at Year-End | | | | | |
|----------------------------------------------------|---------------------------------|---------|--------------------------|---------|------------------|---------|
| | <i>(in millions of dollars)</i> | | | | | |
| | Governmental Activities | | Business-Type Activities | | Total Government | |
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Cash and Investments | \$ 0.6 | \$ 1.9 | \$ 11.7 | \$ 7.8 | \$ 12.3 | \$ 9.7 |
| Current Assets | 1.7 | 1.3 | 2.0 | 2.4 | 3.7 | 3.7 |
| Other Non-Current Assets | - | - | 3.6 | 3.6 | 3.6 | 3.6 |
| Capital Assets | 11.8 | 12.1 | 77.4 | 80.9 | 89.2 | 93.0 |
| Total Assets | 14.1 | 15.3 | 94.7 | 94.7 | 108.8 | 110.0 |
| Current Liabilities | 0.7 | 0.5 | 3.5 | 1.1 | 4.2 | 1.6 |
| Other Liabilities | 0.2 | 0.2 | 0.1 | 0.5 | 0.3 | 0.7 |
| Long-Term Debt Outstanding | 1.1 | 1.5 | 25.0 | 27.6 | 26.1 | 29.1 |
| Total Liabilities | 2.0 | 2.2 | 28.6 | 29.2 | 30.6 | 31.4 |
| Net Assets: | | | | | | |
| Invested in Capital Assets, Net of Related Debt | 10.7 | 10.6 | 51.7 | 53.2 | 62.4 | 63.8 |
| Restricted | 0.2 | - | 0.8 | 1.0 | 1.0 | 1.0 |
| Unrestricted | 1.2 | 2.5 | 13.6 | 11.3 | 14.8 | 13.8 |
| Total Net Assets | \$ 12.1 | \$ 13.1 | \$ 66.1 | \$ 65.5 | \$ 78.2 | \$ 78.6 |

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as its separate governmental and business-type activities combined fund levels.

Statement of Activities for the Fiscal Year Ended June 30, 2011 and 2010

(in millions of dollars)

| | Governmental Activities | | Business-Type Activities | | Total Government | |
|------------------------------|----------------------------|----------------|-----------------------------|----------------|---------------------|----------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Revenues | | | | | | |
| Program Revenue | | | | | | |
| Charges for Services | \$ 1.1 | \$ 1.1 | \$ 23.7 | \$ 23.0 | \$ 24.8 | \$ 24.1 |
| Grants and Contributions | 0.5 | 0.6 | - | - | 0.5 | 0.6 |
| General Revenues | | | | | | |
| Taxes | 4.5 | 4.6 | - | - | 4.5 | 4.6 |
| Other | 0.2 | 0.1 | 0.1 | 0.1 | 0.3 | 0.2 |
| Total Revenues | <u>6.3</u> | <u>6.4</u> | <u>23.8</u> | <u>23.1</u> | <u>30.1</u> | <u>29.5</u> |
| Expenses | | | | | | |
| Governmental Activities | | | | | | |
| General Government | 0.4 | 0.3 | - | - | 0.4 | 0.3 |
| Judicial | 0.2 | 0.2 | - | - | 0.2 | 0.2 |
| Public Safety | 6.5 | 6.5 | - | - | 6.5 | 6.5 |
| Public Works | 2.6 | 2.5 | - | - | 2.6 | 2.5 |
| Recreation/Housing & Dev | 0.1 | 0.2 | - | - | 0.1 | 0.2 |
| Business-Type Activities | - | - | 20.6 | 20.6 | 20.6 | 20.6 |
| Total Expenses | <u>9.8</u> | <u>9.7</u> | <u>20.6</u> | <u>20.6</u> | <u>30.4</u> | <u>30.3</u> |
| Excess (Deficiencies) | | | | | | |
| Before Transfers | <u>(3.5)</u> | <u>(3.3)</u> | <u>3.2</u> | <u>2.5</u> | <u>(0.3)</u> | <u>(0.8)</u> |
| Transfers | 2.5 | 3.2 | (2.5) | (3.2) | - | - |
| Change in Net Assets | <u>(1.0)</u> | <u>(0.1)</u> | <u>0.7</u> | <u>(0.7)</u> | <u>(0.3)</u> | <u>(0.8)</u> |
| Beginning Net Assets | 13.1 | 13.2 | 65.4 | 67.6 | 78.5 | 80.8 |
| Prior Period Adjustment: | | | | | | |
| Write Off Spray Field | - | - | - | (1.5) | - | (1.5) |
| Ending Net Assets | <u>\$ 12.1</u> | <u>\$ 13.1</u> | <u>\$ 66.1</u> | <u>\$ 65.4</u> | <u>\$ 78.2</u> | <u>\$ 78.5</u> |

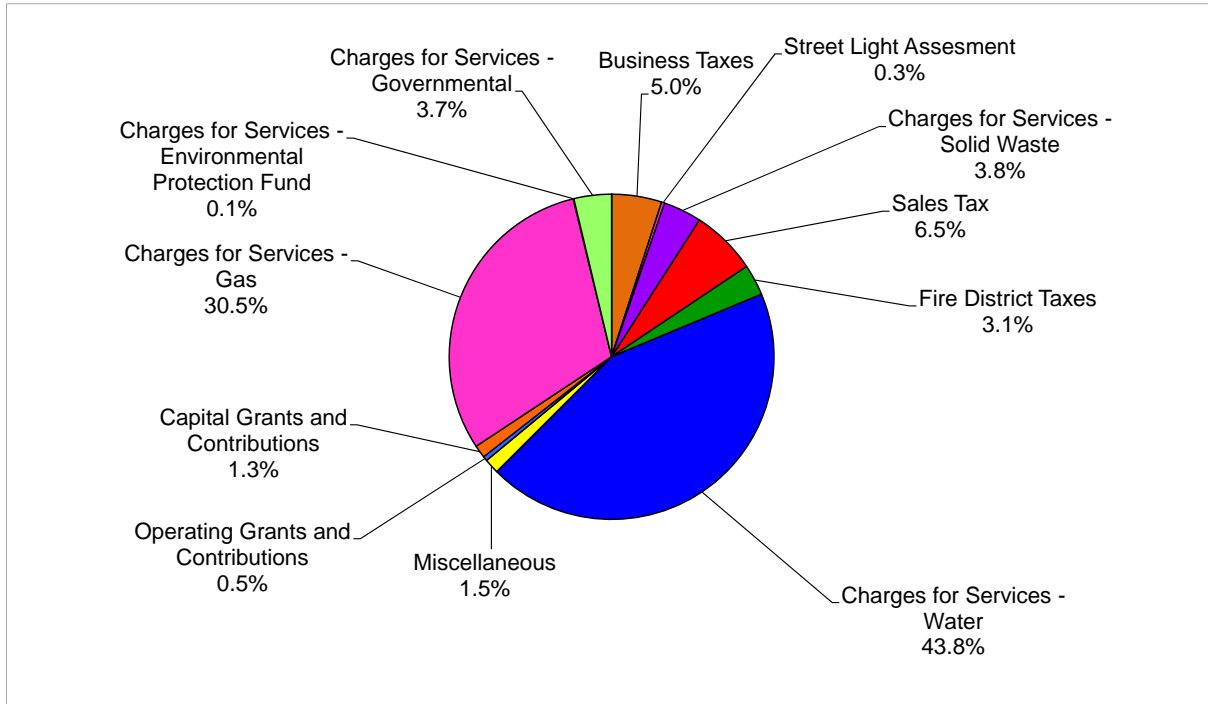
Governmental Activities

Governmental activities decreased the City of Winder's net assets by \$987,000. The City's transfers into governmental funds from proprietary funds were reduced by \$706,000. A comparison of prior year income and expenses before transfers to FY 2011 reveals only a slight increase of \$111,000 in net loss. The City's grant revenue declined by \$80,000 but overall expenses and revenues remained relatively the same. As mentioned before, the City is still far behind pre-recession income in occupational tax revenues, building permit revenues, and interest revenues. Expenses of the Governmental fund remained relatively stable.

Business-type Activities

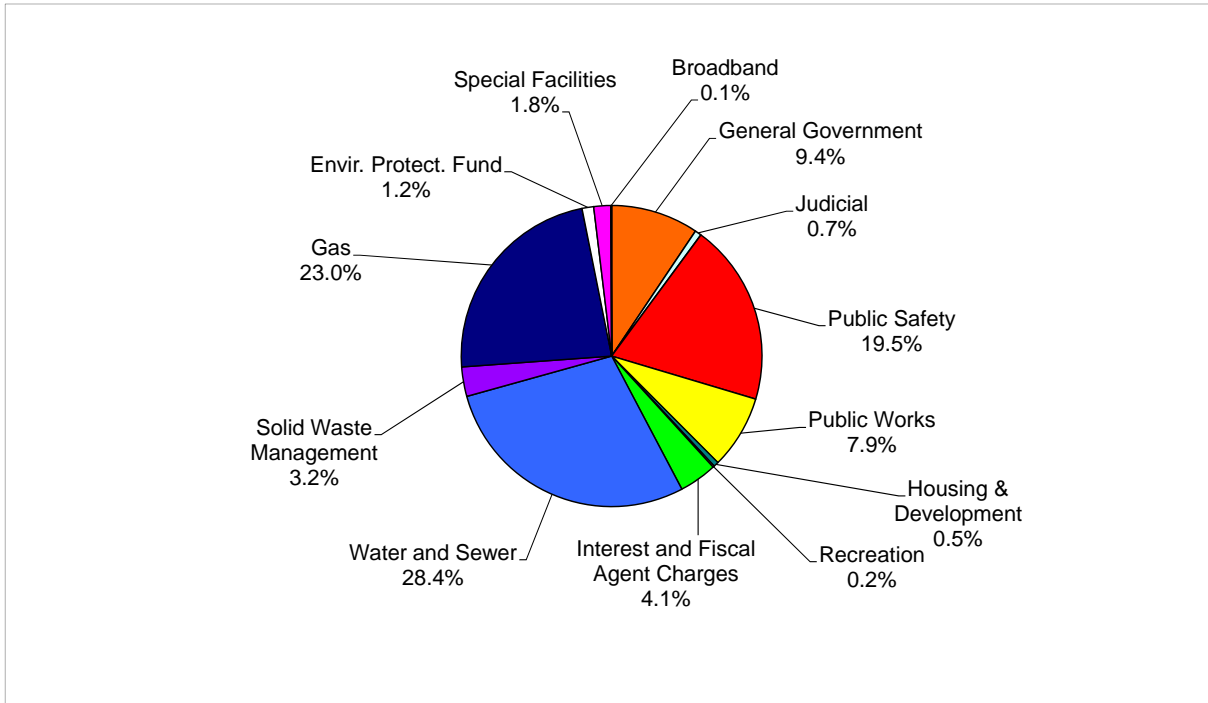
Business-type activities increased the City of Winder's net assets by approximately \$644,000. The City implemented new water and sewer rates in September 2010 which increased revenues by \$760,000. The City Council designated any additional income from the increased rates to be used for water and sewer rehabilitation and replacement projects. An additional \$670,000 in water revenues came from increased water sales compared to the previous year. Expenses remained stable. Transfers to the General Fund decreased by \$706,000 compared to FY 2010 and by \$2.3 million compared to FY 2009.

REVENUES BY SOURCE – GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding

EXPENSES BY FUNCTION – GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding

Financial Analysis of the Government's Funds

As noted earlier, the City of Winder employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements and financial reporting requirements.

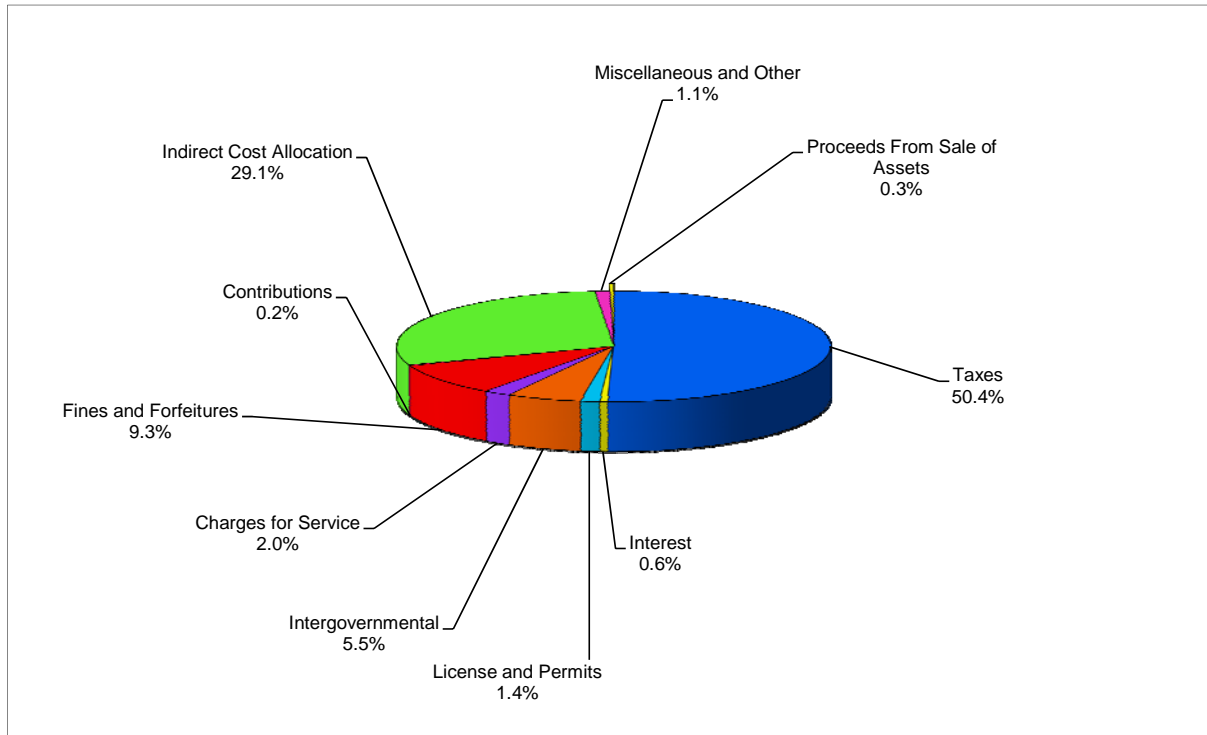
Governmental Funds The focus of the City of Winder's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in evaluating a government's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

As of the end of FY 2011, the City's governmental funds reported combined ending fund balances of \$1.6 million a decrease of \$1 million. Approximately 84% of this amount constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of fund balance is restricted or committed to indicate that it is not available for new spending because it has already been obligated for other restricted purposes.

As a measure of the General Fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 15% of total General Fund expenditures for the current fiscal year.

As in previous years, the City of Winder levied no property tax to finance current operations. Therefore, the City's general fund relied on transfers from the proprietary funds (or business-type activities) to supplement the governmental activities of the City such as public safety and public works. The transfers from the combined public utility enterprise funds were \$2,951,000, significantly less than the prior year.

REVENUES BY SOURCE-GOVERNMENTAL FUNDS



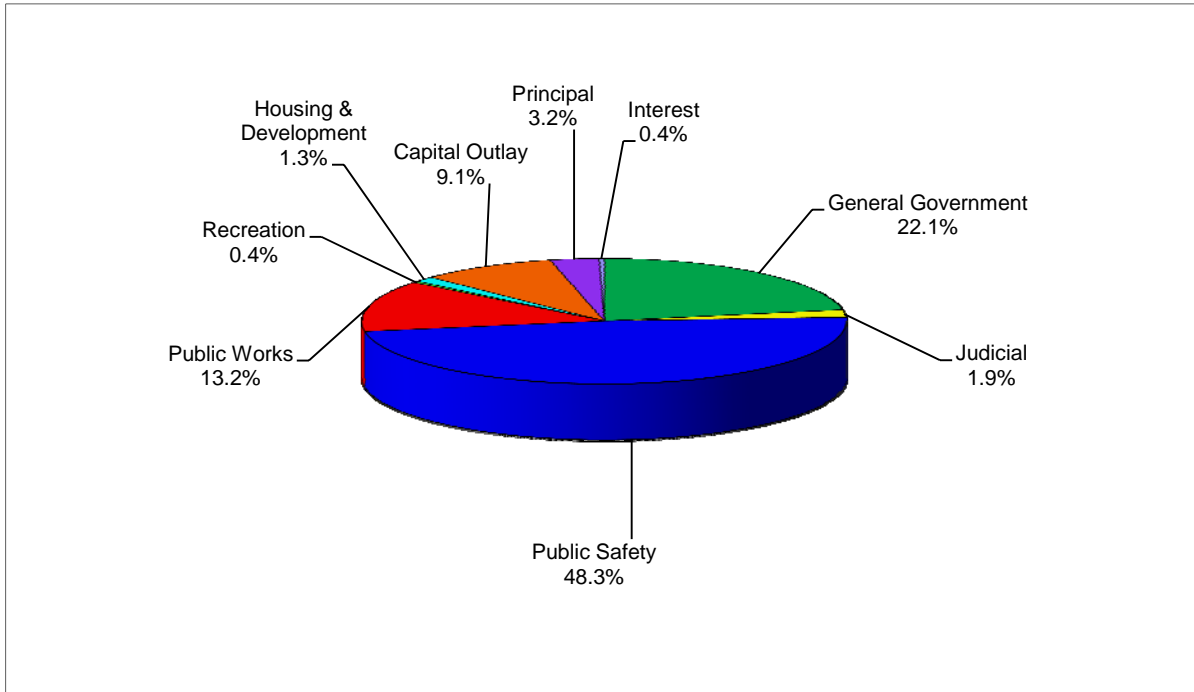
Note: Graph may not equal 100% due to rounding

The City's governmental funds operating revenues (excluding indirect cost allocation) were down \$118,000 from prior year which was primarily due to a decline in fire tax revenues and intergovernmental revenues. Fines and forfeitures increased by 5%. The City's Local Option Sales Tax yielded \$29,500 more than in the prior year. The Special Purpose Local Option Sales Tax (SPLOST) in the Capital Projects fund accounts for the other sales tax received by the City which is authorized by voter referendum. The City received \$16,000 more in SPLOST proceeds than in FY 2010. Occupational taxes and building permits continued to decline by an additional \$12,000 from FY 2010, due to the continued downward turn in new construction and businesses closing.

Shown here is a graph of sales tax revenues received in the past 4 years:



EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding

Expenditures in the governmental funds were \$12.5 million, relatively the same as prior year. The City recognized \$1.1 million for capital outlay expenditures, of which, \$894,000 was spent for right of ways, easements and engineering for the HWY 211 DOT project. Operating expenditures of the City governmental funds were \$10.9 million (approximately the same as FY 2010).

Proprietary Funds The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Overall revenues were up by \$640,000. Of this amount water revenues were up by \$1.4 million due to a dry summer along with a rate increase; however, gas revenues were down by \$838,000 which is directly related to the price of gas; therefore, gas expenses declined by approximately the same amount. An additional \$142,000 decrease in revenues was from a decline in tap-on revenues in the Water and Gas Funds. Total expenses of the proprietary funds remained approximately the same; however, depreciation expense increased by \$414,000. As noted earlier, the cost of natural gas declined, professional fees increased due to contract stipulations, and personnel services remained about the same.

Budgetary Highlights

The City Council approves all budget amendments prior to finalizing the audit. Budget variances are reviewed with the Mayor and Council on a monthly basis. Below are the significant budget amendments in FY 2011:

- ❑ Move Cable Franchise budgeted revenues to the TV Station Fund from General Fund per Council request due to implementation of GASB 54.
- ❑ Increase revenues and expenditures concerning City festivals. This is a new fund set up during FY 2011.
- ❑ Transfer expenditures to Grant Fund and Municipal Court Department to cover additional personnel cost.

Actual Governmental expenditures were \$1.9 million less than budgeted. Personnel cost were under budget by \$295,000, as well as, supplies expenditures which were \$322,000 below budget. Contract expenditures were slightly over budgeted amounts while purchased property expenditures were slightly

under budget. Some capital outlay projects were put on hold because the funding sources were not available.

Actual combined Governmental revenues were \$11,000 more than budgeted. Fines and forfeitures came in \$45,000 under budget due to offenders opting for community service rather than paying fines. Combined taxes were \$152,000 under budget because anticipated sales tax recovery was slower than expected. The City received a FEMA grant for \$52,000 to pay for clothes washers for firefighter gear and exhausts system for each fire station.

Capital Assets and Debt Administration

Capital Assets

As of June 30, 2011 the City has invested \$89.2 million (net of depreciation) in capital assets reflected in the following table.

(in millions of dollars)

| | Governmental Activities | | Business-Type Activities | | Totals | |
|--------------------------|----------------------------|----------------|-----------------------------|----------------|----------------|----------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Land | \$ 1.0 | \$ 0.7 | \$ 5.5 | \$ 5.5 | \$ 6.5 | \$ 6.2 |
| Buildings & Improvements | 1.2 | 1.2 | 3.9 | 4.0 | 5.1 | 5.2 |
| Plant & System | - | - | 66.5 | 69.7 | 66.5 | 69.7 |
| Infrastructure | 6.6 | 7.3 | - | - | 6.6 | 7.3 |
| Furniture & Equipment | 0.8 | 0.9 | 0.6 | 0.7 | 1.4 | 1.6 |
| Vehicles | 1.1 | 1.6 | 0.3 | 0.5 | 1.4 | 2.1 |
| Work In Progress | 1.1 | 0.4 | 0.6 | 0.5 | 1.7 | 0.9 |
| | <u>\$ 11.8</u> | <u>\$ 12.1</u> | <u>\$ 77.4</u> | <u>\$ 80.9</u> | <u>\$ 89.2</u> | <u>\$ 93.0</u> |

The following table reconciles the change in capital assets.

(in millions of dollars)

| | Governmental | Business- | Totals |
|-------------------|----------------|--------------------|----------------|
| | Activities | Type Activities | |
| Beginning Balance | \$ 12.1 | \$ 80.9 | \$ 93.0 |
| Additions | 1.1 | 0.3 | 1.4 |
| Reductions | - | (0.3) | (0.3) |
| Depreciation | (1.4) | (3.5) | (4.9) |
| Ending Balance | <u>\$ 11.8</u> | <u>\$ 77.4</u> | <u>\$ 89.2</u> |

Capital asset additions to governmental activities amounted to over \$1,134,000, which included two industrial clothes washers for the Fire Department, exhaust systems for the fire stations, phone recording system for the Police Department dispatchers, a salt/sand spreader and a snow plow for Street Department, TV station equipment, demolition of the facility maintenance building, realignment of Laura Street behind City Hall, and various sidewalk and street improvements throughout the City. The City, in conjunction with the Georgia Department of Transportation, continues the Highway 211 improvements from Horton Street to McNeal Road. The City continued purchasing right of ways and easements for this project in the amount of \$305,000 during FY 2011. Engineering for this project cost the City \$589,000. Depreciation decreased total capital assets by \$1.4 million.

Business-type capital assets increased by \$300,000. The Water Fund's capital assets increased by \$116,000. This amount included water and sewer line improvements, a jackhammer attachment, and other miscellaneous equipment. The Gas Fund expanded the City's gas lines to serve poultry farms and purchased a straw blower. The Special Facility Fund finished the construction of the building at Jug

Tavern Park. The Environmental Protection Fund completed a stormwater project on Lily Drive for \$11,000.

The Water Fund also had a reduction of cost for the Cedar Creek Wastewater Reclamation Facility by \$245,000. This decrease was due to a rebate program from the State of Georgia for sales tax exemption on purchases of water and air pollution control equipment. Depreciation also decreased business-type capital assets by \$3.5 million.

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

Debt Outstanding

As of year-end, the City had \$27 million in debt outstanding compared to \$ 29.2 million last year. This included \$2.3 million due within one year. The following table presents a comparison of debts outstanding:

(in millions of dollars)

| | Totals | |
|-----------------------|-----------------------|-----------------------|
| | 2011 | 2010 |
| Governmental: | | |
| Capital Leases | \$ 1.2 | \$ 1.5 |
| Compensated Absences | 0.1 | 0.1 |
| Sub-total | <u>1.3</u> | <u>1.6</u> |
| Business-type: | | |
| Capital Leases | \$ 0.4 | \$ 0.6 |
| Notes | 17.1 | 18.1 |
| Water and Sewer Bonds | <u>8.2</u> | <u>8.9</u> |
| Sub-total | <u>25.7</u> | <u>27.6</u> |
| Total | <u><u>\$ 27.0</u></u> | <u><u>\$ 29.2</u></u> |

No additional debt was borrowed during FY 2011 and payments during the year decreased existing debt.

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

Economic Factors

Funding for the operations of the City comes primarily from: sales taxes, fines and forfeitures, licensing and permitting activities, and utility profits. As the general economy is fluctuating, the City remains focused on reducing operational costs through increasing the effectiveness and efficiency of the City's operations and administration. The City remains quality driven, committed to providing excellent service in a cost effective and efficient manner guided by and aligned with our core values.

The 2012 budget was developed and adopted to reflect conservative revenue figures, and the following indicators were taken into account:

- The City of Winder implemented no utility rate increases for FY 2012 with a decrease in the city-wide operating budget of \$227,900 or 0.76% from FY 2011.
- The City of Winder will issue Request for Proposals for its City Solicitor and Public Defender contracts.
- Building permits will decrease slightly.
- Gas revenues and expenses will remain stable.
- Personal services costs will remain approximately the same as FY 2011.
- Capital purchases will only be completed with proceeds from debt or revenues that exceed expenditures/expenses.

The goal of the City is to maintain and improve the City's quality of services while preserving the City's financial position without putting unjust financial burdens on our citizens.

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 send your requests to:

Finance Director
City of Winder
P O Box 566
45 East Athens Street
Winder, Georgia 30680
770-867-3106.



CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2011

Basic Financial Statements



City of Winder, Georgia
Statement of Net Assets
June 30, 2011

| | Primary Government | | | Component Unit |
|-------------------------------------------------------------------|----------------------------|--------------------------------|----------------------|--------------------------------------|
| | Governmental Activities | Business Type Activities | Total | Downtown Development Authority |
| Assets | | | | |
| Cash and Cash Equivalents | \$ 632,747 | \$ 9,772,284 | \$ 10,405,031 | \$ 8,959 |
| Taxes Receivable - Net | 135,865 | - | 135,865 | - |
| Accounts Receivable | 114,541 | 2,478,955 | 2,593,496 | - |
| Intergovernmental Receivable | 522,937 | 3,436,296 | 3,959,233 | - |
| Internal Balances | 846,202 | (846,202) | - | - |
| Supply Inventory | - | 333,500 | 333,500 | - |
| Investments | - | - | - | 270,204 |
| Prepaid Items | 32,505 | 10,094 | 42,599 | - |
| Bond Issue Costs - Net of Amortization | - | 178,493 | 178,493 | - |
| Restricted Assets | | | | |
| Investment Bond Sinking Accounts | - | 1,509,485 | 1,509,485 | - |
| Restricted Cash | - | 393,372 | 393,372 | - |
| Capital Assets | | | | |
| Non-Depreciable | 2,145,731 | 6,121,124 | 8,266,855 | 314,000 |
| Depreciable, Net | 9,677,307 | 71,267,023 | 80,944,330 | 25,724 |
| Total Assets | 14,107,835 | 94,654,424 | 108,762,259 | 618,887 |
| Liabilities | | | | |
| Accounts Payable and Accrued Liabilities | 676,536 | 2,132,095 | 2,808,631 | - |
| Intergovernmental Payable | - | - | - | 270,204 |
| Unearned Revenue | 13,840 | 252,000 | 265,840 | - |
| Liabilities Payable From Restricted Assets: | | | | |
| Accounts Payable and Accrued Liabilities | - | 24,531 | 24,531 | - |
| Revenues Bonds Payable - Net, Cur Portion | - | 706,807 | 706,807 | - |
| Customer Deposits | - | 393,372 | 393,372 | - |
| Noncurrent Liabilities: | | | | |
| Other Post-Employment Benefits Liability | 190,469 | 67,130 | 257,599 | - |
| Leases, Notes and Bonds Payable | | | | |
| Due Within One Year | 417,191 | 1,020,844 | 1,438,035 | - |
| Due in More Than One Year | 726,720 | 23,943,685 | 24,670,405 | - |
| Total Liabilities | 2,024,756 | 28,540,464 | 30,565,220 | 270,204 |
| Net Assets | | | | |
| Invested In Capital Assets, Net Of Related Debt Restricted For | 10,679,127 | 51,716,811 | 62,395,938 | 339,724 |
| Public Safety | 56,853 | - | 56,853 | - |
| Housing and Development | 111,501 | - | 111,501 | - |
| Debt Service | - | 778,147 | 778,147 | - |
| Unrestricted | 1,235,598 | 13,619,002 | 14,854,600 | 8,959 |
| Total Net Assets | \$ 12,083,079 | \$ 66,113,960 | \$ 78,197,039 | \$ 348,683 |

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

City of Winder, Georgia
 Statement of Activities
 For the Fiscal Year Ended June 30, 2011

| Function/Program | Expenses | Indirect Costs | Charges For Services |
|---------------------------------------|----------------------|--------------------|----------------------|
| Governmental Activities | | | |
| General Government | \$ 2,868,643 | \$ (2,423,379) | \$ 174,130 |
| Judicial | 215,375 | 22,149 | - |
| Public Safety | 5,944,901 | 518,208 | 895,404 |
| Public Works | 2,405,647 | 154,305 | 30,229 |
| Recreation | 48,690 | - | 28,302 |
| Housing & Development | 166,351 | (131,629) | - |
| Interest and Fiscal Agent Charges | 44,925 | - | - |
| Total Governmental Activities | 11,694,532 | (1,860,346) | 1,128,065 |
| Business Type Activities | | | |
| Water and Sewer | 9,847,201 | 1,031,474 | 13,199,817 |
| Gas | 7,017,572 | 731,106 | 9,184,061 |
| Solid Waste Management | 962,475 | 1,191 | 1,149,328 |
| Environmental Protection Fund | 377,182 | 38,756 | 19,911 |
| Special Facilities | 562,133 | 57,819 | 93,389 |
| Broadband | 22,591 | - | 12,409 |
| Total Business Type Activities | 18,789,154 | 1,860,346 | 23,658,915 |
| Total Primary Government | \$ 30,483,686 | \$ - | \$ 24,786,980 |
| Component Unit | | | |
| Downtown Development Authority | \$ 2,677 | \$ - | \$ - |
| Total Component Unit | \$ 2,677 | \$ - | \$ - |

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 | | | Downtown Development Authority |
| | | Governmental Activities | Business Type Activities | Total | |
| \$ - | \$ - | \$ (271,134) | \$ - | \$ (271,134) | |
| - | - | (237,524) | - | (237,524) | |
| 117,684 | 51,810 | (5,398,211) | - | (5,398,211) | |
| - | 327,848 | (2,201,875) | - | (2,201,875) | |
| 16,850 | - | (3,538) | - | (3,538) | |
| 925 | - | (33,797) | - | (33,797) | |
| - | - | (44,925) | - | (44,925) | |
| 135,459 | 379,658 | (8,191,004) | - | (8,191,004) | |
| - | - | - | 2,321,142 | 2,321,142 | |
| 2,023 | - | - | 1,437,406 | 1,437,406 | |
| - | - | - | 185,662 | 185,662 | |
| - | - | - | (396,027) | (396,027) | |
| 1,906 | - | - | (524,657) | (524,657) | |
| - | - | - | (10,182) | (10,182) | |
| 3,929 | - | - | 3,013,344 | 3,013,344 | |
| \$ 139,388 | \$ 379,658 | (8,191,004) | 3,013,344 | (5,177,660) | |
| \$ 1,701 | | | | | \$ (976) |
| \$ 1,701 | \$ - | | | | \$ (976) |
| General Revenues: | | | | | |
| Taxes | | | | | |
| General Sales Taxes | | 1,535,228 | - | 1,535,228 | - |
| Selective Sales Taxes | | 430,245 | - | 430,245 | - |
| Business Taxes | | 1,503,524 | - | 1,503,524 | - |
| Fire District Taxes | | 932,107 | - | 932,107 | - |
| Street Light Assessment | | 90,688 | - | 90,688 | - |
| Other Taxes | | 6,725 | - | 6,725 | - |
| Interest Earnings | | 51,983 | 162,910 | 214,893 | - |
| Gain on Sale of Assets | | 22,222 | - | 22,222 | - |
| Miscellaneous | | 98,212 | - | 98,212 | - |
| Transfers | | 2,532,183 | (2,532,183) | - | - |
| Total General Revenues and Transfers | | 7,203,117 | (2,369,273) | 4,833,844 | - |
| Change in Net Assets | | (987,887) | 644,071 | (343,816) | (976) |
| Beginning Net Assets | | 13,070,966 | 65,469,889 | 78,540,855 | 349,659 |
| Ending Net Assets | | \$ 12,083,079 | \$ 66,113,960 | \$ 78,197,039 | \$ 348,683 |

City of Winder, Georgia
 Governmental Funds
 Balance Sheet
 June 30, 2011

| <u>Assets</u> | <u>General Fund</u> | <u>Other Governmental Funds</u> | <u>Total Governmental Funds</u> |
|-----------------------------------------------|-------------------------|-----------------------------------------|-----------------------------------------|
| Cash and Cash Equivalents | \$ 414,453 | \$ 218,294 | \$ 632,747 |
| Due From Other Funds | 1,180,790 | - | 1,180,790 |
| Taxes Receivable - Net | 121,549 | 14,316 | 135,865 |
| Accounts Receivable | 114,541 | - | 114,541 |
| Intergovernmental Receivable | 429,257 | 93,680 | 522,937 |
| Prepaid Items | 25,818 | 6,687 | 32,505 |
| Total Assets | \$ 2,286,408 | \$ 332,977 | \$ 2,619,385 |
| | | | |
| <u>Liabilities</u> | | | |
| Accounts Payable and Accrued Liabilities | \$ 514,745 | \$ 30,350 | \$ 545,095 |
| Due To Other Funds | - | 334,588 | 334,588 |
| Deferred Revenues | 95,776 | 13,840 | 109,616 |
| Total Liabilities | 610,521 | 378,778 | 989,299 |
| | | | |
| <u>Fund Balance</u> | | | |
| Nonspendable Fund Balance | | | |
| Prepaid Items | 25,818 | 6,687 | 32,505 |
| Restricted Fund Balance | | | |
| Public Safety | - | 56,853 | 56,853 |
| Housing and Development | - | 111,501 | 111,501 |
| Committed Fund Balance | | | |
| General Government | - | 50,875 | 50,875 |
| Recreation | - | 3,545 | 3,545 |
| Unassigned Fund Balance | 1,650,069 | (275,262) | 1,374,807 |
| Total Fund Balance | 1,675,887 | (45,801) | 1,630,086 |
| | | | |
| Total Liabilities and Fund Balance | \$ 2,286,408 | \$ 332,977 | \$ 2,619,385 |

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, 2011

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Total fund balances for Governmental Funds | 1,630,086 |
| 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 Other Post Employment Benefit liability does not consume current financial resources and, therefore, is not reported in governmental funds. | (190,469) |
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds, net of accumulated depreciation of \$24,111,395. | 11,823,038 |
| Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds. | |
| Fire district taxes earned but unavailable | 95,776 |
| Accrued compensated absences are not due and payable in the current period and therefore are not reported in the funds. | (131,441) |
| Notes and leases payable are not due and payable in the current period and therefore are not reported in the funds. | (1,143,911) |
| Net Assets of Governmental Activities | \$ 12,083,079 |

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 Fiscal Year Ended June 30, 2011

| | General Fund | Other Governmental Funds | Total Governmental Funds |
|-----------------------------------------------------|---------------------|--------------------------------|--------------------------------|
| Revenues: | | | |
| Taxes | \$ 4,315,323 | \$ 173,802 | \$ 4,489,125 |
| License and Permits | 125,893 | - | 125,893 |
| Intergovernmental | 52,735 | 440,194 | 492,929 |
| Charges for Service | 149,544 | 28,347 | 177,891 |
| Fines and Forfeitures | 810,427 | 13,854 | 824,281 |
| Interest | 51,572 | 578 | 52,150 |
| Contributions | 5,171 | 16,850 | 22,021 |
| Miscellaneous and Other | 98,212 | - | 98,212 |
| Indirect Cost Allocation | 2,589,248 | - | 2,589,248 |
| Total Revenues | 8,198,125 | 673,625 | 8,871,750 |
| Expenditures: | | | |
| Current | | | |
| General Government | 2,598,410 | 157,893 | 2,756,303 |
| Judicial | 237,701 | - | 237,701 |
| Public Safety | 5,822,907 | 190,727 | 6,013,634 |
| Public Works | 1,649,445 | - | 1,649,445 |
| Recreation | - | 48,690 | 48,690 |
| Housing & Development | 146,930 | 17,580 | 164,510 |
| Capital Outlay | | | |
| General Government | 30,029 | 12,617 | 42,646 |
| Public Safety | 69,121 | - | 69,121 |
| Public Works | 128,323 | 894,584 | 1,022,907 |
| Debt Service | | | |
| Principal | 404,518 | - | 404,518 |
| Interest and Fiscal Agent Charges | 44,925 | - | 44,925 |
| Total Expenditures | 11,132,309 | 1,322,091 | 12,454,400 |
| Excess Of Revenues Over (Under) Expenditures | (2,934,184) | (648,466) | (3,582,650) |
| Other Financing Sources (Uses): | | | |
| Transfers In | 2,951,483 | 138,570 | 3,090,053 |
| Transfers Out | (518,670) | (39,200) | (557,870) |
| Proceeds From Sale of Assets | 27,134 | - | 27,134 |
| Total Other Financing Sources (Uses) | 2,459,947 | 99,370 | 2,559,317 |
| Net Change In Fund Balance | (474,237) | (549,096) | (1,023,333) |
| Beginning Fund Balance | 2,150,124 | 503,295 | 2,653,419 |
| Ending Fund Balance | \$ 1,675,887 | \$ (45,801) | \$ 1,630,086 |

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 Fiscal Year Ended June 30, 2011

Net Change In Fund Balance - Total Governmental Funds **\$ (1,023,333)**

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:

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 capitalized outlays exceeded depreciation in the current period.

| | | |
|---------------------------------|--------------------|-----------|
| Expenditures for Capital Assets | 1,134,674 | |
| Less Current Year Depreciation | <u>(1,449,980)</u> | (315,306) |

The net effect of sale/scraping/transferring capital assets

| | | |
|------------------------------------------|----------------|---------|
| Capital Assets Sold/Scrapped/Transferred | (211,337) | |
| Accumulated Depreciation | <u>206,425</u> | (4,912) |

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.

| | | |
|---------------------------|----------------|---------|
| Payment of Long-term Debt | <u>404,518</u> | 404,518 |
|---------------------------|----------------|---------|

The net OPEB liability does not require the use of current financial resources and is not reported as expenditures in the governmental funds.

(48,511)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

| | | |
|---------------------|--|-------|
| Fire District Taxes | | 9,392 |
|---------------------|--|-------|

Expenditures in the Statement of Activities that do not require current financial resources and not reported in the funds.

| | | |
|----------------------|--|----------------|
| Compensated Absences | | <u>(9,735)</u> |
|----------------------|--|----------------|

Change in Net Assets of Governmental Activities **\$ (987,887)**

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, 2011

| | <u>Business-type Activities - Enterprise Funds</u> | |
|-------------------------------------------------|----------------------------------------------------|---------------------|
| | <u>Water and Sewer</u> | <u>Gas Fund</u> |
| <u>Assets</u> | <u>Fund</u> | <u>Gas Fund</u> |
| Current Assets | | |
| Cash and Cash Equivalents | \$ 5,517,124 | \$ 4,003,126 |
| Accounts Receivable | 1,722,982 | 571,579 |
| Intergovernmental Receivable | 143,025 | - |
| Supply Inventory | 222,800 | 110,700 |
| Prepaid Items | - | 10,094 |
| Due From Other Funds | 35,000 | - |
| Bond Issue Costs - Net | 19,728 | - |
| Restricted Assets: | | |
| Cash | 229,818 | 163,554 |
| Cash - Bond Sinking Accounts | 1,509,485 | - |
| Total Current Assets | 9,399,962 | 4,859,053 |
| Non-Current Assets | | |
| Property, Plant and Equipment - Net | 70,084,893 | 2,785,300 |
| Other Assets: | | |
| Intergovernmental Receivable | 3,293,271 | - |
| Bond Issue Costs - Net | 158,765 | - |
| Total Other Assets | 3,452,036 | - |
| Total Non-current Assets | 73,536,929 | 2,785,300 |
| Total Assets | 82,936,891 | 7,644,353 |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable and Accrued Liabilities | 844,335 | 1,052,342 |
| Due to Other Funds | - | - |
| Unearned Revenue | 252,000 | - |
| Notes & Capital Leases Payable | 928,467 | 75,056 |
| Liabilities Payable From Restricted Assets: | | |
| Accounts Payable and Accrued Liabilities | 24,531 | - |
| Revenue Bonds Payable - Net | 706,807 | - |
| Customer Deposits | 229,818 | 163,554 |
| Total Current Liabilities | 2,985,958 | 1,290,952 |
| Long -Term Liabilities | | |
| Other Post-Employment Benefits Liability | 28,607 | 19,782 |
| Notes and Capital Leases Payable | 16,358,653 | 64,228 |
| Revenue Bonds Payable - Net | 7,505,982 | - |
| Total Long-Term Liabilities | 23,893,242 | 84,010 |
| Total Liabilities | 26,879,200 | 1,374,962 |
| Net Assets | | |
| Invested in Capital Assets, Net of Related Debt | 44,584,984 | 2,646,016 |
| Restricted Net Assets | | |
| Debt Service | 778,147 | - |
| Unrestricted Net Assets | 10,694,560 | 3,623,375 |
| Total Net Assets | \$ 56,057,691 | \$ 6,269,391 |

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

| Other Enterprise Funds | | Totals | Internal Service Funds |
|------------------------|-------------------|----------------|------------------------|
| \$ 243,042 | \$ 9,763,292 | \$ 8,992 | |
| 184,394 | 2,478,955 | - | |
| - | 143,025 | - | |
| - | 333,500 | - | |
| - | 10,094 | - | |
| - | 35,000 | - | |
| - | 19,728 | - | |
| - | 393,372 | - | |
| - | 1,509,485 | - | |
| 427,436 | 14,686,451 | 8,992 | |
| 4,366,891 | 77,237,084 | 151,063 | |
| - | 3,293,271 | - | |
| - | 158,765 | - | |
| - | 3,452,036 | - | |
| 4,366,891 | 80,689,120 | 151,063 | |
| 4,794,327 | 95,375,571 | 160,055 | |
| 155,171 | 2,051,848 | 80,247 | |
| 846,202 | 846,202 | 35,000 | |
| - | 252,000 | - | |
| - | 1,003,523 | 17,321 | |
| - | 24,531 | - | |
| - | 706,807 | - | |
| - | 393,372 | - | |
| 1,001,373 | 5,278,283 | 132,568 | |
| 6,076 | 54,465 | 12,665 | |
| - | 16,422,881 | 14,822 | |
| - | 7,505,982 | - | |
| 6,076 | 23,983,328 | 27,487 | |
| 1,007,449 | 29,261,611 | 160,055 | |
| 4,366,891 | 51,597,891 | 118,920 | |
| - | 778,147 | - | |
| (580,013) | 13,737,922 | (118,920) | |
| \$ 3,786,878 | 66,113,960 | \$ - | |

City of Winder, Georgia
 Proprietary Funds
 Statement of Revenues, Expenses and Changes in Net Assets
 For the Fiscal Year Ended June 30, 2011

| | Business-type Activities - Enterprise Funds | |
|-------------------------------------------------|---------------------------------------------|---------------------|
| | Water and Sewer Fund | Gas Fund |
| Operating Revenues | | |
| Charges For Services | \$ 12,562,269 | \$ 9,072,354 |
| Tap-On Fees | 301,457 | 6,750 |
| Penalties and Interest | 272,449 | 103,159 |
| Contributions | - | 2,023 |
| Miscellaneous and Other | 63,642 | 1,798 |
| Total Revenues | 13,199,817 | 9,186,084 |
| Operating Expenses | | |
| Personal Services | 845,234 | 493,224 |
| Professional and Technical | 2,766,190 | 24,445 |
| Purchased Property Services | 399,850 | 107,296 |
| Supplies | 811,410 | 5,880,789 |
| Depreciation | 3,030,454 | 270,296 |
| Amortization | 162,644 | - |
| Internal Fund Charges | 644,770 | 236,336 |
| Indirect Costs Allocation | 1,031,474 | 731,106 |
| Total Expenses | 9,692,026 | 7,743,492 |
| Net Operating Revenues (Expenses) | 3,507,791 | 1,442,592 |
| Non-Operating Revenues (Expenses) | | |
| Interest Income | 162,762 | 148 |
| Interest Expense and Fiscal Agent Charges | (1,186,649) | (5,186) |
| Total Non-Operating Revenues (Expenses) | (1,023,887) | (5,038) |
| Net Revenues (Expenses) Before Transfers | 2,483,904 | 1,437,554 |
| Transfers | | |
| Transfers Out | (1,319,850) | (1,263,333) |
| Transfers In | - | - |
| Net Transfers | (1,319,850) | (1,263,333) |
| Change in Net Assets | 1,164,054 | 174,221 |
| Net Assets, Beginning of the Year | 54,893,637 | 6,095,170 |
| Net Assets, End of the Year | \$ 56,057,691 | \$ 6,269,391 |

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

| Other Enterprise Funds | Totals | Internal Service Funds |
|---------------------------|----------------------|---------------------------|
| \$ 1,246,795 | \$ 22,881,418 | \$ 1,203,135 |
| - | 308,207 | - |
| 28,242 | 403,850 | - |
| - | 2,023 | - |
| 1,906 | 67,346 | - |
| <u>1,276,943</u> | <u>23,662,844</u> | <u>1,203,135</u> |
| 186,072 | 1,524,530 | 795,775 |
| 1,272,251 | 4,062,886 | 67,337 |
| 130,562 | 637,708 | 130,579 |
| 155,336 | 6,847,535 | 149,647 |
| 168,573 | 3,469,323 | 58,600 |
| - | 162,644 | - |
| 11,587 | 892,693 | - |
| 97,766 | 1,860,346 | - |
| <u>2,022,147</u> | <u>19,457,665</u> | <u>1,201,938</u> |
| (745,204) | 4,205,179 | 1,197 |
| - | 162,910 | - |
| - | (1,191,835) | (1,197) |
| - | (1,028,925) | (1,197) |
| (745,204) | 3,176,254 | - |
| (368,300) | (2,951,483) | - |
| 419,300 | 419,300 | - |
| 51,000 | (2,532,183) | - |
| (694,204) | 644,071 | - |
| 4,481,082 | 65,469,889 | - |
| \$ 3,786,878 | \$ 66,113,960 | \$ - |

City of Winder, Georgia
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

| | Business-type Activities - Enterprise Funds | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|---------------------|
| | Water and Sewer | |
| | Fund | Gas Fund |
| Cash Flows from (to) Operating Activities: | | |
| Receipts from Customers | \$ 13,179,813 | \$ 9,186,852 |
| Payments to Employees | (835,288) | (488,774) |
| Internal Activity | (1,676,244) | (967,442) |
| Payments to Suppliers | (3,541,135) | (5,239,303) |
| Net Cash Provided (Used) by Operating Activities | 7,127,146 | 2,491,333 |
| Cash Flows From (to) Noncapital Financing Activities | | |
| Transfers to Other Funds | (1,319,850) | (1,263,333) |
| Transfers from Other Funds | - | - |
| Receipts from Other Funds | - | - |
| Payments to Other Funds | (35,000) | - |
| Net Cash from (to) Noncapital Financing Activities | (1,354,850) | (1,263,333) |
| Cash Flows from (to) Capital and Related Financing Activities: | | |
| Acquisition and Construction of Capital Assets, Net | (116,107) | (136,573) |
| Receipts from Intergovernmental | 137,312 | - |
| Interest and Fiscal Charges on Notes & Capital Leases | (1,191,167) | (5,186) |
| Principal Payments on Bonds | (836,605) | - |
| Principal Payments on Notes & Capital Leases | (1,182,051) | (72,915) |
| Rebate on Construction Cost of Water Treatment Plant | 245,052 | - |
| Net Cash from (to) Capital and Related Financing Activities | (2,943,566) | (214,674) |
| Cash Flows from Investing Activities: | | |
| Interest on Investments | 162,762 | 148 |
| Net Increase (Decrease) in Cash | 2,991,492 | 1,013,474 |
| Cash and Cash Equivalents, Beginning of the Year (Including \$1,258,977 and \$211,964 of restricted cash on the Water and Gas Fund respectively) | 4,264,936 | 3,153,206 |
| Cash and Cash Equivalents, End of the Year (Including \$1,739,303 and \$163,554 of restricted cash on the Water and Gas Fund respectively) | \$ 7,256,428 | \$ 4,166,680 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | |
| Operating Income (Loss) | \$ 3,507,791 | \$ 1,442,592 |
| Adjustments to Reconcile Net Operating Income to Net Cash Provided (used) by Operating Activities | | |
| Depreciation and Amortization | 3,193,098 | 270,296 |
| Changes in Current Assets and Liabilities | | |
| Increase (Decrease) in Accounts Payable & Accrued Liabilities | 385,171 | 701,369 |
| Increase (Decrease) in OPEB Liability | 6,112 | 4,201 |
| Increase (Decrease) in Customer Deposits | (33,259) | (48,410) |
| (Increase) Decrease in Inventories | 54,978 | 69,694 |
| Increase (Decrease) in Unearned Revenue Revenues | 252,000 | - |
| (Increase) Decrease in Prepaid Items | - | 2,413 |
| (Increase) Decrease in Accounts Receivables | (238,745) | 49,178 |
| Net Cash Provided (used) by Operating Activities | \$ 7,127,146 | \$ 2,491,333 |

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

| Other Enterprise Funds | Totals | Internal Service Funds |
|---------------------------|----------------------|---------------------------|
| \$ 1,281,159 | \$ 23,647,824 | \$ 1,203,135 |
| (183,677) | (1,507,739) | (786,686) |
| (109,353) | (2,753,039) | - |
| (1,565,432) | (10,345,870) | (326,491) |
| (577,303) | 9,041,176 | 89,958 |
| (368,300) | (2,951,483) | - |
| 419,300 | 419,300 | - |
| 381,202 | 381,202 | 35,000 |
| - | (35,000) | (106,000) |
| 432,202 | (2,185,981) | (71,000) |
| (32,157) | (284,837) | - |
| - | 137,312 | - |
| - | (1,196,353) | (1,197) |
| - | (836,605) | - |
| - | (1,254,966) | (16,827) |
| - | 245,052 | - |
| (32,157) | (3,190,397) | (18,024) |
| - | 162,910 | - |
| (177,258) | 3,827,708 | 934 |
| 420,300 | 7,838,442 | 8,058 |
| \$ 243,042 | \$ 11,666,150 | \$ 8,992 |
| \$ (745,204) | \$ 4,205,179 | \$ 1,197 |
| 168,573 | 3,631,967 | 58,600 |
| (6,415) | 1,080,125 | 24,813 |
| 1,527 | 11,840 | 5,348 |
| 2,250 | (79,419) | - |
| - | 124,672 | - |
| - | 252,000 | - |
| - | 2,413 | - |
| 1,966 | (187,601) | - |
| \$ (577,303) | \$ 9,041,176 | \$ 89,958 |

City of Winder, Georgia
Fiduciary Statement of Assets and Liabilities
Agency Funds
June 30, 2011

| | <u>Agency Funds</u> |
|---------------------------|--------------------------|
| <u>Assets</u> | |
| Cash and Cash Equivalents | \$ 44,796 |
| Accounts Receivable, Net | 313,431 |
| Total Assets | <u>\$ 358,227</u> |
| <u>Liabilities</u> | |
| Due to Others | \$ 358,227 |
| Total Liabilities | <u>\$ 358,227</u> |

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, sidewalks, and stormwater infrastructure.

The accompanying financial statements report on the financial activity for the City of Winder, Georgia for the fiscal year ended June 30, 2011. 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) as applied to governmental units. The City has elected to apply the statements and pronouncements of the Governmental Accounting Standards Board (GASB) which is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also 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. The more significant accounting policies established in GAAP and used by the City are discussed below.

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, 2011, 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 funds are 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, 2011.

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 five funds of this type, which are the Hotel/Motel Tax Fund, Community TV Station Fund, City Festivals Fund, Police Escrow 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 FundsAgency 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.

Agency Fund – Downtown Improvement

The Downtown Improvement Fund is used to account for the monies received and restricted for improvements to Downtown Winder. 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 eight 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 eight 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. In FY 2008 the City contracted with Republic Services to handle these solid waste functions.

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 Community Center, Cultural Arts Center, Adult Education Center and Historic Train Station.

Environmental Protection Services Fund

The Environmental Protection Services Fund (EPS) records revenues and expenses associated with the operation and maintenance of the City's stormwater systems and the management of the FOG program and Watershed Protection Plan.

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 Customer Service 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. Agency funds have no 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 unearned revenue in its 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, unearned revenues 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 and unearned 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 "Internal Balances".

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, 2011, 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 on the 1998, 2005, and 2009 series bonds was \$573,158. As of June 30, 2011 accumulated amortization was \$394,665, for a balance of \$178,493.

Loan Closing Costs

In the proprietary funds, when applicable, 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.

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 | Infrastructure Plant/System | Vehicles and Equipment |
| Governmental Funds | 10-40 | 30-60 | 1-20 |
| Water and Sewer | 10-40 | 10-50 | 3-10 |
| Gas | 10-40 | 5-50 | 3-10 |
| Special Facilities | 10-40 | NA | 3-10 |
| Broadband | NA | 5-40 | NA |
| Internal Service Funds | NA | NA | 3-10 |
| Component Unit - DDA | NA | 30 | NA |

Infrastructure is depreciated over 60 years straight-line. Beginning with Fiscal Year 2006, the City has reported all infrastructure assets in accordance with GASB Statement #34.

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. 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.

Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue. Any other assets donated to the City are recorded in the same manner.

Classifications of Fund Balance

The GASB issued Statement No. 54. Fund Balance Reporting and Governmental Fund Type Definitions, to address issues related to how fund balance was being reported. Fund Balance will be displayed as nonspendable, restricted, committed, assigned, and unassigned depicting the relative strength of the spending constraints placed on the purposes for which resources can be used.

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, broadband, 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 Funds.
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 Budget Officer 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.

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.

3-Deposits and Investments

Total deposits and cash investments as of June 30, 2011, are summarized as follows:

| | |
|--------------------------------------------------------|-----------------------------|
| Balances per statement of net assets: | |
| Cash-Primary Government | \$ 10,405,031 |
| Cash-CU-Downtown Development Authority | 8,959 |
| Restricted assets: | |
| Investment-Bond Sinking Accounts | 1,509,485 |
| Cash for Customer Deposits | 393,372 |
| Balances per statement of fiduciary net assets: | |
| Cash-Agency Funds | 44,796 |
| Total | <u>\$ 12,361,643</u> |
| | |
| Cash deposited with financial institutions | \$ 10,606,987 |
| Cash deposited with Georgia Fund 1 | 242,871 |
| US Bank-Bond Sinking Fund | 198,332 |
| Verity Bank - Bond Sinking Fund | 1,311,153 |
| Petty Cash | 2,300 |
| Total | <u>\$ 12,361,643</u> |

Credit risk

The City's investment policies authorize investment in the following securities approved by the State of Georgia for local governments. Authorized Investments include 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. The City's policies do not establish a minimum credit rating for investments. Investments are reported at fair value. As of June 30, 2011, the investments in the Georgia Fund 1 was rated AAAM and the investment in the US Bank was rated AAAM by Standard & Poor's.

At June 30, 2011, the City had the following investments:

| Investments | Maturities | Rating | Value |
|--------------------------------------------------|-------------------------|--------|-------------------|
| Investment Reported in Cash: | | | |
| Georgia Fund 1 | 59 day weighted average | AAAM | \$ 242,871 |
| Investment Reported in Restricted Assets: | | | |
| First American Treasury Obligations Class Y | 35 day weighted average | AAAM | 198,332 |
| Real Estate Investment: | | | |
| Granite Building | N/A | N/A | - |
| | Total | | <u>\$ 441,203</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, 2011, all deposits of the City were adequately insured or collateralized.

Investment - Granite Building

The Component Unit of the City of Winder, Downtown Development Authority purchased a historical building from the City in the amount of \$257,609 and paid additional engineering cost of \$12,595, for a total investment of \$270,204. The DDA considers this a real estate investment since the Georgia Historical Society has identified this building as the oldest standing granite structure in Georgia. The DDA 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 | \$ 159,053 | \$ - | \$ - | \$ 159,053 |
| DDA-Component Unit | 270,204 | - | - | 270,204 |
| Governors Office of Highway Safety | - | 6,558 | - | 6,558 |
| Department of Justice | - | 26,027 | - | 26,027 |
| Barrow County Board of Commissioners | - | - | 61,095 | 61,095 |
| Total Intergovernmental | 429,257 | 32,585 | 61,095 | 522,937 |
| Taxes | | | | |
| Barrow County Tax Commissioner-Net | 121,549 | - | - | 121,549 |
| Hotel/Motel Taxes | - | 14,316 | - | 14,316 |
| Accounts | 114,541 | - | - | 114,541 |
| Total Receivables | \$ 665,347 | \$ 46,901 | \$ 61,095 | \$ 773,343 |

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

| | |
|----------------------------------------------|----------------------------|
| Cash for Customer Deposits | \$ 393,372 |
| Bond Sinking Accounts Investments | 1,509,485 |
| Total Business-Type Restricted Assets | <u>\$ 1,902,857</u> |

6-Capital Assets

Capital asset activity for governmental activities for the fiscal year ended June 30, 2011 was as follows:

| | Balance 06/30/10 | Additions | Decreases | Balance 06/30/11 |
|---------------------------------------------------|----------------------|---------------------|-------------------|----------------------|
| Non-Depreciable: | | | | |
| Land | \$ 739,160 | \$ 305,176 | \$ - | \$ 1,044,336 |
| Construction in Progress | 397,091 | 704,304 | - | 1,101,395 |
| Total Non-Depreciable | <u>1,136,251</u> | <u>1,009,480</u> | <u>-</u> | <u>2,145,731</u> |
| Depreciable: | | | | |
| Buildings | 1,910,123 | - | - | 1,910,123 |
| Vehicles | 4,242,787 | - | (26,795) | 4,215,992 |
| Furniture and Equipment | 3,368,127 | 109,623 | (184,542) | 3,293,208 |
| Infrastructure | 24,353,808 | 15,571 | - | 24,369,379 |
| Total Depreciable | <u>33,874,845</u> | <u>125,194</u> | <u>(211,337)</u> | <u>33,788,702</u> |
| Accumulated Depreciation: | | | | |
| Buildings | (704,458) | (52,535) | - | (756,993) |
| Vehicles | (2,694,047) | (442,026) | 21,883 | (3,114,190) |
| Furniture and Equipment | (2,424,707) | (212,033) | 184,542 | (2,452,198) |
| Infrastructure | (17,044,628) | (743,386) | - | (17,788,014) |
| Total Accumulated Depr. | <u>(22,867,840)</u> | <u>(1,449,980)</u> | <u>206,425</u> | <u>(24,111,395)</u> |
| Total Depreciable, net | <u>11,007,005</u> | <u>(1,324,786)</u> | <u>(4,912)</u> | <u>9,677,307</u> |
| Government Activities, Capital Assets, Net | <u>\$ 12,143,256</u> | <u>\$ (315,306)</u> | <u>\$ (4,912)</u> | <u>\$ 11,823,038</u> |

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

| | |
|---------------------------|----------------------------|
| General Government | \$ 132,445 |
| Public Safety | 414,250 |
| Public Works | 902,448 |
| Judicial | 279 |
| Housing and Development | 558 |
| Total Depreciation | <u>\$ 1,449,980</u> |

Capital asset activity for business-type activities for the fiscal year ended June 30, 2011 was as follows:

| | Balance 06/30/10 | Additions | Decreases | Balance 06/30/11 |
|----------------------------------------------------------|----------------------|-----------------------|---------------------|----------------------|
| Non-Depreciable | | | | |
| Land | \$ 5,548,950 | \$ - | \$ - | \$ 5,548,950 |
| Construction In Progress | 536,010 | 156,110 | (119,946) | 572,174 |
| Total Non-Depreciable | 6,084,960 | 156,110 | (119,946) | 6,121,124 |
| Depreciable | | | | |
| Plant and System | 102,735,570 | 171,835 | (245,052) | 102,662,353 |
| Buildings | 4,877,217 | 51,993 | - | 4,929,210 |
| Vehicles | 1,097,522 | - | - | 1,097,522 |
| Furniture and Equipment | 1,878,328 | 24,843 | (900) | 1,902,271 |
| Total Depreciable | 110,588,637 | 248,671 | (245,952) | 110,591,356 |
| Accumulated Depreciation | | | | |
| Plant and System | (33,064,078) | (3,084,450) | - | (36,148,528) |
| Buildings | (877,102) | (144,942) | - | (1,022,044) |
| Vehicles | (618,406) | (174,571) | - | (792,977) |
| Furniture and Equipment | (1,237,724) | (123,960) | 900 | (1,360,784) |
| Total Accumulated Depr. | (35,797,310) | (3,527,923) | 900 | (39,324,333) |
| Total Depreciable, net | 74,791,327 | (3,279,252) | (245,052) | 71,267,023 |
| Business Type Activities, Capital Assets, Net | \$ 80,876,287 | \$ (3,123,142) | \$ (364,998) | \$ 77,388,147 |

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

| | |
|---------------------------|---------------------|
| Water and Sewer Fund | \$ 3,030,454 |
| Gas Fund | 270,296 |
| Special Facilities Fund | 145,982 |
| Broadband Fund | 22,591 |
| Internal Service Funds | 58,600 |
| Total Depreciation | \$ 3,527,923 |

Capital asset activity for the Component Unit, Downtown Development Authority, for the fiscal year ended June 30, 2011 was as follows:

| | Balance 06/30/10 | Additions | Decreases | Balance 06/30/11 |
|-------------------------------------------------------|--------------------------|------------------------|--------------------|--------------------------|
| Non-Depreciable: | | | | |
| Land | \$ 314,000 | \$ - | \$ - | \$ 314,000 |
| Total Non-Depreciable | <u>314,000</u> | <u>-</u> | <u>-</u> | <u>314,000</u> |
| Depreciable: | | | | |
| Plant & System | 29,150 | - | - | 29,150 |
| Total Depreciable | <u>29,150</u> | <u>-</u> | <u>-</u> | <u>29,150</u> |
| Accumulated Depreciation: | | | | |
| Plant & System | (2,454) | (972) | - | (3,426) |
| Total Accumulated Depr. | <u>(2,454)</u> | <u>(972)</u> | <u>-</u> | <u>(3,426)</u> |
| Total Depreciable, net | <u>26,696</u> | <u>(972)</u> | <u>-</u> | <u>25,724</u> |
| Government Activities, Capital Assets, Net | <u>\$ 340,696</u> | <u>\$ (972)</u> | <u>\$ -</u> | <u>\$ 339,724</u> |

Depreciation expense for Downtown Development Authority activities is as follows:

| | |
|--------------------------------|---------------|
| Downtown Development Authority | \$ 972 |
| Total Depreciation | <u>\$ 972</u> |

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 (the 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 this risk pool, the City is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with 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 Fund is to defend and protect the members of the Fund against liability or loss as prescribed in the member government contract and in accordance with the laws of Georgia. The Fund is 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.

The City has obtained workers' compensation insurance from a private insurance carrier. The limits of the coverage are \$1,000,000 for each employee claim with a \$2,500 deductible.

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 6/30/2010 | Increase | Decrease | Balance 6/30/2011 | Due In FY 2012 |
|---------------------------------------|----------------------|-------------------|-----------------------|----------------------|---------------------|
| Governmental Activities: | | | | | |
| Capital Leases | \$ 1,548,429 | \$ - | \$ (404,518) | \$ 1,143,911 | \$ 417,191 |
| Compensated Absences Payable | 121,706 | 221,617 | (211,882) | 131,441 | 131,441 |
| Total Governmental Activities | \$ 1,670,135 | \$ 221,617 | \$ (616,400) | \$ 1,275,352 | \$ 548,632 |
| Business-Type Activities: | | | | | |
| Notes Payable- | | | | | |
| 1991 GEFA Sewer Treatment | \$ 97,847 | - | \$ (90,067) | \$ 7,780 | \$ 7,780 |
| 1992 GEFA Sewer Treatment | 136,595 | - | (89,719) | 46,876 | 46,876 |
| 1997 GEFA Water Tank & Lines | 211,367 | - | (29,315) | 182,052 | 30,893 |
| 2002 GEFA Water Tank & Lines | 83,823 | - | (19,901) | 63,922 | 20,301 |
| 2003 GEFA Water Tank & Lines | 490,868 | - | (24,639) | 466,229 | 25,703 |
| 2006 GEFA Water - Cedar Creek | 16,642,187 | - | (572,795) | 16,069,392 | 597,678 |
| State Of Georgia Revolving | 189,423 | - | (174,721) | 14,702 | 14,702 |
| HSF Engineering | 256,500 | - | (57,000) | 199,500 | 57,000 |
| Bonds Payable- | | | | | |
| 1998 Series | 535,456 | - | (188,605) | 346,851 | 178,769 |
| 2005 Series | 4,784,000 | - | (362,000) | 4,422,000 | 380,000 |
| 2009 Series | 4,247,000 | - | (286,000) | 3,961,000 | 290,000 |
| Deferred Bond Refunding Loss | (660,042) | - | 142,980 | (517,062) | (141,962) |
| Capital Leases | 621,730 | - | (213,636) | 408,094 | 219,911 |
| Compensated Absences Payable | 33,907 | 61,281 | (61,706) | 33,482 | 33,482 |
| Total Business-Type Activities | \$ 27,670,661 | \$ 61,281 | \$ (2,027,124) | \$ 25,704,818 | \$ 1,761,133 |

*Compensated absences do 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, 2011, is \$170,982, for a net book value of \$113,988.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011 were as follows:

| Year Ending June 30, | Governmental Activities |
|----------------------------------------------------|----------------------------|
| 2012 | \$ 35,006 |
| 2013 | 35,006 |
| 2014 | 35,006 |
| 2015 | 35,006 |
| Total Minimum Lease Payments | 140,024 |
| Less Amount Representing Interest | (11,275) |
| Present Value of Minimum Lease Payments | \$ 128,749 |

The City entered into a 5 year lease agreement with Bank of America at 2.89% for the financing of new and replacement vehicles and equipment. The City received \$2,711,500 in advance of which \$1,602,803 is for governmental activities and the remainder is for business-type activities. In FY 2008, 2009 and 2010, the City's governmental funds purchased 27 vehicles, excavator, dump truck, brush truck, document imaging software, pressure jet, telephone system and other small equipment for a total of \$1,602,803 accumulated depreciation as of June 30, 2011, is \$730,960, for a net book value of \$871,843.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011 were as follows:

| Year Ending June 30, | Governmental Activities |
|----------------------------------------------------|----------------------------|
| 2012 | \$ 352,957 |
| 2013 | 294,131 |
| Total Minimum Lease Payments | 647,088 |
| Less Amount Representing Interest | (17,630) |
| Present Value of Minimum Lease Payments | \$ 629,458 |

In FY 2009 the City entered into a ten year lease at 3.76% for a ladder fire truck. The fire truck, initially costing \$519,387, accumulated depreciation as of June 30, 2011, is \$138,503, for a net book value of \$380,884.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011 were as follows:

| Year Ending June 30, | Governmental Activities |
|----------------------------------------------------|----------------------------|
| 2012 | \$ 61,480 |
| 2013 | 61,480 |
| 2014 | 61,480 |
| 2015 | 61,480 |
| 2016 | 61,480 |
| 2017-2019 | 133,206 |
| Total Minimum Lease Payments | 440,606 |
| Less Amount Representing Interest | (54,902) |
| Present Value of Minimum Lease Payments | \$ 385,704 |

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

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, Series 2005, and Series 2009). 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. In 2009 the Series 1998 Revenue Bonds were partially defeased with the Series 2009 Revenue Bonds. 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 |
|-------------------------------|-------------------|-------------------|-----------------------|
| 2012 | \$ 178,769 | \$ 161,231 | \$ 340,000 |
| 2013 | 168,082 | 171,918 | 340,000 |
| Totals | <u>\$ 346,851</u> | <u>\$ 333,149</u> | <u>\$ 680,000</u> |

On February 1, 2005, the City issued Water and Sewerage Revenue Refunding Bonds, Series 2005, with an interest rate of 3.71% and payments due on June 1 and December 1, 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 |
|-------------------------------|---------------------|-------------------|-----------------------|
| 2012 | \$ 380,000 | \$ 157,007 | \$ 537,007 |
| 2013 | 392,000 | 142,687 | 534,687 |
| 2014 | 859,000 | 119,481 | 978,481 |
| 2015 | 897,000 | 86,907 | 983,907 |
| 2016 | 929,000 | 53,034 | 982,034 |
| 2017 | 965,000 | 17,901 | 982,901 |
| Totals | <u>\$ 4,422,000</u> | <u>\$ 577,017</u> | <u>\$ 4,999,017</u> |

On February 10, 2009 the City issued Water and Sewerage Revenue Refunding Bonds, series 2009 due at various dates ending December 1, 2018 with a yield of 3.295%. A portion of the Water and Sewerage Revenue bonds of 1998 were defeased amounting to \$4,325,000.

The annual requirements to amortize outstanding debt of the 2009 Water and Sewerage Revenue Bonds are as follows:

| Fiscal Year Ending June 30 | Principal | Interest | Total Debt Service |
|-------------------------------|---------------------|-------------------|-----------------------|
| 2012 | \$ 290,000 | \$ 125,546 | \$ 415,546 |
| 2013 | 303,000 | 115,792 | 418,792 |
| 2014 | 207,000 | 107,402 | 314,402 |
| 2015 | 210,000 | 100,542 | 310,542 |
| 2016 | 219,000 | 93,485 | 312,485 |
| 2017-2019 | 2,732,000 | 169,303 | 2,901,303 |
| Totals | <u>\$ 3,961,000</u> | <u>\$ 712,070</u> | <u>\$ 4,673,070</u> |

The City is in compliance with all significant provisions of the bond indentures, series 1998, 2005 and 2009.

Notes Payable

Prior to FY 2010, the City's Water and Sewer Fund had 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%.

In FY 2007, the City entered into an additional loan agreement with GEFA for financing the Cedar Creek Wastewater Reclamation Facility. At June 30, 2011 the outstanding balance of the GEFA loan was \$16,069,392. Construction of the Cedar Creek Wastewater Reclamation Facility cost \$18,204,208, however in FY 2011 the City received a sales tax refund of \$245,052 which reduced the cost to \$17,959,156 with accumulated depreciation of \$486,892 for a net book value of \$17,472,264.

The following tables show the details of all GEFA Loans through June 30, 2011, and the annual requirements to amortize the debt outstanding:

| Fiscal Year Ending June 30 | Principal | Interest | Total Debt Service |
|-------------------------------|----------------------|---------------------|-----------------------|
| 2012 | \$ 729,231 | \$ 686,353 | \$ 1,415,584 |
| 2013 | 703,182 | 656,859 | 1,360,041 |
| 2014 | 732,872 | 627,168 | 1,360,040 |
| 2015 | 744,099 | 596,326 | 1,340,425 |
| 2016 | 774,193 | 564,451 | 1,338,644 |
| 2017-2021 | 4,185,280 | 2,318,754 | 6,504,034 |
| 2022-2026 | 5,072,160 | 1,357,332 | 6,429,492 |
| 2027-2030 | 3,895,234 | 282,351 | 4,177,585 |
| Totals | <u>\$ 16,836,251</u> | <u>\$ 7,089,594</u> | <u>\$ 23,925,845</u> |

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, 2011, the City had a total of \$14,702 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 |
|-------------------------------|------------------|--------------|-----------------------|
| 2012 | <u>\$ 14,702</u> | <u>\$ 24</u> | <u>\$ 14,726</u> |

The City entered into a contract with HSF Engineering, Inc. in November 2004, to design and oversee the construction of the Cedar Creek Wastewater Reclamation Facility. The total cost was \$570,000 and the City paid, and continues to pay, \$4,750 monthly at 0% interest for 120 months. At May 2010, the facility was fully constructed, and at June 30, 2011, the remaining balance is \$199,500 as shown below.

| Fiscal Year Ending June 30 | Principal | Interest | Total Debt Service |
|-------------------------------|-------------------|-------------|-----------------------|
| 2012 | \$ 57,000 | \$ - | \$ 57,000 |
| 2013 | 57,000 | - | 57,000 |
| 2014 | 57,000 | - | 57,000 |
| 2015 | 28,500 | - | 28,500 |
| Totals | <u>\$ 199,500</u> | <u>\$ -</u> | <u>\$ 199,500</u> |

Capital Lease

The City has entered into a five-year lease agreement with Bank of America at 2.89% for the financing of additional and replacement vehicles and equipment. The City received \$2,711,500, in advance, of which \$1,108,697 is for business-type activities and the remainder is for governmental activities. In FY 2009 and FY 2010, the City's proprietary funds purchased 18 vehicles, utilities mapping system, a leak detector, four excavators, three loaders, three compressors, a hydro seeder, telephone system and other small equipment for a total of \$1,108,697 accumulated depreciation as of June 30, 2011, is \$472,584, for a net book value of \$636,113.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2011, were as follows:

| Fiscal Year Ending June 30 | Principal | Interest | Total Debt Service |
|-------------------------------|-------------------|------------------|-----------------------|
| 2012 | \$ 219,911 | \$ 8,921 | \$ 228,832 |
| 2013 | 188,183 | 2,509 | 190,692 |
| Totals | <u>\$ 408,094</u> | <u>\$ 11,430</u> | <u>\$ 419,524</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, however in FY 2009 the City refunded a portion of the Series 1998 Bonds with Series 2009 Bonds and amortized the above loss based on the portion of the Series 1998 Bonds that were refunded. As of June 30, 2011, accumulated amortization was \$1,166,526 with a net book value of \$11,205.

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, 2011, the accumulated amortization was \$352,267 with a net book value of \$13,274. These costs have been deferred and are being amortized over the life of the bonds based on annual principal retired or refunded. At June 30, 2011, the outstanding balance on the defeased bond from the 1998 refunding is as follows:

| | |
|------|-----------|
| 1987 | \$123,096 |
|------|-----------|

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, 2011, accumulated amortization was \$496,139 with a net book value of \$109,535.

There were also bond issue costs incurred with the Series 2005 Bonds in the amount of \$114,750. As of June 30, 2011, accumulated amortization was \$30,376 with a net book value of \$84,374. These costs have been deferred and are being amortized over the life of the bonds based on annual principal retired. At June 30, 2011, the outstanding balances on the defeased bonds from the 2005 refunding are as follows:

| | |
|------|-------------|
| 1993 | \$ 290,000 |
| 1996 | \$4,080,000 |

In FY 2009, a portion of the 1998 Water and Sewerage Revenue Bonds were defeased into the Series 2009 Water and Sewerage Revenue Bonds. In connection with this defeasement, the City recognized a book loss in the amount of \$525,461. This loss is being amortized over a 9 year 10 month period (the life of the defeased Series 1998 Bonds) using the straight line method. As of June 30, 2011, accumulated amortization was \$129,138 with a net book value of \$396,323.

There were also bond issue costs incurred with the Series 2009 Bonds in the amount of \$92,867. As of June 30, 2011 accumulated amortization was \$12,022 with a net book value is \$80,845. These costs have been deferred and are being amortized over the life of the bonds based on annual principal retired. At June 30, 2011, the outstanding balances on the defeased bonds from the 2005 refunding are as follows:

| | |
|------|-------------|
| 1998 | \$3,820,000 |
|------|-------------|

10-Water Fund Intergovernmental Receivable

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. In FY 2007, the City recognized revenue of 20% (\$1,166,400) as a special item because the City 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 recognized the remaining \$4,665,600 as a special item due to the additional 800,000 gallons per day being available. 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 for each household equivalent. As the County collects and submits tap fees, the City will recognize this remaining revenue. As of June 30, 2011 the balance due the City on the shared capacity charge is \$4,564,500.

The Intergovernmental Receivable activity for the fiscal year ended June 30, 2011 is as follows:

| Balance 6/30/2010 | Increase | Decrease | Balance 6/30/2011 | Due In FY 2012 |
|----------------------|----------|--------------|----------------------|-------------------|
| \$3,573,608 | \$ - | \$ (137,312) | \$3,436,296 | \$ 143,025 |

A maturities schedule of the intergovernmental receivable is as follows:

| Fiscal Year Ending June 30 | Principal | 4.16% Interest | Total Receivable Per Year |
|-------------------------------|-------------|-------------------|---------------------------------|
| 2012 | \$ 143,025 | \$ 142,950 | \$ 285,975 |
| 2013 | 148,974 | 137,001 | 285,975 |
| 2014 | 155,172 | 130,803 | 285,975 |
| 2015 | 161,627 | 124,348 | 285,975 |
| 2016 | 168,351 | 117,624 | 285,975 |
| 2015-2021 | 952,816 | 477,059 | 1,429,875 |
| 2022-2026 | 1,168,191 | 261,684 | 1,429,875 |
| 2027-2028 | 538,140 | 33,809 | 571,949 |
| Totals | \$3,436,296 | \$1,425,278 | \$ 4,861,574 |

11-Interfund Receivables, Payables and Transfers

Interfund balances at June 30, 2011, 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.

The interfund receivables or payables as of June 30, 2011 are as follows:

| | Interfund | |
|-----------------------------------|--------------|--------------|
| | Due To | Due From |
| Major Governmental Fund: | | |
| General Fund | \$ 1,180,790 | \$ - |
| Non Major Governmental Fund: | | |
| Capital Projects Fund | - | 334,588 |
| Major Proprietary Fund: | | |
| Water Fund | 35,000 | - |
| Non Major Proprietary Fund: | | |
| Environmental Protection | - | 846,202 |
| Non Major Internal Service Funds: | | |
| Utility Service Fund | - | 35,000 |
| Totals | \$ 1,215,790 | \$ 1,215,790 |

Interfund transfers in (out) for the fiscal year ended June 30, 2011, are as follows:

| Transfers in (out) | | | | | | | | | | | |
|---------------------------------|-----------------------|------------------|--------------------|--------------------|--------------------|------------------|---------------------|---------------------|---------------------|-------------------|--------------------|
| Governmental Activities | General Fund | Hotel/Motel | Grants | Festivals | TV Station | Broad-band | Special Facilities | Water & Sewer | Gas | Solid Waste | Net Transactions |
| General Fund | \$ - | \$ - | \$ (76,400) | \$ (6,770) | \$ (48,400) | \$12,000 | \$ (387,100) | \$ 1,319,850 | \$ 1,263,333 | \$ 356,300 | \$ 2,432,813 |
| Hotel/Motel | - | - | - | (7,000) | - | - | (32,200) | - | - | - | (39,200) |
| Festivals | 6,770 | 7,000 | - | - | - | - | - | - | - | - | 13,770 |
| Grants | 76,400 | - | - | - | - | - | - | - | - | - | 76,400 |
| TV Station | 48,400 | - | - | - | - | - | - | - | - | - | 48,400 |
| Total Governmental | 131,570 | 7,000 | (76,400) | (13,770) | (48,400) | 12,000 | (419,300) | 1,319,850 | 1,263,333 | 356,300 | 2,532,183 |
| Business-type Activities | | | | | | | | | | | |
| Water & Sewer | (1,319,850) | - | - | - | - | - | - | - | - | - | (1,319,850) |
| Gas | (1,263,333) | - | - | - | - | - | - | - | - | - | (1,263,333) |
| Solid Waste | (356,300) | - | - | - | - | - | - | - | - | - | (356,300) |
| Special Facilities | 387,100 | 32,200 | - | - | - | - | - | - | - | - | 419,300 |
| Broadband | (12,000) | - | - | - | - | - | - | - | - | - | (12,000) |
| Total Business-type | (2,564,383) | 32,200 | - | - | - | - | - | - | - | - | (2,532,183) |
| Net Transactions | \$ (2,432,813) | \$ 39,200 | \$ (76,400) | \$ (13,770) | \$ (48,400) | \$ 12,000 | \$ (419,300) | \$ 1,319,850 | \$ 1,263,333 | \$ 356,300 | \$ - |

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-Fund Balance in Governmental Funds

Fund balance information is used to identify the available resources to repay long-term debt, reduce property taxes, add new governmental programs, expand existing programs, or enhance the financial position of the City in accordance with policies established by the City Council.

The City of Winder established and will maintain classification of fund balance as defined herein in accordance with Governmental Accounting Standards Board statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This policy shall apply to the City's General Fund and all governmental funds and will become effective for the fiscal year ending June 30, 2011. Fund balance shall be composed of nonspendable, restricted, committed, assigned, and unassigned amounts, as defined herein.

Nonspendable Fund Balance – Amounts that are not in a spendable form, such as inventory, or will not be converted to cash in the next operating cycle, such as long-term notes receivable. Also, amounts that are legally or contractually required to remain intact, such as the corpus of a permanent fund.

Restricted Fund Balance – Amounts on which constraints have been placed by an external party, such as grantor, creditor, or laws or regulations of other governments. Also, amounts on which constraints have been placed by law through constitutional provisions or by enabling legislation and are legally enforceable by external parties. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed Fund Balance – Amounts on which constraints have been placed by the City Council, the City's highest level decision-making authority, through the adoption of a resolution which includes the verbiage "committed for the purpose of". Commitments may only be changed or rescinded through the adoption of a subsequent resolution; the subsequent resolution shall refer to the original resolution by number.

Resolutions committing amounts must be adopted prior to the end of the fiscal year. However, the amount to commit must be determined within 60 days of the fiscal year-end.

Assigned Fund Balance – Amounts on which constraints have been placed by the City to use for a special purpose. The City Council may assign amounts through the adoption of a motion made during

a public meeting of the Council. The City Council also authorizes the City Manager to assign amounts through a written memorandum.

Transfers to special revenue, capital projects, debt service, or permanent funds shall constitute assignments and shall be documented through the adoption of the City's operating budgets or subsequent budget amendments.

Assignments must be adopted prior to the end of the fiscal year; the amount assigned must also be determined prior to fiscal year-end.

Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year's budget shall constitute assignments and be documented by adoption of the City's operating budgets.

Equity amounts reported in special revenue, capital projects, debt service, or permanent funds not otherwise classified as nonspendable, restricted, or committed should constitute assignments.

Unassigned Fund Balance – Equity amounts reported in the General Fund not otherwise classified as nonspendable, restricted, committed, or assigned. Unassigned amounts are the portion of fund balance that is available for any purpose. Governmental funds other than the General Fund shall not report positive unassigned fund balance.

HIEARCHY OF SPENDING

For the purpose of fund balance classification, the City considers restricted amounts spent first when expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, the City considers the following spending order when expenditures are incurred for purposes of which the following unrestricted fund balance classifications are available:

1. Committed
2. Assigned
3. Unassigned

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. GASB Statement No. 54 requires that special revenue funds have restricted or committed proceeds of specific revenue sources that are expected to continue to comprise a substantial portion of the inflows reported in the fund. For this purpose, the City defines proceeds from significant revenue sources as a single or combination of restricted or committed inflows which are expected to comprise 35% of the total revenue and other financing sources of the special revenue fund.

The Finance Director shall be charged with maintaining a listing of all special revenue funds reported by the City. This listing shall include the purpose of the fund and the significant restricted or committed revenue stream(s) this is (are) the basis for the fund.

COMPLIANCE

Compliance with the provisions of this policy shall be reviewed as part of the annual budget process and the amounts of nonspendable, restricted, committed, assigned, and minimum General Fund unassigned amounts shall be determined during this process. Fund balance for all governmental funds shall be reported in accordance to GASB statement No. 54.

13-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 55 with 30 years of service to receive normal benefit. Alternative early retirement is age 55 with 10 years of service. Benefits are payable for life and calculated using a formula equal to 2.00 percent of annual salary for employees with retirement dates before August 1, 2000 and after April 2, 2009 or 3.00 percent of annual salary for employees with retirements dates after August 1, 2000 and before April 1, 2009 which is then multiplied by the final average earnings (5 highest years average) and then multiplied by the amount of credited service. The plan also provides death 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 January 1, 2011, employee membership data related to the pension plan was as follows:

| | | |
|----------------------------------------------------------------------|-------|------------|
| Inactive Participants: | | |
| Retiree and beneficiaries currently receiving benefits | | 79 |
| Terminated employees entitled to benefits but not receiving benefits | | 47 |
| | Total | <u>126</u> |
| Active Plan Participants: | | |
| Vested | | 45 |
| Nonvested | | 109 |
| | Total | <u>154</u> |
| Total Number of Plan Participants | | <u>280</u> |

Data relating to the Plan for the past five 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 |
|--------------------|------------------------------------|----------------------------------|--------------------------------------|---------------------------------------|------------------------|----------------------------|
| 2007 | \$ 477,451 | \$ 419,842 | 87.93% | \$ 57,609 | \$ 432 | \$ 58,041 |
| 2008 | 877,243 | 877,243 | 100.00% | - | - | - |
| 2009 | 1,002,251 | 1,002,251 | 100.00% | - | - | - |
| 2010 | 918,095 | 918,095 | 100.00% | - | - | - |
| 2011 | 1,221,335 | 1,221,335 | 100.00% | - | - | - |

Analysis of funding progress is presented below:

| Actuarial Valuation Date | 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) |
|---------------------------------|--------------------------------------|------------------------------------------------------------|--------------------------------------------------|---------------------------|----------------------------|----------------------------------------------------------------------|
| 5/1/2007 | \$ 8,526,546 | \$ 11,795,943 | \$ (3,269,397) | 72.28% | \$ 5,854,339 | (55.85%) |
| 5/1/2008 | 9,261,481 | 13,336,233 | (4,074,752) | 69.45% | 6,313,678 | (64.54%) |
| 5/1/2009 | 6,554,906 | 14,903,805 | (8,348,899) | 43.98% | 5,805,508 | (143.81%) |
| 1/1/2010 | 8,564,171 | 15,306,289 | (6,742,118) | 55.95% | 5,768,939 | (116.87%) |
| 1/1/2011 | 9,020,369 | 15,909,449 | (6,889,080) | 56.70% | 5,816,330 | (118.44%) |

The Information was determined as part of the Actuarial Report as of January 1, 2011. Additional information included in the report follows:

| | |
|--------------------------------------------------------|------------------------------------------------------|
| Valuation Date | January 1, 2011 |
| Actuarial Cost Method | Projected Unit Credit |
| Amortization Method | Closed Level Dollar for remaining unfunded liability |
| Remaining Amortization Period | |
| Initial unfunded accrued liability | 30 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 |
| Actuarial Assumptions: | |
| Assumed Rate of Return on Assets | 7.75% |
| Projected Merit/Seniority Salary Increases | 3.50% |
| Projected Inflation | 0.0% |

Asset Valuation Method – Sum of the actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 50% of market value for 2009, 44% of market value for 2010, 38% of market value for 2011, 32% of market value for 2012, 26% of market value for 2013, and 20% of market value for 2014 and later years.

14-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 \$16,500 per year. The plan assets are invested, and administrated by public organizations unrelated to the City.

15-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.

16-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

17-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, 2011, 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

18-Hotel/Motel Tax

The City levied and collects a 7% hotel/motel tax in accordance with OCGA 48-13-51. Collections for the fiscal year ended June 30, 2011 were \$68,872. 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 fiscal year ended June 30, 2011 was \$ 56,780, or 82.4%. Of this amount \$17,580 was directly paid out to the Barrow County Chamber of Commerce. The City transferred \$32,000 to the Special Facilities Fund and \$7,000 to the City Festivals Fund for operations and advertising.

19-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.

20-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. The following table presents the costs allocated:

| Indirect Costs Allocations | |
|-----------------------------------------|---------------------|
| For The Year Ended June 30, 2011 | |
| Costs for Allocation | |
| Administrative | \$ 2,457,619 |
| Housing and Development | 131,629 |
| Total | <u>\$ 2,589,248</u> |
| Distribution of Indirect Costs | |
| Water and Sewer Fund | \$ 1,031,474 |
| Gas Fund | 731,106 |
| Solid Waste Management Fund | 1,191 |
| Special Facilities Fund | 57,819 |
| Environmental Protection Fund | 38,756 |
| Grant Fund | 17,117 |
| TV Station | 14,712 |
| General Fund | |
| General Government | 19,528 |
| Public Safety | 501,091 |
| Public Works | 154,305 |
| Judicial | 22,149 |
| | <u>\$ 2,589,248</u> |

21-Other Post Employment Benefits

Plan Description

The City of Winder provides post employment health care benefits to retirees on a pay-as-you-go basis through the City of Winder OPEB Plan, a defined benefit, single employer other postemployment benefit plan. This plan was established in accordance with the City Charter and State statutes. The City is currently in negotiations with the Georgia Municipal Employees Benefit System (GMEBS), which is a service of Georgia Municipal Association (GMA), to administer the Plan.

City employees who have attained the age of 55 with 10 years of service are eligible to participate in the plan.

Health care coverage will continue for the employee at a cost of 50% of the billed premium until the employee is eligible for Medicare. Dependent coverage, if applicable, continues until the dependent or employee (whichever comes first) is eligible for Medicare or voluntarily coverage. All retirement benefits are reviewed and evaluated annually.

Current Membership is as follows:

| | |
|---------------------------------------------------------|------------|
| Retirees and beneficiaries currently receiving benefits | 21 |
| Active Participants | 158 |
| Total Number of Participants | <u>179</u> |

Funding Policy

The City pays part of the health insurance premiums for all retirees from City employment receiving a pension annuity earned through City services and participating in a City health insurance coverage on a pay-as-you-go basis. The City paid approximately \$108,300 and was reimbursed by the retirees \$54,112 under this program for the fiscal year ended June 30, 2011. An additional \$54,188 represents the actuary's estimate of the City's indirect subsidy toward retiree coverage during FY 2011. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The City Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy. The projection of benefits does not incorporate the potential effect of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Annual OPEB Cost and Net OPEB Obligation

The City implemented GASB 45 in fiscal year 2009 and elected to report a zero net OPEB obligation at the beginning of the transition year. The City's annual post employment benefit cost and net OPEB obligation for the plan as of and for the fiscal year ended June 30, 2011 using a 6.50% interest rate scenario were as follows:

| | |
|-----------------------------------------|-------------------|
| Annual Required Contribution (ARC) | \$ 172,400 |
| Interest on Net OPEB Obligation | 12,500 |
| Adjustment to ARC | <u>(10,900)</u> |
| Annual OPEB Cost | 174,000 |
| Contributions Made | <u>(108,300)</u> |
| Increase in Net OPEB Obligation | 65,700 |
| Net OPEB Obligation - Beginning of Year | <u>191,900</u> |
| Net OPEB Obligation - End of Year | <u>\$ 257,600</u> |

The City's annual OPEB cost, the percentage of annual OPEB cost contributed during the fiscal year, and the net OPEB obligation at the end of the transition year for the City's post retirement benefits plan were as follows:

| Fiscal Year | Annual Required Contr (ARC) | Actual City Contribution | Percentage of ARC Contributed | Net OPEB Obligation |
|--------------------|------------------------------------|---------------------------------|--------------------------------------|----------------------------|
| 2009 | \$ 150,800 | \$ 48,800 | 32.36% | \$ 102,000 |
| 2010 | 164,600 | 74,700 | 45.38% | 191,900 |
| 2011 | 174,000 | 108,300 | 62.24% | 257,600 |

Funded Status and Funding Progress

As of July 1, 2009, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$1,792,000 and the value of the actuarial assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$1,792,000.

| Actuarial Valuation Date May 1 | Actuarial Value of Assets (a) | Actuarial Liability (AAL) (b) | Actuarial Accrued Liability (UAAL) (a-b) | Funded Ratio (a/b) | Covered Payroll (c) | Excess (Deficit) as a Percentage of Covered Payroll ((a-b)/c) |
|--------------------------------|-------------------------------|-------------------------------|------------------------------------------|--------------------|---------------------|---------------------------------------------------------------|
| 2009 | \$ - | \$ 1,345,700 | \$(1,345,700) | 0.00% | \$ 6,905,104 | 19.50% |
| 2010 | - | 1,792,000 | (1,792,000) | 0.00% | 5,810,000 | 30.80% |

Actuarial Methods and Assumptions for OPEB Plans

The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The more significant actuarial methods and assumptions used in the calculations of the annual OPEB cost, the annual required contribution, and the funded status and funding progress for the fiscal year ended June 30, 2011 are as follows:

| Method/Assumptions | Retirement Program |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation Date | July 1, 2009 |
| Actuarial Cost Method | Projected Unit Credit |
| Amortization Method | Level Dollar, Closed |
| Average Remaining Period | 30 Years |
| Asset Valuation Method | Market Value of Assets |
| Interest Rate | 6.50% |
| Inflation Rate | 2.50% |
| Medical Trend Rate | Medical Per Capita costs, Average Costs and premiums are assumed to increase 10.00% for Pre-Medicare coverage and Medicare Supplement. This rate decreases at a rate of 0.5% per year until an ultimate rate of 5.00% is reached. |

22- Negative Net Assets/Fund Balance

The Environmental Protection Services (EPS) Fund reported negative Net Assets of \$870,113 at June 30, 2011. This fund is responsible for fulfilling state mandates and requirements to protect the water quality of the state's waterways. The City contracted with HS. Feldman, Inc. in October 2009 to manage and

conduct the City's Stormwater Program, Watershed Protection Plan and the Fats, Oils and Grease (FOG) Program.

The Capital Projects Fund reported negative Fund Balance of \$275,262 at June 30, 2011. The Capital Projects Fund uses SPLOST proceeds to fund Street Projects. Street project costs were more than what was received in SPLOST proceeds. The City hopes to catch up and fund this deficit with future SPLOST proceeds.

23- GASB Statements Number 60, 61, 62, 63 and 64.

Statement Number 60

In November 2010, GASB issued Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements." The Objective of Statement No. 60 is to improve financial reporting by addressing issues related to service concession arrangements, which are a type of public-private or public-public partnership. This statement will be implemented on or before the fiscal year ending June 30, 2013 to meet GASB requirements.

Statement Number 61

In November 2010, GASB issued Statement No. 61, "The Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34" The Objective of Statement No. 61 is to improve financial reporting for a governmental financial reporting entity. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity. This statement will be implemented on or before the fiscal year ending June 30, 2013 to meet GASB requirements.

Statement Number 62

In December 2010, GASB issued Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." The requirements in this Statement will improve financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. This statement will be implemented on or before the fiscal year ending June 30, 2013 to meet GASB requirements.

Statement Number 63

In June 2011, GASB issued Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. This statement will be implemented on or before the fiscal year ending June 30, 2013 to meet GASB requirements.

Statement Number 64

In June 2011, GASB issued Statement No. 64, "Derivative Instruments: Application of Hedge Accounting Termination Provisions-an amendment of GASB 53." The requirements of this Statement enhance comparability and improve financial reporting by clarifying the circumstances in which hedge accounting should continue when a swap counterparty, or a swap counterparty's credit support provider, is replaced. This statement does not apply to the City; therefore, it will have no effect on the financial statements.





CITY OF WINDER, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2011

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 Fiscal Year Ended June 30, 2011
With Comparative Totals for the Fiscal Year Ended June 30, 2010

| | 2011 | | |
|------------------------------------------------------------------|--------------------|--------------------|---------------------|
| | Budgeted Amounts | | Actual |
| | Original | Final | |
| Revenues: | | | |
| Taxes | \$ 4,600,000 | \$ 4,500,000 | \$ 4,315,323 |
| License and Permits | 137,000 | 137,000 | 125,893 |
| Intergovernmental | 4,000 | 4,000 | 52,735 |
| Charges for Service | 100,000 | 100,000 | 149,544 |
| Fines and Forfeitures | 840,000 | 840,000 | 810,427 |
| Interest | 35,000 | 35,000 | 51,572 |
| Contributions | - | - | 5,171 |
| Miscellaneous and Other | 43,700 | 43,700 | 98,212 |
| Indirect Cost Allocation | 2,960,400 | 2,960,400 | 2,589,248 |
| Total Revenues | 8,720,100 | 8,620,100 | 8,198,125 |
| Expenditures: | | | |
| Current | | | |
| General Government | 2,677,600 | 2,677,600 | 2,598,410 |
| Judicial | 199,100 | 237,800 | 237,701 |
| Public Safety | 5,931,700 | 5,873,000 | 5,822,907 |
| Public Works | 1,957,650 | 1,955,650 | 1,649,445 |
| Housing and Development | 197,200 | 197,200 | 146,930 |
| Capital Outlay | | | |
| General Government | 240,000 | 240,000 | 30,029 |
| Judicial | - | - | - |
| Public Safety | 497,000 | 497,000 | 69,121 |
| Public Works | 798,500 | 800,500 | 128,323 |
| Housing and Development | - | - | - |
| Debt Service | | | |
| Principal | 404,900 | 404,900 | 404,518 |
| Interest and Fiscal Charges | 45,200 | 45,200 | 44,925 |
| Total Expenditures | 12,948,850 | 12,928,850 | 11,132,309 |
| Excess (Deficiency) Of Revenues Over (Under) Expenditures | (4,228,750) | (4,308,750) | (2,934,184) |
| Other Financing Sources (Uses): | | | |
| Transfers In | 3,244,150 | 3,244,150 | 2,951,483 |
| Transfers Out | (550,900) | (470,900) | (518,670) |
| Proceeds From Sale of Assets | - | - | 27,134 |
| Issuance of Debt Instruments | 1,535,500 | 1,535,500 | - |
| Total Other Sources | 4,228,750 | 4,308,750 | 2,459,947 |
| Net Change In Fund Balance | \$ - | \$ - | (474,237) |
| Beginning Fund Balance | | | 2,150,124 |
| Ending Fund Balance | | | \$ 1,675,887 |

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

| Variance With Final Budget | 2010 Actual |
|----------------------------------|---------------------|
| \$ (184,677) | \$ 4,476,527 |
| (11,107) | 138,162 |
| 48,735 | 96,000 |
| 49,544 | 111,398 |
| (29,573) | 769,076 |
| 16,572 | 43,337 |
| 5,171 | 34,789 |
| 54,512 | 56,880 |
| (371,152) | 2,721,083 |
| (421,975) | 8,447,252 |
| 79,190 | 2,566,579 |
| 99 | 208,076 |
| 50,093 | 5,759,155 |
| 306,205 | 1,558,811 |
| 50,270 | 330,788 |
| 209,971 | 139,788 |
| - | 1,951 |
| 427,879 | 151,873 |
| 672,177 | 88,824 |
| - | 3,902 |
| 382 | 392,236 |
| 275 | 57,206 |
| 1,796,541 | 11,259,189 |
| 1,374,566 | (2,811,937) |
| (292,667) | 3,577,918 |
| (47,770) | (565,845) |
| 27,134 | 9,254 |
| (1,535,500) | - |
| (1,848,803) | 3,021,327 |
| \$ (474,237) | 209,390 |
| | 1,940,734 |
| | \$ 2,150,124 |

Notes to the Required Supplemental Information

1-Budgetary Information

The City adopted annual budgets for the 2011 fiscal year for the General Fund and the annually-budgeted Special Revenue 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. The Budget Officer 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. The City had no significant departures from the total budgeted amounts in the General Fund.



CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2011

Supplementary Information

Nonmajor Governmental Funds Financial Statements

Budgetary Comparisons
General Fund
Special Revenue Funds

Capital Projects Fund

Agency Funds 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, 2011

| <u>Assets</u> | Special Revenue | | | | | Capital Project | Total |
|-----------------------------------------------|-------------------------|--------------------|------------------|-------------------|------------------|--------------------------|-------------------|
| | Community TV Station | Hotel/Motel Tax | Police Escrow | City Festivals | Grant | Capital Projects Fund | |
| Cash and Cash Equivalents | \$ 56,849 | \$ 102,309 | \$ 33,416 | \$ 17,385 | \$ 3,586 | \$ 4,749 | \$ 218,294 |
| Taxes Receivable-Net | - | 14,316 | - | - | - | - | 14,316 |
| Prepaid Items | - | - | - | 6,687 | - | - | 6,687 |
| Intergovernmental Receivable | - | - | - | - | 32,585 | 61,095 | 93,680 |
| Total Assets | \$ 56,849 | \$ 116,625 | \$ 33,416 | \$ 24,072 | \$ 36,171 | \$ 65,844 | \$ 332,977 |
| <u>Liabilities</u> | | | | | | | |
| Accounts Payable and Accrued Liabilities | \$ 5,974 | \$ 5,124 | \$ 6,089 | \$ - | \$ 6,645 | \$ 6,518 | \$ 30,350 |
| Due To Other Funds | - | - | - | - | - | 334,588 | 334,588 |
| Deferred Revenues | - | - | - | 13,840 | - | - | 13,840 |
| Total Liabilities | 5,974 | 5,124 | 6,089 | 13,840 | 6,645 | 341,106 | 378,778 |
| <u>Fund Balance</u> | | | | | | | |
| Nonspendable Fund Balance | | | | | | | |
| Prepaid Items | - | - | - | 6,687 | - | - | 6,687 |
| Restricted Fund Balance | | | | | | | |
| Public Safety | - | - | 27,327 | - | 29,526 | - | 56,853 |
| Housing and Development | - | 111,501 | - | - | - | - | 111,501 |
| Committed Fund Balance | | | | | | | |
| General Government | 50,875 | - | - | - | - | - | 50,875 |
| Recreation | - | - | - | 3,545 | - | - | 3,545 |
| Unassigned Fund Balance | - | - | - | - | - | (275,262) | (275,262) |
| Total Fund Balance | 50,875 | 111,501 | 27,327 | 10,232 | 29,526 | (275,262) | (45,801) |
| Total Liabilities and Fund Balance | \$ 56,849 | \$ 116,625 | \$ 33,416 | \$ 24,072 | \$ 36,171 | \$ 65,844 | \$ 332,977 |

City of Winder, Georgia
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2011

| | Special Revenue | | | | | Capital Project | Total |
|-------------------------------------------------------|-------------------------|--------------------|------------------|-------------------|------------------|--------------------------|--------------------|
| | Community TV Station | Hotel/Motel Tax | Police Escrow | City Festivals | Grant | Capital Projects Fund | |
| Revenues: | | | | | | | |
| Taxes | \$ 104,930 | \$ 68,872 | \$ - | \$ - | \$ - | \$ - | \$ 173,802 |
| Intergovernmental | - | - | - | - | 112,513 | 327,681 | 440,194 |
| Fines and Forfeitures | - | - | 13,854 | - | - | - | 13,854 |
| Charges for Services | 45 | - | - | 28,302 | - | - | 28,347 |
| Interest | - | 411 | - | - | - | 167 | 578 |
| Contributions | - | - | - | 16,850 | - | - | 16,850 |
| Total Revenues | 104,975 | 69,283 | 13,854 | 45,152 | 112,513 | 327,848 | 673,625 |
| Expenditures: | | | | | | | |
| Current: | | | | | | | |
| General Government | 157,893 | - | - | - | - | - | 157,893 |
| Public Safety | - | - | 7,026 | - | 183,701 | - | 190,727 |
| Recreation | - | - | - | 48,690 | - | - | 48,690 |
| Housing and Development | - | 17,580 | - | - | - | - | 17,580 |
| Capital Outlay | 12,617 | - | - | - | - | 894,584 | 907,201 |
| Total Expenditures | 170,510 | 17,580 | 7,026 | 48,690 | 183,701 | 894,584 | 1,322,091 |
| Excess Revenues Over (Under) Expenditures | (65,535) | 51,703 | 6,828 | (3,538) | (71,188) | (566,736) | (648,466) |
| Other Financing Sources (Uses): | | | | | | | |
| Transfers In: | | | | | | | |
| General Fund | 48,400 | - | - | 6,770 | 76,400 | - | 131,570 |
| Hotel/Motel Tax Fund | - | - | - | 7,000 | - | - | 7,000 |
| Transfers Out: | | | | | | | |
| Special Facilities Fund | - | (32,200) | - | - | - | - | (32,200) |
| Festival Fund | - | (7,000) | - | - | - | - | (7,000) |
| Total Other Sources (Uses) | 48,400 | (39,200) | - | 13,770 | 76,400 | - | 99,370 |
| Net Change Increase (Decrease) in Fund Balance | (17,135) | 12,503 | 6,828 | 10,232 | 5,212 | (566,736) | (549,096) |
| Beginning Fund Balance | 68,010 | 98,998 | 20,499 | - | 24,314 | 291,474 | 503,295 |
| Ending Fund Balance | \$ 50,875 | \$ 111,501 | \$ 27,327 | \$ 10,232 | \$ 29,526 | \$ (275,262) | \$ (45,801) |

City of Winder, Georgia
 General Fund
 Schedule of Revenues
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011
 With Comparative Totals for the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual | Variance | 2010 |
|------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | Original | Final | | With Final Budget | |
| Revenues: | | | | | |
| Taxes- | | | | | |
| Fire District Taxes | \$ 1,000,000 | \$ 1,000,000 | \$ 922,715 | \$ (77,285) | \$ 999,375 |
| Intangible/Transfer Tax | - | - | 6,725 | 6,725 | 12,444 |
| Street Light Assessment | 100,000 | 100,000 | 90,688 | (9,312) | 100,663 |
| General Sales Tax | 1,660,000 | 1,660,000 | 1,535,228 | (124,772) | 1,505,719 |
| Selective Sales Tax | 370,000 | 370,000 | 361,373 | (8,627) | 373,484 |
| Business Taxes | 1,470,000 | 1,370,000 | 1,398,594 | 28,594 | 1,484,842 |
| Total Taxes | 4,600,000 | 4,500,000 | 4,315,323 | (184,677) | 4,476,527 |
| License and Permits- | | | | | |
| Business Licenses | 93,500 | 93,500 | 94,201 | 701 | 94,015 |
| Building Permits | 43,500 | 43,500 | 31,692 | (11,808) | 44,147 |
| Total License and Permits | 137,000 | 137,000 | 125,893 | (11,107) | 138,162 |
| Intergovernmental- | | | | | |
| Federal Government Grants | 4,000 | 4,000 | 51,810 | 47,810 | - |
| Other Intergovernmental | - | - | 925 | 925 | 96,000 |
| Total Intergovernmental | 4,000 | 4,000 | 52,735 | 48,735 | 96,000 |
| Charges for Service- | | | | | |
| General Government | 15,000 | 15,000 | 44,043 | 29,043 | 5,435 |
| Public Safety | 55,000 | 55,000 | 71,123 | 16,123 | 66,074 |
| Facility Maintenance | - | - | 4,149 | 4,149 | 850 |
| Public Works | 30,000 | 30,000 | 30,229 | 229 | 39,039 |
| Total Charges for Service | 100,000 | 100,000 | 149,544 | 49,544 | 111,398 |
| Fines and Forfeitures - Municipal Court | 840,000 | 840,000 | 810,427 | (29,573) | 769,076 |
| Contributions | | | | | |
| General Government | - | - | - | - | 27,768 |
| Public Safety | - | - | 5,171 | 5,171 | 7,021 |
| Total Contributions | - | - | 5,171 | 5,171 | 34,789 |
| Investment Earnings - Interest Income | 35,000 | 35,000 | 51,572 | 16,572 | 43,337 |
| Miscellaneous- | | | | | |
| Rents | 43,700 | 43,700 | 50,201 | 6,501 | 50,394 |
| Other | - | - | 48,011 | 48,011 | 6,486 |
| Total Miscellaneous | 43,700 | 43,700 | 98,212 | 54,512 | 56,880 |
| Indirect Cost Allocation | 2,960,400 | 2,960,400 | 2,589,248 | (371,152) | 2,721,083 |
| Total Revenues | \$ 8,720,100 | \$ 8,620,100 | \$ 8,198,125 | \$ (421,975) | \$ 8,447,252 |

City of Winder, Georgia
 General Fund
 Schedule of Expenditures
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011
 With Comparative Totals for the Fiscal Year Ended June 30, 2010

| | Budgeted Amounts | | Actual | Variance With Final Budget | 2010 |
|----------------------------------------|----------------------|----------------------|----------------------|----------------------------------|----------------------|
| | Original | Final | | | |
| General Government: | | | | | |
| Legislative | \$ 507,100 | \$ 507,100 | \$ 480,293 | \$ 26,807 | \$ 476,973 |
| Administration | 1,921,100 | 1,921,100 | 1,834,560 | 86,540 | 1,935,987 |
| Facilities Maintenance | 557,200 | 557,200 | 381,174 | 176,026 | 360,994 |
| Total General Government | 2,985,400 | 2,985,400 | 2,696,027 | 289,373 | 2,773,954 |
| Judicial | 199,100 | 237,800 | 237,701 | 99 | 210,027 |
| Housing and Development | 197,200 | 197,200 | 146,930 | 50,270 | 334,690 |
| Public Safety: | | | | | |
| Police Department | 4,367,400 | 4,308,700 | 3,957,403 | 351,297 | 4,030,469 |
| Fire Department | 2,344,800 | 2,344,800 | 2,217,781 | 127,019 | 2,163,715 |
| Total Public Safety | 6,712,200 | 6,653,500 | 6,175,184 | 478,316 | 6,194,184 |
| Public Works | 2,854,950 | 2,854,950 | 1,876,467 | 978,483 | 1,746,334 |
| Total General Fund Expenditures | \$ 12,948,850 | \$ 12,928,850 | \$ 11,132,309 | \$ 1,796,541 | \$ 11,259,189 |

City of Winder, Georgia
 Special Revenue Fund (Hotel/Motel Tax)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual | Variance With Final Budget |
|-----------------------------------------------------------|------------------|---------------|-------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Taxes- | | | | |
| Hotel Motel Tax (2%) | \$ 16,200 | \$ 16,200 | \$ 19,345 | \$ 3,145 |
| Hotel Motel Tax (5 %) | 36,000 | 36,000 | 49,527 | 13,527 |
| Interest | - | - | 411 | 411 |
| Total Revenues | 52,200 | 52,200 | 69,283 | 17,083 |
| Expenditures: | | | | |
| Housing & Development | 52,200 | 52,200 | 17,580 | 34,620 |
| Total Expenditures | 52,200 | 52,200 | 17,580 | 34,620 |
| Transfers (Out): | | | | |
| Special Facilities Fund | - | - | (32,200) | (32,200) |
| Festival Fund | - | - | (7,000) | (7,000) |
| Total Transfers (Out) | - | - | (39,200) | (39,200) |
| Total Expenditures and Transfers Out | 52,200 | 52,200 | 56,780 | (4,580) |
| Net Change Increase (Decrease) in Fund Balance | \$ - | \$ - | 12,503 | \$ 12,503 |
| Beginning Fund Balance | | | 98,998 | |
| Ending Fund Balance | | | \$ 111,501 | |

City of Winder, Georgia
 Special Revenue Fund (Community TV Station)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual | Variance With Final Budget |
|-----------------------------------------------------------|------------------|------------------|------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Cabel Franchise Tax | \$ - | \$ 100,000 | \$ 104,930 | \$ 4,930 |
| Charges for Services | - | - | 45 | 45 |
| Total Revenues | - | 100,000 | 104,975 | 4,975 |
| Expenditures: | | | | |
| General Government | 177,400 | 177,400 | 157,893 | 19,507 |
| Capital Outlay | 26,100 | 26,100 | 12,617 | 13,483 |
| Total Expenditures | 203,500 | 203,500 | 170,510 | 32,990 |
| Excess Revenues Over (Under) Expenditures | (203,500) | (103,500) | (65,535) | 37,965 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 177,400 | 77,400 | 48,400 | (29,000) |
| Issuance of Debt Instruments | 26,100 | 26,100 | - | (26,100) |
| Total Other Sources | 203,500 | 103,500 | 48,400 | (55,100) |
| Net Change Increase (Decrease) in Fund Balance | \$ - | \$ - | (17,135) | \$ (17,135) |
| Beginning Fund Balance | | | 68,010 | |
| Ending Fund Balance | | | \$ 50,875 | |

City of Winder, Georgia
 Special Revenue Fund (Grant)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual | Variance With Final Budget |
|-----------------------------------------------------------|------------------|----------------|------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Intergovernmental | \$ 128,000 | \$ 128,000 | \$ 112,513 | \$ (15,487) |
| Total Revenues | 128,000 | 128,000 | 112,513 | (15,487) |
| Expenditures: | | | | |
| Public Safety | 164,400 | 184,400 | 183,701 | 699 |
| Total Expenditures | 164,400 | 184,400 | 183,701 | 699 |
| Excess Revenues Over (Under) Expenditures | (36,400) | (56,400) | (71,188) | (14,788) |
| Transfers In | | | | |
| General Fund | 36,400 | 56,400 | 76,400 | 20,000 |
| Total Transfers In | 36,400 | 56,400 | 76,400 | 20,000 |
| Net Change Increase (Decrease) in Fund Balance | \$ - | \$ - | 5,212 | \$ 5,212 |
| Beginning Fund Balance | | | 24,314 | |
| Ending Fund Balance | | | \$ 29,526 | |

City of Winder, Georgia
 Special Revenue Fund (City Festivals)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual | Variance With Final Budget |
|-----------------------------------------------------------|------------------|---------------|------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Charges for Services | \$ - | \$ 32,000 | \$ 28,302 | \$ (3,698) |
| Contributions | - | 17,000 | 16,850 | (150) |
| Total Revenues | - | 49,000 | 45,152 | (3,848) |
| Expenditures: | | | | |
| Recreation | - | 49,000 | 48,690 | 310 |
| Total Expenditures | - | 49,000 | 48,690 | 310 |
| Excess Revenues Over (Under) Expenditures | - | - | (3,538) | (3,538) |
| Transfers In | | | | |
| General Fund | - | - | 6,770 | 6,770 |
| Hotel/Motel Fund | - | - | 7,000 | 7,000 |
| Total Transfers In | - | - | 13,770 | 13,770 |
| Net Change Increase (Decrease) in Fund Balance | \$ - | \$ - | 10,232 | \$ 10,232 |
| Beginning Fund Balance | | | - | |
| Ending Fund Balance | | | \$ 10,232 | |

City of Winder, Georgia
 Special Revenue Fund (Police Escrow)
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 For the Fiscal Year Ended June 30, 2011

| | Budgeted Amounts | | Actual | Variance With Final Budget |
|-----------------------------------------------------------|--------------------|--------------------|------------------|----------------------------------|
| | Original | Final | | |
| Revenues: | | | | |
| Fines and Forfeitures | \$ 10,000 | \$ 10,000 | \$ 13,854 | \$ 3,854 |
| Total Revenues | 10,000 | 10,000 | 13,854 | 3,854 |
| Expenditures: | | | | |
| Public Safety | 25,000 | 25,000 | 7,026 | 17,974 |
| Total Expenditures | 25,000 | 25,000 | 7,026 | 17,974 |
| Excess Revenues Over (Under) Expenditures | (15,000) | (15,000) | 6,828 | 21,828 |
| Net Change Increase (Decrease) in Fund Balance | \$ (15,000) | \$ (15,000) | 6,828 | \$ 21,828 |
| Beginning Fund Balance | | | 20,499 | |
| Ending Fund Balance | | | \$ 27,327 | |

**City of Winder, Georgia
 Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 For the Fiscal Year Ended June 30, 2011**

| Revenues: | <u>Actual</u> |
|-----------------------------------------------------------|-----------------------------------|
| Intergovernmental | \$ 327,681 |
| Interest | 167 |
| Total Revenues | <u>327,848</u> |
| Expenditures: | |
| Capital Outlay | 894,584 |
| Total Expenditures | <u>894,584</u> |
| Excess Revenues Over (Under) Expenditures | <u>(566,736)</u> |
| Net Change Increase (Decrease) in Fund Balance | (566,736) |
| Beginning Fund Balance | <u>291,474</u> |
| Ending Fund Balance | <u><u>\$ (275,262)</u></u> |

City of Winder, Georgia
 Agency Funds
 Statement of Changes in Assets and Liabilities
 For the Fiscal Year Ended June 30, 2011

Municipal Court

| | Balance 6/30/2010 | Additions | Deductions | Balance 6/30/2011 |
|---------------------------|----------------------|-------------------|-----------------------|----------------------|
| Assets | | | | |
| Cash and Cash Equivalents | \$ 70,605 | \$ 431,752 | \$ (457,761) | \$ 44,596 |
| Accounts Receivable, Net | 385,865 | 111,164 | (183,598) | 313,431 |
| Total Assets | \$ 456,470 | \$ 542,916 | \$ (641,359) | \$ 358,027 |
| Liabilities | | | | |
| Due To Others | \$ 456,470 | \$ 924,649 | \$ (1,023,092) | \$ 358,027 |
| Total Liabilities | \$ 456,470 | \$ 924,649 | \$ (1,023,092) | \$ 358,027 |

Downtown Improvement

| | Balance 6/30/2010 | Additions | Deductions | Balance 6/30/2011 |
|---------------------------|----------------------|-------------|-------------|----------------------|
| Assets | | | | |
| Cash and Cash Equivalents | \$ 200 | \$ - | \$ - | \$ 200 |
| Total Assets | \$ 200 | \$ - | \$ - | \$ 200 |
| Liabilities | | | | |
| Due To Others | \$ 200 | \$ - | \$ - | \$ 200 |
| Total Liabilities | \$ 200 | \$ - | \$ - | \$ 200 |

City of Winder, Georgia
Nonmajor Enterprise Funds
Combining Statement of Net Assets
June 30, 2011

| <u>Assets</u> | Solid Waste Management Fund | Environmental Protection Fund | Special Facilities Fund | Broadband Fund | Totals |
|-------------------------------------------------|----------------------------------------|------------------------------------------|------------------------------------|---------------------------|---------------------|
| Current Assets | | | | | |
| Cash and Cash Equivalents | \$ 233,827 | \$ 1,775 | \$ 2,710 | \$ 4,730 | \$ 243,042 |
| Accounts Receivable | 151,548 | 1,475 | 30,371 | 1,000 | 184,394 |
| Total Current Assets | 385,375 | 3,250 | 33,081 | 5,730 | 427,436 |
| Non-Current Assets | | | | | |
| Property, Plant and Equipment - Net | - | 10,722 | 4,299,321 | 56,848 | 4,366,891 |
| Total Assets | 385,375 | 13,972 | 4,332,402 | 62,578 | 4,794,327 |
| <u>Liabilities</u> | | | | | |
| Current Liabilities | | | | | |
| Accounts Payable and Accrued Liabilities | 79,899 | 37,883 | 37,389 | - | 155,171 |
| Due to Other Funds | - | 846,202 | - | - | 846,202 |
| Long -Term Liabilities | | | | | |
| Other Post-Employment Benefits Liability | - | - | 6,076 | - | 6,076 |
| Total Liabilities | 79,899 | 884,085 | 43,465 | - | 1,007,449 |
| <u>Net Assets</u> | | | | | |
| Invested in Capital Assets, Net of Related Debt | - | 10,722 | 4,299,321 | 56,848 | 4,366,891 |
| Unrestricted Net Assets | 305,476 | (880,835) | (10,384) | 5,730 | (580,013) |
| Total Net Assets | \$ 305,476 | \$ (870,113) | \$ 4,288,937 | \$ 62,578 | \$ 3,786,878 |

City of Winder, Georgia
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Fiscal Year Ended June 30, 2011

| | Solid Waste Management Fund | Environmental Protection Fund | Special Facilities Fund | Broadband Fund | Totals |
|-------------------------------------------------|--------------------------------|-------------------------------------|----------------------------|-------------------|---------------------|
| Operating Revenues | | | | | |
| Charges For Services | \$ 1,121,495 | \$ 19,911 | \$ 93,389 | \$ 12,000 | \$1,246,795 |
| Penalties and Interest | 27,833 | - | - | 409 | 28,242 |
| Miscellaneous and Other | - | - | 1,906 | - | 1,906 |
| Total Revenues | 1,149,328 | 19,911 | 95,295 | 12,409 | 1,276,943 |
| Expenses | | | | | |
| Personal Services | - | - | 186,072 | - | 186,072 |
| Professional and Technical | 950,736 | 317,291 | 4,224 | - | 1,272,251 |
| Purchased Property Services | 152 | 59,891 | 70,519 | - | 130,562 |
| Supplies | - | - | 155,336 | - | 155,336 |
| Depreciation | - | - | 145,982 | 22,591 | 168,573 |
| Internal Fund Charges | 11,587 | - | - | - | 11,587 |
| Indirect Costs Allocation | 1,191 | 38,756 | 57,819 | - | 97,766 |
| Total Expenses | 963,666 | 415,938 | 619,952 | 22,591 | 2,022,147 |
| Net Operating Revenues (Expenses) | 185,662 | (396,027) | (524,657) | (10,182) | (745,204) |
| Net Revenues (Expenses) Before Transfers | 185,662 | (396,027) | (524,657) | (10,182) | (745,204) |
| Transfers | | | | | |
| Transfers In(Out) - General Fund | (356,300) | - | 419,300 | (12,000) | 51,000 |
| Change in Net Assets | (170,638) | (396,027) | (105,357) | (22,182) | (694,204) |
| Net Assets, Beginning of the Year | 476,114 | (474,086) | 4,394,294 | 84,760 | 4,481,082 |
| Net Assets, End of the Year | \$ 305,476 | \$ (870,113) | \$ 4,288,937 | \$ 62,578 | \$ 3,786,878 |

City of Winder, Georgia
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

| | Solid Waste Management Fund | Environmental Protection Fund | Special Facilities Fund | Broadband Fund | Totals |
|----------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------|----------------------------|-------------------|---------------------|
| Cash Flows from (to) Operating Activities: | | | | | |
| Receipts from Customers | \$ 1,142,898 | \$ 32,955 | \$ 93,897 | \$ 11,409 | \$ 1,281,159 |
| Payments to Employees | - | - | (183,677) | - | (183,677) |
| Internal Activity | (12,778) | (38,756) | (57,819) | - | (109,353) |
| Payments to Suppliers | (948,821) | (366,169) | (250,442) | - | (1,565,432) |
| Net Cash Provided (Used) by Operating Activities | 181,299 | (371,970) | (398,041) | 11,409 | (577,303) |
| Cash Flows from (to) Noncapital Financing Activities | | | | | |
| Receipts from (Payments to) Other Funds | - | 381,202 | - | - | 381,202 |
| Transfers from (to) General Fund | (356,300) | - | 419,300 | (12,000) | 51,000 |
| Net Cash from (to) Noncapital Financing Activities | (356,300) | 381,202 | 419,300 | (12,000) | 432,202 |
| Cash Flows (to) Capital and Related Financing Activities: | | | | | |
| Acquisition and Construction of Capital Assets, Net | - | (10,722) | (21,435) | - | (32,157) |
| Net Cash (to) Capital and Related Financing Activities | - | (10,722) | (21,435) | - | (32,157) |
| Net Increase (Decrease) in Cash | (175,001) | (1,490) | (176) | (591) | (177,258) |
| Cash and Cash Equivalents, Beginning of Year | 408,828 | 3,265 | 2,886 | 5,321 | 420,300 |
| Cash and Cash Equivalents, End of the Year | \$ 233,827 | \$ 1,775 | \$ 2,710 | \$ 4,730 | \$ 243,042 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | | |
| Operating Income (Loss) | \$ 185,662 | \$ (396,027) | \$ (524,657) | \$ (10,182) | \$ (745,204) |
| Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities | | | | | |
| Depreciation and Amortization | - | - | 145,982 | 22,591 | 168,573 |
| Changes in Current Assets and Liabilities | | | | | |
| Increase (Decrease) in Accounts Payable & Accrued Liabilities | 2,067 | 11,013 | (19,495) | - | (6,415) |
| Increase (Decrease) in OPEB Liability | - | - | 1,527 | - | 1,527 |
| Increase (Decrease) in Customer Deposits | - | - | 2,250 | - | 2,250 |
| (Increase) Decrease in Accounts Receivables | (6,430) | 13,044 | (3,648) | (1,000) | 1,966 |
| Net Cash Provided (Used) by Operating Activities | \$ 181,299 | \$ (371,970) | \$ (398,041) | \$ 11,409 | \$ (577,303) |

City of Winder, Georgia
 Internal Service Funds
 Combining Statement of Net Assets
 June 30, 2011

| <u>Assets</u> | <u>Utility Service</u> | <u>Vehicle Maintenance</u> | <u>Totals</u> |
|-------------------------------------------------|------------------------|--------------------------------|----------------|
| Current Assets: | | | |
| Cash and Cash Equivalents | \$ 1,550 | \$ 7,442 | \$ 8,992 |
| Total Current Assets | 1,550 | 7,442 | 8,992 |
| Non-Current Assets | | | |
| Property, Plant and Equipment - Net | 121,608 | 29,455 | 151,063 |
| Total Non-Current Assets | 121,608 | 29,455 | 151,063 |
| Total Assets | 123,158 | 36,897 | 160,055 |
| Liabilities | | | |
| Current Liabilities: | | | |
| Accounts Payable and Accrued Liabilities | 55,248 | 24,999 | 80,247 |
| Due to Other Funds | 35,000 | - | 35,000 |
| Current Portion of Lease Payable | 12,372 | 4,949 | 17,321 |
| Total Current Liabilities | 102,620 | 29,948 | 132,568 |
| Long -Term Liabilities | | | |
| Capital Lease Payable | 10,587 | 4,235 | 14,822 |
| Other Post-Employment Benefits Liability | 9,951 | 2,714 | 12,665 |
| Total Long-Term Liabilities | 20,538 | 6,949 | 27,487 |
| Total Liabilities | 123,158 | 36,897 | 160,055 |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 98,649 | 20,271 | 118,920 |
| Unrestricted Net Assets | (98,649) | (20,271) | (118,920) |
| Total Net Assets | \$ - | \$ - | \$ - |

City of Winder, Georgia
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Fiscal Year Ended June 30, 2011

| | Utility Service | Vehicle Maintenance | Totals |
|----------------------------------------------------|-----------------|------------------------|------------------|
| Operating Revenues: | | | |
| Charges For Services | \$ 892,693 | \$ 310,442 | \$ 1,203,135 |
| Operating Expenses: | | | |
| Personal Services | 602,424 | 193,351 | 795,775 |
| Professional and Technical | 66,419 | 918 | 67,337 |
| Purchased Property Services | 120,437 | 10,142 | 130,579 |
| Supplies | 59,247 | 90,400 | 149,647 |
| Depreciation | 43,311 | 15,289 | 58,600 |
| Total Expenses | 891,838 | 310,100 | 1,201,938 |
| Net Operating Revenues (Expenses) | 855 | 342 | 1,197 |
| Non-Operating Revenues (Expenses) | | | |
| Interest Expense | (855) | (342) | (1,197) |
| Total Non-Operating Revenues (Expenses) | (855) | (342) | (1,197) |
| Change in Net Assets | - | - | - |
| Net Assets, Beginning of the Year | - | - | - |
| Net Assets, End of the Year | \$ - | \$ - | \$ - |

City of Winder, Georgia
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2011

| | Utility Service | Vehicle Maintenance | Totals |
|-----------------------------------------------------------------------------------------------------------|------------------|------------------------|------------------|
| Cash Flows from (to) Operating Activities: | | | |
| Receipts from Customers | \$ 892,693 | \$ 310,442 | \$ 1,203,135 |
| Payments to Suppliers | (231,354) | (95,137) | (326,491) |
| Payments to Employees | (593,358) | (193,328) | (786,686) |
| Net Cash Provided (Used) by Operating Activities | 67,981 | 21,977 | 89,958 |
| Cash Flows from (to) Noncapital Financing Activities | | | |
| Receipts From (Payments to) Other Funds | (59,000) | (12,000) | (71,000) |
| Net Cash from (to) Noncapital Financing Activities | (59,000) | (12,000) | (71,000) |
| Cash Flows from (to) Capital and Related Financing Activities: | | | |
| Principal Payments on Long-term Debts | (12,019) | (4,808) | (16,827) |
| Interest and Fiscal Charges on Long-Term Debt | (855) | (342) | (1,197) |
| Net Cash from (to) Capital and Related Financing Activities | (12,874) | (5,150) | (18,024) |
| Net Increase (Decrease) in Cash | (3,893) | 4,827 | 934 |
| Cash and Cash Equivalents, Beginning of Year | 5,443 | 2,615 | 8,058 |
| Cash and Cash Equivalents, End of the Year | \$ 1,550 | \$ 7,442 | \$ 8,992 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Operating Income (Loss) | \$ 855 | \$ 342 | \$ 1,197 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | |
| Depreciation and Amortization | 43,311 | 15,289 | 58,600 |
| Changes in Assets and Liabilities: | | | |
| Increase (Decrease) in Accounts Payables | 19,613 | 5,200 | 24,813 |
| Increase (Decrease) in OPEB Liability | 4,202 | 1,146 | 5,348 |
| Net Cash Provided (Used) by Operating Activities | \$ 67,981 | \$ 21,977 | \$ 89,958 |

City of Winder, Georgia
Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
For the Fiscal Year Ended June 30, 2011

| Function and Activity | Land | Buildings | Vehicles | Equipment and Other | Infrastructure | Construction in Progress | Total |
|------------------------------|---------------------|---------------------|---------------------|----------------------------|-----------------------|---------------------------------|----------------------|
| General Government | \$ 314,532 | \$ 1,699,616 | \$ 210,485 | \$ 974,679 | \$ 15,571 | \$ 26,449 | \$ 3,241,332 |
| Public Safety | | | | | | | |
| Law Enforcement | - | 172,693 | 1,338,846 | 769,813 | - | - | 2,281,352 |
| Fire Protection | - | - | 1,387,781 | 406,104 | - | 8,714 | 1,802,599 |
| Total Public Safety | - | 172,693 | 2,726,627 | 1,175,917 | - | 8,714 | 4,083,951 |
| Public Works | 729,804 | 37,814 | 1,278,880 | 1,136,759 | 24,353,808 | 1,066,232 | 28,603,297 |
| Judicial | - | - | - | 1,951 | | | 1,951 |
| Housing and Development | - | - | - | 3,902 | | | 3,902 |
| Total Capital Assets | \$ 1,044,336 | \$ 1,910,123 | \$ 4,215,992 | \$ 3,293,208 | \$ 24,369,379 | \$ 1,101,395 | \$ 35,934,433 |

City of Winder, Georgia
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity
For the Fiscal Year Ended June 30, 2011

| ALL ASSET TYPES | Balance 06/30/10 | Additions | Decreases | Balance 06/30/11 |
|-----------------------------|-----------------------------|--------------------|---------------------|-----------------------------|
| General Government | \$ 3,244,056 | \$ 42,646 | \$ (45,370) | \$ 3,241,332 |
| Public Safety | | | | |
| Law Enforcement | 2,343,568 | 16,375 | (78,591) | 2,281,352 |
| Fire Protection | 1,767,229 | 52,746 | (17,376) | 1,802,599 |
| Total Public Safety | 4,110,797 | 69,121 | (95,967) | 4,083,951 |
| Public Works | 27,650,390 | 1,022,907 | (70,000) | 28,603,297 |
| Judicial | 1,951 | - | - | 1,951 |
| Housing and Development | 3,902 | - | - | 3,902 |
| Total Capital Assets | \$35,011,096 | \$1,134,674 | \$ (211,337) | \$ 35,934,433 |

City of Winder, Georgia
Special Purpose Local Options Sales Tax
Schedule of Expenditures
For the Fiscal Year Ended June 30, 2011

| | 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 | \$ 1,415,244 | \$ 894,584 | \$ 2,309,828 | 51.32% |
| 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>\$ 1,415,244</u> | <u>\$ 894,584</u> | <u>\$ 2,309,828</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, 2011

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 reflect either more accurate information obtained after the FY 2010 Financials were released, actual data available to replace estimated data, or the availability of updated estimates and forecasts.

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 as well as other Business Pattern Data from the U.S. 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, water, and sewer 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 Sector –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 – 2009 and 2005

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 Nine Fiscal Years

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

| <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$ 11,743,364 | \$ 11,208,521 | \$ 10,727,054 | \$ 10,594,827 | \$ 10,679,127 |
| - | - | - | - | 168,354 |
| 1,823,629 | 944,433 | 2,514,126 | 2,476,139 | 1,235,598 |
| <u>\$ 13,566,993</u> | <u>\$ 12,152,954</u> | <u>\$ 13,241,180</u> | <u>\$ 13,070,966</u> | <u>\$ 12,083,079</u> |
| | | | | |
| \$ 30,513,067 | \$ 58,384,414 | \$ 57,281,815 | \$ 53,239,533 | \$ 51,716,811 |
| 1,720,266 | 591,091 | 812,007 | 969,465 | 778,147 |
| 2,786,401 | 10,634,015 | 9,532,718 | 11,260,891 | 13,619,002 |
| <u>\$ 35,019,734</u> | <u>\$ 69,609,520</u> | <u>\$ 67,626,540</u> | <u>\$ 65,469,889</u> | <u>\$ 66,113,960</u> |
| | | | | |
| \$ 42,256,431 | \$ 69,592,935 | \$ 68,008,869 | \$ 63,834,360 | \$ 62,395,938 |
| 1,720,266 | 591,091 | 812,007 | 969,465 | 946,501 |
| 4,610,030 | 11,578,448 | 12,046,844 | 13,737,030 | 14,854,600 |
| <u>\$ 48,586,727</u> | <u>\$ 81,762,474</u> | <u>\$ 80,867,720</u> | <u>\$ 78,540,855</u> | <u>\$ 78,197,039</u> |

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

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

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

** Judicial and Housing and Development Departments became a separate function in FY 2008. They were originally in General Government

*** Facility Maintenance was included in General Government beginning in FY 2008

| 2007 | 2008 | 2009 | 2010 | 2011 |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,897,153 | \$ 3,232,060 | \$ 3,229,756 | \$ 2,810,922 | \$ 2,868,643 |
| - | 178,973 | 173,352 | 189,105 | 215,375 |
| 4,996,553 | 5,852,810 | 5,816,040 | 5,887,673 | 5,944,901 |
| 2,056,673 | 2,453,317 | 2,623,739 | 2,316,134 | 2,405,647 |
| - | 526,562 | 295,585 | 365,202 | 48,690 |
| - | - | - | - | 166,351 |
| 314,028 | - | - | - | - |
| 14,932 | 21,462 | 67,161 | 57,207 | 44,925 |
| 10,279,339 | 12,265,184 | 12,205,633 | 11,626,243 | 11,694,532 |
| 7,871,412 | 9,496,745 | 9,450,482 | 9,238,658 | 9,847,201 |
| 9,252,798 | 9,603,579 | 9,286,664 | 7,506,769 | 7,017,572 |
| 1,375,586 | 1,019,493 | 934,623 | 939,087 | 962,475 |
| - | - | - | 497,475 | 377,182 |
| 336,515 | 543,613 | 545,967 | 537,771 | 562,133 |
| 341 | 21,881 | 22,591 | 22,591 | 22,591 |
| 18,836,652 | 20,685,311 | 20,240,327 | 18,742,351 | 18,789,154 |
| \$ 29,115,991 | \$ 32,950,495 | \$ 32,445,960 | \$ 30,368,594 | \$ 30,483,686 |
| \$ (2,181,680) | \$ (3,122,543) | \$ (2,971,556) | \$ (2,542,626) | \$ (2,423,379) |
| - | 21,012 | 12,897 | 20,755 | 22,149 |
| 557,429 | 645,674 | 697,391 | 572,042 | 518,208 |
| 173,441 | 251,905 | 238,046 | 172,571 | 154,305 |
| - | - | - | - | - |
| - | 28,040 | (43,042) | (126,778) | (131,629) |
| - | - | - | - | - |
| (312,360) | - | - | - | - |
| (1,763,170) | (2,175,912) | (2,066,264) | (1,904,036) | (1,860,346) |
| 627,769 | 1,001,095 | 1,011,807 | 1,015,797 | 1,031,474 |
| 981,041 | 1,098,859 | 995,152 | 828,127 | 731,106 |
| 122,900 | 11,942 | 1,186 | 1,143 | 1,191 |
| - | - | - | - | 38,756 |
| 31,460 | 64,016 | 58,119 | 58,969 | 57,819 |
| 1,763,170 | 2,175,912 | 2,066,264 | 1,904,036 | 1,860,346 |
| \$ - | \$ - | \$ - | \$ - | \$ - |

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

| | 2003 | 2004 | 2005 | 2006 |
|--------------------------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|
| PROGRAM REVENUES: | | | | |
| Governmental Activities: | | | | |
| Charges for Service: | | | | |
| General Government | \$ 907,711 | \$ 948,424 | \$ 1,005,824 | \$ 1,023,457 |
| Judicial** | - | - | - | - |
| Public Safety | 713,113 | 315,699 | 315,811 | 413,549 |
| Public Works | 55,536 | 39,077 | 17,330 | 109,104 |
| Recreation | - | - | - | - |
| Housing and Development** | - | - | - | - |
| Maintenance Shop* | - | - | - | - |
| Facilities Maintenance*** | - | - | - | - |
| Operating Grants and Contributions | | | | |
| General Government | - | - | - | - |
| Housing and Development** | - | - | - | - |
| Public Safety | 353,183 | 505,760 | 686,993 | 820,394 |
| Recreation | - | - | - | - |
| Capital Grants and Contributions | | | | |
| Public Safety | - | - | - | - |
| Public Works | 293,822 | 349,971 | 306,433 | 363,047 |
| Total Governmental Activities Program Revenues | 2,323,365 | 2,158,931 | 2,332,391 | 2,729,551 |
| Business Type Activities: | | | | |
| Charges for Service: | | | | |
| Water and Sewer | 7,950,019 | 8,130,205 | 9,216,420 | 11,923,559 |
| Gas | 7,020,706 | 7,139,095 | 9,206,529 | 12,506,598 |
| Solid Waste Management | 979,213 | 1,004,654 | 1,025,230 | 1,023,772 |
| Environmental Protection | - | - | - | - |
| Special Facilities | 91,577 | 103,382 | 83,610 | 88,614 |
| Broadband Fund | - | - | - | - |
| Operating Grants and Contributions | | | | |
| Capital Grants and Contributions-Water | - | - | - | 193,534 |
| Total Business Type Activities Program Revenues | 16,041,515 | 16,377,336 | 19,531,789 | 25,736,077 |
| Total Primary Government Program Revenues | \$ 18,364,880 | \$ 18,536,267 | \$ 21,864,180 | \$ 28,465,628 |
| NET REVENUES (EXPENSES): | | | | |
| Governmental Activities | \$ (4,167,501) | \$ (3,391,632) | \$ (3,803,239) | \$ (4,544,357) |
| Business Type Activities | 2,441,484 | 1,345,554 | 1,291,471 | 4,476,487 |
| Total Primary Government Net Expense | \$ (1,726,017) | \$ (2,046,078) | \$ (2,511,768) | \$ (67,870) |

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

** Judicial and Housing and Development Departments became a separate function in FY 2008. They were originally in General Government

*** Facility Maintenance was included in General Government beginning in FY 2008

**** Contributions have been included in Miscellaneous and Other for years prior to FY 2009.

| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|----|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ | 404,764 | \$ 253,621 | \$ 198,895 | \$ 145,447 | \$ 174,130 |
| | - | - | - | - | - |
| | 483,103 | 734,176 | 798,111 | 879,502 | 895,404 |
| | 25,990 | 47,646 | 33,290 | 39,039 | 30,229 |
| | - | - | - | - | 28,302 |
| | - | - | - | - | - |
| | - | - | - | - | - |
| | - | - | - | - | - |
| | 41,790 | 43,447 | 64,337 | - | - |
| | - | 22,226 | 16,202 | 123,768 | 925 |
| | 92,399 | 78,429 | 44,950 | 158,655 | 117,684 |
| | - | - | - | - | 16,850 |
| | - | - | 136,800 | - | 51,810 |
| | 495,185 | 514,323 | 336,839 | 311,933 | 327,848 |
| | 1,543,231 | 1,693,868 | 1,629,424 | 1,658,344 | 1,643,182 |
| | 12,133,881 | 13,467,828 | 12,375,708 | 11,753,627 | 13,199,817 |
| | 10,606,003 | 11,655,148 | 11,268,216 | 10,037,680 | 9,184,061 |
| | 1,059,163 | 1,081,529 | 1,113,567 | 1,074,755 | 1,149,328 |
| | - | - | - | 23,389 | 19,911 |
| | 126,662 | 124,340 | 125,690 | 116,610 | 93,389 |
| | 8,164 | 12,000 | 12,000 | 12,000 | 12,409 |
| | - | 6,000 | 1,588 | 715 | 3,929 |
| | 970,864 | - | - | - | - |
| | 24,904,737 | 26,346,845 | 24,896,769 | 23,018,776 | 23,662,844 |
| | \$ 26,447,968 | \$ 28,040,713 | \$ 26,526,193 | \$ 24,677,120 | \$ 25,306,026 |
| | \$ (6,972,938) | \$ (8,395,404) | (8,509,945) | (8,063,863) | \$ (8,191,004) |
| | 4,304,915 | 3,485,622 | 2,590,178 | 2,372,389 | 3,013,344 |
| | \$ (2,668,023) | \$ (4,909,782) | \$ (5,919,767) | \$ (5,691,474) | \$ (5,177,660) |

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

| | 2003 | 2004 | 2005 | 2006 |
|----------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| 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 |
| Selective Sales Taxes | 350,335 | 280,962 | 279,860 | 403,293 |
| Business Taxes (1) | 412,256 | 438,184 | 474,874 | 510,902 |
| Fire District Taxes (2) | - | - | - | - |
| Street Light Assessment (2) | - | - | - | - |
| Other Taxes (2) | - | - | - | - |
| Interest Earnings | 18,853 | 58,787 | 90,282 | 176,458 |
| Miscellaneous Revenues | 39,373 | 83,351 | 303,547 | 23,277 |
| Gain on Sale of Assets | - | - | - | - |
| Transfers | 1,835,548 | 1,605,290 | 2,121,694 | 1,697,386 |
| Total Governmental Activities | 4,088,443 | 3,989,031 | 4,936,018 | 4,575,684 |
| Business Type Activities: | | | | |
| Interest Earnings | 93,251 | 6,028 | - | - |
| Miscellaneous Revenues | | | | |
| Special Item (3) | - | - | - | - |
| Gain on Sale of Assets | - | - | - | - |
| Transfers | (1,835,548) | (1,605,290) | (2,121,694) | (1,697,386) |
| Total Business Type Activities | (1,742,297) | (1,599,262) | (2,121,694) | (1,697,386) |
| Total Primary Government | \$ 2,346,146 | \$ 2,389,769 | \$ 2,814,324 | \$ 2,878,298 |
| Prior Period Adjustments: | | | | |
| Governmental Activities | \$ - | \$ - | \$ - | \$ - |
| Business Type Activities | - | - | - | - |
| Total Prior Period Adjustments: | \$ - | \$ - | \$ - | \$ - |
| Changes in Net Assets: | | | | |
| Governmental Activities | \$ (79,058) | \$ 597,399 | \$ 1,132,779 | \$ 31,327 |
| Business Type Activities | 699,187 | (253,708) | (830,223) | 2,779,101 |
| Total Primary Government | \$ 620,129 | \$ 343,691 | \$ 302,556 | \$ 2,810,428 |

(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) In FY 2011, the City presented Fire District Taxes and Street Light Assessment's in a separate line rather than combining them and classifying them as "Other Taxes". FY 2007-2010 has been adjusted to show accurate trending data.

(3) The special item for FY 2007 and 2008 was wastewater capacity rights sold to Barrow County.

| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|-----------|--------------------|---------------------|---------------------|-----------------------|---------------------|
| \$ | 1,866,220 | \$ 1,848,646 | \$ 1,476,156 | \$ 1,505,719 | \$ 1,535,228 |
| | 441,576 | 441,903 | 454,108 | 437,928 | 430,245 |
| | 1,127,973 | 1,452,173 | 1,477,516 | 1,484,842 | 1,503,524 |
| | 645,568 | 702,919 | 986,235 | 1,002,662 | 932,107 |
| | 79,449 | 78,313 | 85,554 | 100,663 | 90,688 |
| | 16,851 | 10,887 | 8,974 | 12,444 | 6,725 |
| | 344,939 | 327,474 | 201,940 | 44,854 | 51,983 |
| | 78,890 | 69,096 | 93,623 | 56,948 | 98,212 |
| | - | 32,050 | 42,295 | 9,254 | 22,222 |
| | 2,706,583 | 2,829,760 | 4,771,770 | 3,238,335 | 2,532,183 |
| | 7,308,049 | 7,793,221 | 9,598,171 | 7,893,649 | 7,203,117 |
| | 83,428 | 24,339 | 171,520 | 169,625 | 162,910 |
| | 1,166,400 | 4,665,600 | - | - | - |
| | - | 5,494 | 27,092 | 3,071 | - |
| | (2,706,583) | (2,829,760) | (4,771,770) | (3,238,335) | (2,532,183) |
| | (1,456,755) | 1,865,673 | (4,573,158) | (3,065,639) | (2,369,273) |
| \$ | 5,851,294 | \$ 9,658,894 | \$ 5,025,013 | \$ 4,828,010 | \$ 4,833,844 |
| \$ | - | \$ - | \$ - | \$ - | \$ - |
| | - | - | - | (1,463,401) | - |
| \$ | - | \$ - | \$ - | \$ (1,463,401) | \$ - |
| \$ | 335,111 | \$ (602,183) | \$ 1,088,226 | \$ (170,214) | \$ (987,887) |
| | 2,848,160 | 5,351,295 | (1,982,980) | (2,156,651) | 644,071 |
| \$ | 3,183,271 | \$ 4,749,112 | \$ (894,754) | \$ (2,326,865) | \$ (343,816) |

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

| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> |
|-------------------------------------------|--------------------------|----------------------------|----------------------------|----------------------------|
| General Fund: | | | | |
| Reserved For Prepaid Items | \$ 60,098 | \$ - | \$ 39,830 | \$ - |
| Reserved for Capital Projects | - | - | - | - |
| Unreserved/Undesignated | 481,576 | 969,030 | 1,243,610 | 1,506,300 |
| Nonspendable Fund Balance* | - | - | - | - |
| Unassigned Fund Balance | - | - | - | - |
| Total General Fund | <u>541,674</u> | <u>969,030</u> | <u>1,283,440</u> | <u>1,506,300</u> |
| All Other Governmental Funds: | | | | |
| Reserved For Prepaid Items | - | - | - | - |
| Unreserved Reported in Capital Projects | 135,998 | 413,177 | 146,467 | 45,065 |
| Unreserved Reported in Special Funds | - | - | - | 70,600 |
| Designated for Budget | - | - | - | - |
| Nonspendable Fund Balance* | - | - | - | - |
| Restricted Fund Balance* | - | - | - | - |
| Committed Fund Balance* | - | - | - | - |
| Unassigned Fund Balance | - | - | - | - |
| Total All Other Governmental Funds | <u>135,998</u> | <u>413,177</u> | <u>146,467</u> | <u>115,665</u> |
| Total All Governmental Funds | <u>\$ 677,672</u> | <u>\$ 1,382,207</u> | <u>\$ 1,429,907</u> | <u>\$ 1,621,965</u> |

*For FY 2011, the City adopted fund balance policy's in accordance with GASB Statement # 54 *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balance shall be composed of nonspendable, restricted, committed, assigned, and unassigned amounts. Please see the notes to the financial statements for further information.

| 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 84,684 | \$ 61,541 | \$ 153,448 | \$ - | \$ - |
| - | 1,566,865 | 266,387 | - | - |
| 1,429,568 | 241,081 | 1,520,899 | 2,150,124 | - |
| - | - | - | - | 25,818 |
| - | - | - | - | 1,650,069 |
| 1,514,252 | 1,869,487 | 1,940,734 | 2,150,124 | 1,675,887 |
| 52 | 742 | - | - | - |
| 371,085 | 618,178 | 798,639 | 291,474 | - |
| 64,442 | 88,774 | 148,549 | 196,821 | - |
| - | - | - | 15,000 | - |
| - | - | - | - | 6,687 |
| - | - | - | - | 168,354 |
| - | - | - | - | 54,420 |
| - | - | - | - | (275,262) |
| 435,579 | 707,694 | 947,188 | 503,295 | (45,801) |
| \$ 1,949,831 | \$ 2,577,181 | \$ 2,887,922 | \$ 2,653,419 | \$ 1,630,086 |

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

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

(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.

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

** Judicial and Housing and Development Departments became a separate function in FY 2008. They were originally in General Government

*** Facility Maintenance was included in General Government beginning in FY 2008

| 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------|--------------------|--------------------|---------------------|-----------------------|
| \$ 4,166,213 | \$ 4,525,879 | \$ 4,469,227 | \$ 4,540,971 | \$ 4,489,125 |
| 394,301 | 237,291 | 186,784 | 138,162 | 125,893 |
| 629,374 | 622,671 | 576,625 | 559,567 | 492,929 |
| 36,734 | 149,342 | 140,977 | 112,398 | 177,891 |
| 482,823 | 648,811 | 702,535 | 813,428 | 824,281 |
| 344,939 | 327,474 | 201,940 | 44,854 | 52,150 |
| - | - | 22,503 | 34,789 | 22,021 |
| 78,890 | 104,850 | 93,623 | 56,948 | 98,212 |
| 2,514,700 | 3,180,289 | 3,082,893 | 2,721,083 | 2,589,248 |
| 8,647,974 | 9,796,607 | 9,477,107 | 9,022,200 | 8,871,750 |
| 2,640,760 | 3,245,648 | 3,147,929 | 2,698,082 | 2,756,303 |
| | 199,438 | 183,529 | 208,076 | 237,701 |
| 5,366,315 | 6,285,820 | 6,152,733 | 5,998,713 | 6,013,634 |
| 1,482,152 | 1,924,329 | 1,967,048 | 1,577,612 | 1,649,445 |
| - | - | - | - | 48,690 |
| - | 553,706 | 313,089 | 380,320 | 164,510 |
| - | - | - | - | - |
| 312,360 | - | - | - | - |
| 1,008,491 | 1,170,749 | 2,176,084 | 1,192,047 | 1,134,674 |
| 201,681 | 292,687 | 484,475 | 392,236 | 404,518 |
| 14,932 | 21,462 | 67,161 | 57,206 | 44,925 |
| 11,026,691 | 13,693,839 | 14,492,048 | 12,504,292 | 12,454,400 |
| (2,378,717) | (3,897,232) | (5,014,941) | (3,482,092) | (3,582,650) |
| 5,233,320 | 3,999,199 | 5,450,950 | 3,804,180 | 3,090,053 |
| (2,526,737) | (1,251,800) | (679,180) | (565,845) | (557,870) |
| - | 32,050 | 42,295 | 9,254 | 27,134 |
| - | 1,645,000 | 511,617 | - | - |
| 2,706,583 | 4,424,449 | 5,325,682 | 3,247,589 | 2,559,317 |
| \$ 327,866 | \$ 527,217 | \$ 310,741 | \$ (234,503) | \$ (1,023,333) |
| 2.16% | 2.51% | 4.48% | 3.97% | 3.97% |
| \$ 216,613 | \$ 314,149 | \$ 551,636 | \$ 449,442 | \$ 449,443 |
| \$ 10,810,078 | \$ 12,523,090 | \$ 12,315,964 | \$ 11,312,245 | \$ 11,319,726 |

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

| Tax Year | | | | | |
|-----------------|-----------------------|--------------------|-------------------|-------------------|---------------|
| Ended | Gross Digest | Residential | Commercial | Industrial | All |
| June 30 | Assessed Value | Property | Property | Property | Other |
| 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 |
| 2008 | 406,481,717 | 261,671,803 | 97,286,043 | 2,869,842 | 44,654,029 |
| 2009 | 383,711,255 | 237,468,616 | 97,903,884 | 3,315,031 | 45,023,724 |
| 2010 | 350,013,348 | 218,833,561 | 87,686,428 | 3,157,112 | 40,336,247 |
| 2011 | 324,817,545 | 201,987,066 | 84,084,011 | 3,368,395 | 35,378,073 |

* Assessed Value is 40 percent per state law

**Includes Homestead Exemptions and Exempt Property

Current rates and values will be shown if available by publication date

Sources: Barrow County Tax Commissioner
Ga. Dept of Revenue

Note - Rates and values shown are those in effect at the end of
each fiscal year

| | | | | Percentage |
|---------------|---------------|--------|----------------|----------------|
| | | | | Assessed Value |
| Less | Total Net | Total | Total Net | To Fair |
| Exempt | Assessed | Direct | Fair Market | Market |
| Property** | Value | Tax | Value | Value |
| \$ 40,622,708 | \$195,958,687 | 0.00% | \$ 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% |
| 50,877,550 | 355,604,167 | - | 889,010,418 | 40% |
| 42,624,458 | 341,086,797 | - | 852,716,993 | 40% |
| 37,538,166 | 312,475,182 | - | 781,187,955 | 40% |
| 39,461,871 | 285,355,674 | - | 713,389,185 | 40% |

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

| Tax | | School | Barrow County | Fire District | | Barrow County |
|-------------|-----------------------|---------------|----------------------|----------------------|--------------|----------------------|
| Year | City of Winder | System | M & O | Tax | State | Total |
| 2002 | - | 18.90 | 6.83 | 1.64 | 0.25 | 27.62 |
| 2003 | - | 18.90 | 6.77 | 1.64 | 0.25 | 27.56 |
| 2004 | - | 17.50 | 6.77 | 2.15 | 0.25 | 26.67 |
| 2005 | - | 17.50 | 9.82 | 2.15 | 0.25 | 29.72 |
| 2006 | - | 18.50 | 7.57 | 2.15 | 0.25 | 28.47 |
| 2007 | - | 18.50 | 7.19 | 2.15 | 0.25 | 28.09 |
| 2008 | - | 18.50 | 7.18 | 3.00 | 0.25 | 28.93 |
| 2009 | - | 18.50 | 7.18 | 3.00 | 0.25 | 28.93 |
| 2010 | - | 18.50 | 8.18 | 3.00 | 0.25 | 29.93 |
| 2011 | - | 18.50 | 8.71 | 3.00 | 0.25 | 30.46 |

Source: Ga. Department of Revenue

Note: The City of Winder has not assessed a property tax since 1977

Millage rates are those in effect at the end of the city's fiscal year

More current information will be added if available by publication date

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

| Year of Levy | LOST | LOST Proceeds | LOST | SPLOST | ELOST | State of Georgia | Total All Sales Tax |
|--------------|----------------|----------------|----------------------------------------|---------------|--------------------------------|------------------|---------------------|
| | City of Winder | City of Winder | Barrow County/ Other Municipalities | Barrow County | Barrow County School System | | |
| 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% | 1,665,800 | 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% |
| 2008 | 0.1937% | 1,848,600 | 0.8063% | 1% | 1% | 4% | 7% |
| 2009 | 0.1937% | 1,476,156 | 0.8063% | 1% | 1% | 4% | 7% |
| 2010 | 0.1937% | 1,505,719 | 0.8063% | 1% | 1% | 4% | 7% |
| 2011 | 0.1937% | 1,535,228 | 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, 2007 and 2009

| Description | Number of Establishments* | | | Sales (\$000)** | | |
|-----------------------------------|---------------------------|------|-------|-----------------|-------------|-------------|
| | Year | 1997 | 2007 | 2009 | 1997 | 2007 |
| Total of All Sectors | | 770 | 1,121 | 12,167 | \$1,038,987 | \$1,606,631 |
| Selected Sector Statistics | | | | | | |
| Construction | | 144 | 227 | 164 | D | 73,120 |
| Manufacturing | | 63 | 65 | 63 | 509,871 | 768,413 |
| Wholesale Trade | | 36 | 69 | 69 | 73,796 | 466,269 |
| Retail Trade | | 146 | 159 | 166 | 344,841 | 660,898 |
| Health Care | | 53 | 66 | 79 | 39,667 | 98,443 |
| Professional/ Scientific | | 46 | 87 | 91 | 9,651 | 60,205 |
| Finance and Insurance | | 32 | 57 | 57 | D | D |
| Food/Accommodations | | 41 | 71 | 73 | 24,076 | 125,078 |

Sources

*County Business Patterns for Barrow County as published by the U.S. Census Bureau
- Most Current Data 2009

*Annual Sales from Economic Census as Published by the U.S. Census Bureau

**Economic Census as Published by the U.S. Census Bureau

Notes: Economic Census Data is collected every five years. Data from the 2007 Census began being released in 2009.

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

| Annual Payroll (\$000)* | | | Paid Employees* | | |
|-------------------------|------------|------------|-----------------|--------|--------|
| 1998 | 2007 | 2009 | 1997 | 2007 | 2009 |
| \$ 207,358 | \$ 418,731 | \$ 379,547 | 8,958 | 13,090 | 12,632 |
| 11,469 | 50,714 | 34,381 | 553 | 1,429 | 982 |
| 77,611 | D | D | 2,624 | D | D |
| 9,828 | 52,506 | 45,680 | 338 | 1,479 | 1,246 |
| 33,924 | 61,062 | 55,710 | 1,085 | 2,440 | 2,247 |
| 19,896 | 48,865 | 56,896 | 857 | 1,173 | 1,234 |
| 4,951 | 20,827 | 24,447 | 202 | 558 | 564 |
| 6,853 | 27,455 | 15,180 | 256 | 526 | 379 |
| 6,424 | 13,509 | 22,359 | 703 | 1,186 | 1,603 |

City of Winder

Statistical Section – Revenue Capacity

Water and Sewer Rates/Water Sold by Customer

Last Nine Years

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------------------------------------|----------|----------|----------|----------|----------|
| Water and Sewer Rates | | | | | |
| Water Monthly Service Rates: | | | | | |
| Inside City- | | | | | |
| Base Charge (no usage) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 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- | | | | | |
| Base Charge (no usage) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 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 |

Notes: Effective 1/1/08 base charges increase by meter size and season conservation surcharges over and above the above standard rates were adopted.

Sewer Monthly Service Rates-

| | 2003 | 2004 | 2005 | 2006 | 2007 |
|-----------------------------------------------------|----------|----------|----------|----------|----------|
| Inside City | | | | | |
| Minimum Charge (1st 2000 gallons beginning in 2011) | \$ 8.00 | \$ 9.20 | \$ 10.80 | \$ 10.80 | \$ 10.80 |
| Next 5,000 gallons (\$ per thousand) | - | - | - | - | - |
| Over 7,000 gallons (\$ per thousand) | - | - | - | - | - |
| Percent of water consumption applied to sewer rates | 80% | 80% | 80% | 80% | 80% |
| Outside City | | | | | |
| Minimum Charge (1st 2000 gallons beginning in 2011) | \$ 15.40 | \$ 15.40 | \$ 16.20 | \$ 22.58 | \$ 22.58 |
| Next 5,000 gallons (\$ per thousand) | - | - | - | - | - |
| Over 7,000 gallons (\$ per thousand) | - | - | - | - | - |
| Percent of water consumption applied to sewer rates | 80% | 80% | 100% | 100% | 100% |

Water Sold by Customer Type

| 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 | 1,009,346 | 1,057,443 | 1,083,298 | 1,204,828 | 1,284,258 |
| Average Direct Rate (per 1000 gallons) | | | | | |
| | \$ 5.10 | \$ 5.15 | \$ 5.79 | \$ 6.26 | \$ 6.23 |
| Average Number of Accounts by Category** | | | | | |
| 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 | 10,657 | 11,471 | 12,540 | 12,860 | 13,379 |

* Effective sewer bill was 80% of water bill inside City and 100% of water bill outside City.

**Average number of accounts 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. Small commercial accounts with residential size meters, including home based businesses may be included in residential totals.

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 | \$ 5,142,690 | \$ 5,447,097 | \$ 6,269,772 | \$ 7,544,113 | \$ 8,004,939 |
| Sewer: | | | | | |
| Average Number of Users | 3,883 | 3,968 | 4,084 | 4,266 | 4,446 |
| Annual Sewer Sales | \$ 1,310,384 | \$ 1,387,948 | \$ 1,581,677 | \$ 1,873,759 | \$ 1,927,510 |
| Total Annual Water/Sewer Sales | \$ 6,453,074 | \$ 6,835,045 | \$ 7,851,449 | \$ 9,417,872 | \$ 9,932,449 |

Source: City of Winder Water Department

| 2008 | 2009 | 2010 | 2011 |
|----------------------|----------------------|----------------------|----------------------|
| \$ 12.60 | \$ 12.60 | \$ 12.60 | \$ 13.48 |
| \$ 8.30 | \$ 8.30 | \$ 8.30 | \$ 4.78 |
| \$ 4.15 | \$ 4.15 | \$ 4.15 | \$ 6.82 |
| \$ 4.99 | \$ 4.99 | \$ 4.99 | \$ 8.21 |
| \$ 22.58 | \$ 22.58 | \$ 22.58 | \$ 24.16 |
| \$ 10.18 | \$ 10.18 | \$ 10.18 | \$ 5.86 |
| \$ 5.09 | \$ 5.09 | \$ 5.09 | \$ 7.96 |
| \$ 5.57 | \$ 5.57 | \$ 5.57 | \$ 8.71 |
| \$ 10.80 | \$ 10.80 | \$ 10.80 | \$ 11.56 |
| - | - | - | \$ 4.09 |
| - | - | - | \$ 4.92 |
| 80% | 80% | 80% | 80% |
| \$ 22.58 | \$ 22.58 | \$ 22.58 | \$ 24.16 |
| - | - | - | \$ 5.85 |
| - | - | - | \$ 6.41 |
| 100% | 100% | 100% | 100% |
| 690,557 | 683,750 | 633,982 | 676,386 |
| 189,309 | 180,322 | 176,825 | 206,723 |
| 296,282 | 286,783 | 309,725 | 256,692 |
| <u>1,176,158</u> | <u>1,150,855</u> | <u>1,120,532</u> | <u>1,139,801</u> |
| \$ 7.80 | \$ 7.92 | \$ 8.49 | \$ 9.39 |
| 12,808 | 12,820 | 12,787 | 12,723 |
| 971 | 1,057 | 1,171 | 1,262 |
| 6 | 7 | 7 | 7 |
| <u>13,875</u> | <u>13,884</u> | <u>13,965</u> | <u>13,992</u> |
| \$ 6,198,306 | \$ 6,581,518 | \$ 6,281,381 | \$ 6,834,541 |
| 942,970 | 960,504 | 1,100,528 | 1,654,525 |
| 2,122,889 | 2,114,293 | 2,131,270 | 2,210,454 |
| <u>\$ 9,264,165</u> | <u>\$ 9,656,315</u> | <u>\$ 9,513,179</u> | <u>\$ 10,699,520</u> |
| 4,575 | 4,625 | 4,677 | 4,723 |
| <u>\$ 1,925,781</u> | <u>\$ 1,773,163</u> | <u>\$ 1,560,246</u> | <u>\$ 1,862,749</u> |
| <u>\$ 11,189,946</u> | <u>\$ 11,429,478</u> | <u>\$ 11,073,425</u> | <u>\$ 12,562,269</u> |

City of Winder
Statistical Section – Revenue Capacity
Water and Sewer Connection/Tap Fees
Effective June 30, 2008

| <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.

Sewer Fees can vary with usage volumes.

Source: City of Winder Water Department

City of Winder
Statistical Section – Revenue Capacity
Largest Water and Sewer Customers
Current and Eight Years Prior
June 30, 2011

2011

| Customer | Product/Service | Total Billings | Percent of System Revenues |
|---------------------|------------------------|-----------------------|-----------------------------------|
| Stepan | Surfactant Mfg. | \$ 910,848 | 7.25% |
| Harrison Poultry | Poultry Processing | 891,661 | 7.10% |
| Johns-Manville | Fiberglass Insulation | 471,662 | 3.75% |
| Rhodia | Surfactant Mfg. | 450,122 | 3.58% |
| Harrison Feed | Poultry Feed | 337,119 | 2.68% |
| Barrow County Govt | Public Safety Complex | 312,708 | 2.49% |
| Metro Corral | Restaurant | 179,972 | 1.43% |
| Mast Brothers | Tank Cleaning | 179,288 | 1.43% |
| Automated Packaging | Packaging | 164,738 | 1.31% |
| Wal-Mart | Retail | 160,816 | 1.28% |
| Total | | | 32.30% |

2003

| Customer | Product/Service | Total Billings | Percent of System Revenues |
|--------------------|------------------------|-----------------------|-----------------------------------|
| 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 | | | 21.22% |

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 Nine Fiscal Years

| | 2003 | 2004 | 2005 | 2006 |
|------------------------------------------------------|---------------------|---------------------|---------------------|----------------------|
| Gas Monthly Distribution Charge:* | | | | |
| Base Charge (No Usage) | \$ - | \$ - | \$ - | \$ - |
| Residential/Small Comm (1st 300 cu) (Flat Rate) | \$ 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 |
| Commercial (\$ per mcf) | \$ 3.30 | \$ 3.30 | \$ 3.30 | \$ 3.90 |
| Interruptible (Industrial) (avg.): | | | | |
| First 2,000 mcf (\$ per mcf) | \$ 1.72 | \$ 1.72 | \$ 1.72 | \$ 1.72 |
| Next 3,000 mcf (\$ per mcf) | \$ 1.05 | \$ 1.05 | \$ 1.05 | \$ 1.05 |
| Next 2,000 mcf (\$ per mcf) | \$ 0.70 | \$ 0.70 | \$ 0.70 | \$ 0.70 |
| Over 7,000 mcf (\$ per mcf) | \$ 0.55 | \$ 0.55 | \$ 0.55 | \$ 0.55 |
| Annual Gas Sales (\$) by Category: | | | | |
| Residential | \$ 4,193,937 | \$ 4,291,133 | \$ 4,054,620 | \$ 6,780,800 |
| Commercial | 803,368 | 821,987 | 737,658 | 1,277,792 |
| Interruptible (Industrial): | 1,793,531 | 1,835,097 | 4,291,477 | 4,282,773 |
| Total | \$ 6,790,836 | \$ 6,948,217 | \$ 9,083,755 | \$ 12,341,365 |
| Annual Gas Sales by Volume (mcf) by Category: | | | | |
| Residential/Small Commercial | 301,432 | 310,755 | 298,416 | 288,601 |
| Medium/Large Commercial | 63,557 | 65,522 | 60,149 | 56,789 |
| Interruptible (Industrial): | 206,333 | 212,715 | 501,379 | 279,712 |
| Total | 571,322 | 588,992 | 859,944 | 625,102 |
| Average Number of Customers by Category** | | | | |
| Residential/Small Commercial | 3,933 | 4,109 | 4,225 | 4,572 |
| Medium/Large Commercial | 42 | 46 | 54 | 54 |
| Interruptible (Industrial): | 5 | 5 | 6 | 6 |
| Total | 3,980 | 4,160 | 4,285 | 4,632 |

*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.

Source: City of Winder Gas Department

| 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------------|----------------------|---------------------|---------------------|---------------------|
| \$ 12.00 | \$ 12.00 | \$ 12.00 | \$ 12.00 | \$ 12.00 |
| \$ 1.05 | \$ 1.05 | \$ 1.05 | \$ 1.05 | \$ 1.05 |
| \$ 3.50 | \$ 3.50 | \$ 3.50 | \$ 3.50 | \$ 3.50 |
| \$ 3.90 | \$ 3.90 | \$ 3.90 | \$ 3.90 | \$ 3.90 |
| \$ 1.72 | \$ 2.00 | \$ 2.00 | \$ 2.00 | \$ 2.00 |
| \$ 1.05 | \$ 1.50 | \$ 1.50 | \$ 1.50 | \$ 1.50 |
| \$ 0.70 | \$ 0.75 | \$ 0.75 | \$ 0.75 | \$ 0.75 |
| \$ 0.55 | \$ 0.75 | \$ 0.75 | \$ 0.75 | \$ 0.75 |
| \$ 5,084,226 | \$ 5,175,130 | \$ 5,762,515 | \$ 5,382,961 | \$ 4,330,975 |
| 1,246,827 | 1,299,041 | 1,072,202 | 754,595 | 774,771 |
| 4,143,015 | 4,998,191 | 4,283,514 | 3,772,449 | 3,966,608 |
| <u>\$10,474,068</u> | <u>\$ 11,472,362</u> | <u>\$11,118,231</u> | <u>\$ 9,910,005</u> | <u>\$ 9,072,354</u> |
| 326,526 | 308,384 | 322,908 | 390,214 | 349,967 |
| 106,169 | 107,034 | 111,189 | 64,439 | 52,190 |
| 477,885 | 499,225 | 503,700 | 581,030 | 611,896 |
| 910,580 | 914,643 | 937,797 | 1,035,683 | 1,014,053 |
| 4,847 | 4,963 | 5,029 | 5,038 | 5,058 |
| 54 | 55 | 54 | 62 | 63 |
| 6 | 6 | 6 | 8 | 8 |
| 4,907 | 5,024 | 5,089 | 5,108 | 5,129 |

City of Winder
Statistical Section – Revenue Capacity
Largest Natural Gas System Customers
Current and Eight Years Prior
June 30, 2011

2011

| <u>Customer</u> | <u>Product/Service</u> | | <u>Total Billings</u> | <u>Percent of System Revenues</u> |
|--------------------|------------------------|----|-----------------------|-----------------------------------|
| Johns-Manville | Fiberglass Insulation | \$ | 1,465,947 | 16.16% |
| Stepan | Surfactant Mfg. | | 956,345 | 10.54% |
| Rhodia | Surfactant Mfg. | | 523,028 | 5.77% |
| Harrison Poultry | Poultry Processing | | 445,384 | 4.91% |
| Harrison Feed Mill | Poultry Feed | | 337,119 | 3.72% |
| Barrow County Govt | Public Safety Complex | | 156,354 | 1.72% |
| Metro Corral | Restaurant | | 89,986 | 0.99% |
| Mast Tank Cleaning | Tanker Truck Wash | | 89,644 | 0.99% |
| Harrison Hatchery | Poultry | | 80,754 | 0.89% |
| Wal Mart | Retail Goods | | 80,408 | 0.89% |
| Total | | | | <u>46.58%</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, 2011

| <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 | \$ 60,680,000 | 19.10% | \$ 11,589,880 |
| Capital Leases | 1,475,705 | 18.17% | 268,136 |
| Total Barrow County Schools Overlapping Debt | | | 11,858,016 |
| Barrow County Government: | | | |
| Debt Repaid With Property Taxes | | | |
| General Obligation Bonds | \$ 52,175,000 | 19.10% | 9,965,425 |
| Contracts Payable | 51,706,449 | 18.17% | 9,395,062 |
| Capital Leases/Other | 826,753 | 18.17% | 150,221 |
| Total Barrow County Government Overlapping Debt | | | 19,510,708 |
| Total Overlapping Debt | | | 31,368,723 |
| City of Winder: | | | |
| Direct Debt | | | 1,143,911 |
| Total Direct and Overlapping Debt | | | \$ 32,512,634 |

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 (18.17%).

For debt paid by sales taxes, the percentage of overlapping debt is estimated using 2010 Census population estimates for the City as a percentage of the total County 2010 Census estimated population (20.3%).

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 (19.10%). This is the case with the Barrow County School System and most large projects for Barrow County.

Source of Debt Service numbers:

Barrow County - most recent audit report - FYE 9/30/10

Barrow County School System - most recent audit report - FYE ending 6/30/10

City of Winder, Georgia
Statistical Section – Debt Capacity
Ratio of Outstanding Debt by Type
Last Nine 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 | 6.42% | \$ 1,504 |
| 2004 | \$ - | \$ 36,723 | \$ 728,574 | \$ 12,788,379 | \$ 1,381,813 | \$ 3,329,963 | \$ 18,265,452 | 6.25% | \$ 1,510 |
| 2005 | \$ - | \$ 10,074 | \$ 640,122 | \$ 12,233,045 | \$ 1,047,228 | \$ 3,114,408 | \$ 17,044,877 | 5.54% | \$ 1,380 |
| 2006 | \$ - | \$ 262,200 | \$ 500,691 | \$ 11,517,489 | \$ 749,149 | \$ 2,762,669 | \$ 15,792,198 | 4.75% | \$ 1,209 |
| 2007 | \$ - | \$ 237,688 | \$ 323,522 | \$ 10,917,565 | \$ 441,752 | \$ 9,304,719 | \$ 21,225,246 | 5.66% | \$ 1,557 |
| 2008 | \$ - | \$ 1,802,207 | \$ 111,316 | \$ 10,307,788 | \$ 1,156,930 | \$ 15,931,945 | \$ 29,310,186 | 7.33% | \$ 2,065 |
| 2009 | \$ - | \$ 1,940,665 | \$ - | \$ 9,615,347 | \$ 829,272 | \$ 17,063,363 | \$ 29,448,647 | 7.21% | \$ 2,009 |
| 2010 | \$ - | \$ 1,548,429 | \$ - | \$ 8,906,414 | \$ 621,730 | \$ 18,108,610 | \$ 29,185,183 | 7.52% | \$ 2,070 |
| 2011 | \$ - | \$ 1,143,911 | \$ - | \$ 8,212,789 | \$ 408,094 | \$ 16,850,953 | \$ 26,615,747 | 6.91% | \$ 1,901 |

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

Prior year(s) data may change when actual data is available to replace estimated data or when estimates are updated

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

| Tax Year | Assessed Value of Tax Digest | General Bonded Debt Limit (10%) | Total Debt Applicable To Limit | Legal Debt Margin | Total Net Applicable Debt as a % of Debt Limit |
|-----------------|-----------------------------------------|--------------------------------------------|-----------------------------------------------|------------------------------|---------------------------------------------------------------|
| 2002 | \$236,581,395 | \$23,658,140 | \$0 | \$23,658,140 | 0% |
| 2003 | \$248,878,213 | \$24,887,821 | \$0 | \$24,887,821 | 0% |
| 2004 | \$303,857,107 | \$30,385,711 | \$0 | \$30,385,711 | 0% |
| 2005 | \$325,968,587 | \$32,596,859 | \$0 | \$32,596,859 | 0% |
| 2006 | \$353,228,843 | \$35,322,884 | \$0 | \$35,322,884 | 0% |
| 2007 | \$385,648,472 | \$38,564,847 | \$0 | \$38,564,847 | 0% |
| 2008 | \$406,481,717 | \$40,648,172 | \$0 | \$40,648,172 | 0% |
| 2009 | \$383,711,255 | \$38,371,126 | \$0 | \$38,371,126 | 0% |
| 2010 | \$350,013,349 | \$35,001,335 | \$0 | \$35,001,335 | 0% |
| 2011 | \$324,817,545 | \$32,481,755 | \$0 | \$32,481,755 | 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 | | | |
|------|-------------------------------|-------------------------------|-----------------------------|-----------------------------------|----------|----------|----------|
| | | | | Principal | Interest | Total | Coverage |
| 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 |
| 2008 | \$ 13,468 | \$ 6,061 | \$ 7,407 | \$ 771 | \$ 460 | \$ 1,231 | 6.02 |
| 2009 | \$ 12,376 | \$ 5,985 | \$ 6,391 | \$ 785 | \$ 484 | \$ 1,269 | 5.04 |
| 2010 | \$ 11,754 | \$ 4,745 | \$ 7,009 | \$ 852 | \$ 469 | \$ 1,321 | 5.31 |
| 2011 | \$ 13,200 | \$ 4,823 | \$ 8,377 | \$ 837 | \$ 457 | \$ 1,294 | 6.47 |

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 Ten Calendar 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> |
| 2001 | 10,817 | 48,461 | \$262,755,747 | \$24,291 | 32.5 | 3.8 | 73.3 | 10.9 |
| 2002 | 11,236 | 50,982 | \$262,281,948 | \$23,343 | 32.5 | 4.6 | 73.3 | 10.9 |
| 2003 | 11,596 | 53,069 | \$271,485,552 | \$23,412 | 32.5 | 4.5 | 73.3 | 10.9 |
| 2004 | 12,098 | 56,198 | \$292,251,386 | \$24,157 | 32.5 | 4.5 | 73.3 | 10.9 |
| 2005 | 12,354 | 59,390 | \$307,626,954 | \$24,901 | 32.7 | 4.6 | 75.5 | 13.8 |
| 2006 | 13,059 | 63,317 | \$332,547,435 | \$25,465 | 32.7 | 4.2 | 75.5 | 13.8 |
| 2007 | 13,630 | 67,170 | \$374,770,480 | \$27,496 | 32.2 | 4.3 | 76.6 | 13.2 |
| 2008 | 14,195 | 70,255 | \$399,901,540 | \$28,172 | 32.1 | 6.1 | 75.6 | 13.4 |
| 2009 | 14,656 | 72,158 | \$408,242,880 | \$27,855 | 32.0 | 10.0 | 77.4 | 17.0 |
| 2010 | 14,099 | 69,367 | \$388,258,262 | \$27,538 | 33.6 | 10.0 | 77.4 | 17.0 |

Sources of Information and basis for estimates:

U.S. Census Bureau - City & County Populations, Median Age, and Educational Attainment
 Bureau of Economic Analysis - Income Data for Barrow County, Georgia County Guide
 Georgia Department of Labor - Unemployment Data for Barrow County
 *Statistics not available on an annual basis

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

*** FY 2011 data is not available in most categories

Prior year(s) data may change when actual data is available to replace estimated data or when estimates are updated

City of Winder, Georgia
Statistical Section – Demographic and Economic
Principal Employers – 2009 and 2005
 June 30, 2011

| <u>Employer</u> | <u>2009*</u> | | | <u>2005</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 | 14.10% | 1,757 | 1 | 7.36% |
| Harrison Poultry | 876 | 2 | 6.86% | 896 | 2 | 3.75% |
| Total Logistics Control* | 495 | 3 | 3.88% | 201 | 10 | 0.08% |
| Chateau Elan* | 464 | 4 | 3.63% | 550 | 3 | 2.30% |
| Barrow County Government | 456 | 5 | 3.57% | 380 | 4 | 1.59% |
| Anderson Merchandisers | 435 | 6 | 3.41% | 489 | 5 | 2.05% |
| Johns Manville | 268 | 7 | 2.10% | 330 | 6 | 1.38% |
| Akins Ford | 235 | 8 | 1.84% | 234 | 8 | 0.98% |
| Barrow Regional Medical Center | 225 | 9 | 1.76% | 225 | 9 | 0.09% |
| United Waste Servcies | 215 | 10 | 1.68% | 300 | 7 | 1.00% |
| All Employment | 34,673 | | | 23,913 | | 20.58% |

Notes: Statistics are kept only on a county-wide basis, therefore, Barrow County statistics are used.
 * = Employers that are not within the City Limits of Winder, nor are in the City's utilities service areas.
 Some data not available on an annual basis.

Sources of Information:
 Barrow County Chamber of Commerce - Principal Employers
 Barrow County - 2010 Audit
 Georgia Department of Labor - Barrow County Labor Profile - 2009

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

| Function/Program | Full Time Equivalents as of June 30 | | | | | | |
|--------------------------------------------------|-------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| General Government | | | | | | | |
| Administration/Personnel | 6.75 | 8.75 | 7.75 | 9.25 | 8.75 | 7.75 | 7.75 |
| Planning and Development | - | - | - | - | 2.00 | 2.00 | 2.00 |
| Finance | 3.75 | 3.00 | 3.00 | 3.00 | 2.00 | 2.00 | 2.00 |
| IT | 1.50 | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 | 4.00 |
| License and Permitting | 4.00 | 4.00 | 4.00 | 4.00 | 2.00 | 2.00 | 2.00 |
| Television Station | - | 1.00 | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 |
| Facility Maintenance | 6.00 | 9.50 | 10.00 | 8.63 | 5.63 | 5.63 | 5.63 |
| Housing & Development | | | | | | | |
| Code Enforcement | - | 1.00 | 2.00 | 2.00 | - | - | 1.00 |
| Mainstreet | - | 1.00 | 1.00 | 1.00 | 1.00 | - | - |
| Public Safety | | | | | | | |
| Police Department: | | | | | | | |
| Police Administration | 5.00 | 5.00 | 6.00 | 7.00 | 5.00 | 7.00 | 7.00 |
| Officers | 43.00 | 43.00 | 50.00 | 46.75 | 49.00 | 49.00 | 48.00 |
| Fire Department: | | | | | | | |
| Fire Administration | 3.00 | 3.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 |
| Fire Fighters | 18.00 | 18.00 | 18.00 | 21.00 | 21.00 | 21.00 | 21.00 |
| Part Paid Fire Fighters (Not included in totals) | - | - | - | 24.00 | 24.00 | 24.00 | 24.00 |
| Judicial | | | | | | | |
| Municipal Court/Probation | 2.25 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Public Works | | | | | | | |
| Street/Cemetery | 18.75 | 18.65 | 30.00 | 30.00 | 26.00 | 26.00 | 26.00 |
| Special Facilities: | | | | | | | |
| Community Center | 2.50 | 3.25 | 3.25 | 3.25 | 2.50 | 2.63 | 2.63 |
| Cultural Arts | - | - | 1.00 | 2.00 | 2.00 | 2.00 | 2.00 |
| Component Unit- Downtown Development | 1.00 | - | - | - | - | - | - |
| Utilities (Business-Type Activities) | | | | | | | |
| Water Distribution | 20.00 | 19.00 | 21.00 | 22.00 | 16.00 | 16.00 | 16.00 |
| Water Treatment | * | * | * | * | * | * | * |
| Wastewater Treatment | * | * | * | * | * | * | * |
| Sewer Collection | * | * | * | * | * | * | * |
| Gas | 16.00 | 11.00 | 12.00 | 13.00 | 12.00 | 12.00 | 12.00 |
| Solid Waste | 20.25 | 15.25 | * | * | * | * | * |
| Internal Services: | | | | | | | |
| Utility Services (Billing and Collection) | 20.00 | 19.00 | 24.00 | 25.00 | 11.00 | 11.00 | 11.00 |
| Fleet Maintenance | 5.00 | 5.00 | 5.00 | 6.00 | 4.00 | 4.00 | 4.00 |
| Total | <u>196.75</u> | <u>192.40</u> | <u>208.00</u> | <u>215.88</u> | <u>181.88</u> | <u>182.01</u> | <u>183.01</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 2005 was not readily available in this format.

Solid Waste collections are operated by Republic Servcies.

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

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------------------------------|---------|---------|---------|---------|---------|---------|
| Function/Program | | | | | | |
| Public Safety | | | | | | |
| Police Department: | | | | | | |
| Total Calls for Service | 16,000 | 16,000 | 15,000 | 14,500 | 16,400 | 16,000 |
| Motor Vehicle Accident Reports | 811 | 793 | 826 | 649 | 594 | 483 |
| Criminal Investigation Cases | 3,417 | 4,612 | 4,100 | 4,500 | 4,000 | 3,700 |
| Clearance Rate | 54% | 71% | 78% | 91% | 87.5% | 79.0% |
| Miles Patrolled | 376,000 | 407,000 | 420,000 | 410,000 | 420,000 | 420,000 |
| Fire Department | | | | | | |
| Total Emergency Responses | 1,166 | 1,261 | 1,006 | 1,031 | 1,207 | 1,256 |
| Fire Calls | 63 | 88 | 88 | 95 | 68 | 65 |
| Rescue Calls | 753 | 822 | 625 | 656 | 750 | 879 |
| Other Emergency Calls | 350 | 351 | 293 | 280 | 389 | 312 |
| Average Response Time (Minutes) | 3:28 | 3:36 | 3:57 | 4:04 | 3:47 | 4:00 |
| Public Works | | | | | | |
| Streets/Cemetery: | | | | | | |
| Loads of Loose Debris Picked up | 1,077 | 959 | 537 | 615 | 656 | 723 |
| Number of bags of leaves/yard waste or tons* | 33,602 | 22,565 | 13,292 | 11,983 | 189* | 419 |
| Graves Opened/Closed | 44 | 30 | 32 | 31 | 31 | 34 |
| Number of street locations patched | 133 | 142 | 298 | 227 | 198 | 190 |
| Other work orders (signs, grass cutting, etc.) | 1,069 | 1,828 | 1,551 | 1,474 | 1,720 | 2,068 |
| Special Facilities - Community Center | | | | | | |
| Number of Events- Community Center | 331 | 342 | 334 | 300 | 274 | 256 |
| Number of Events- Cultural Arts Center | - | - | 185 | 327 | 476 | 550 |
| Internal - Fleet Maintenance | | | | | | |
| Number of vehicle service/repairs | 1,018 | 973 | 1,012 | 742 | 683 | 586 |

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

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------------------------------|---------|---------|---------|---------|---------|---------|
| Utilities (Business-Type Activities) | | | | | | |
| Water Distribution: | | | | | | |
| New Taps/Meters Installed | 567 | 631 | 598 | 175 | 85 | 64 |
| Leaks Repaired | 422 | 431 | 551 | 407 | 567 | 614 |
| Total Number of Water Customers - Year End | 13,328 | 13,930 | 14,094 | 14,015 | 14,006 | 14,058 |
| Water Plants - Average Daily Production (mgd)* | 3.87 | 4.37 | 3.55 | 3.775 | 3.913 | 3.86 |
| Sewer Plants- Average Daily Treatment (mgd)* | 1.42 | 1.22 | 1.24 | 1.63 | 2.13 | 1.68 |
| Sewer Collection - New Taps | 385 | 70 | 90 | 33 | 22 | 7 |
| Total Number of Sewer Customers - Year End | 4,563 | 4,760 | 4,780 | 4,732 | 4,741 | 4,778 |
| Gas: | | | | | | |
| New Meters Installed | 273 | 301 | 263 | 158 | 72 | 56 |
| Leaks Repaired | 65 | 72 | 240 | 235 | 422 | 90 |
| New Gas Line Run (ft) | 20,262 | 10,666 | 72,859 | 32,816 | 8,059 | 31,800 |
| Total Number of Gas Customers- Year End | 5,084 | 5,380 | 5,419 | 5,443 | 5,481 | 5,525 |
| Solid Waste: | | | | | | |
| Tons of Garbage Collected | 7,561 | 6,341 | 6,584 | 6,330 | 7,485 | 7,512 |
| Total Number of Customers - Year End | 5,195 | 5,447 | 5,447 | 5,398 | 5,386 | 5,406 |
| Utility Services (Billing and Collection): | | | | | | |
| Number of bills processed, sent and collected | 175,309 | 180,525 | 187,709 | 188,493 | 188,430 | 188,868 |

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 = millions gallons per day

Most utility 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. FY 2010 and forward totals for water, gas, and sewer include inactive

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

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|----------------------------------------|--------|--------|--------|--------|----------|--------|
| Public Safety | | | | | | |
| Police Department: | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 |
| Precincts | 2 | 2 | 2 | 2 | 2 | 2 |
| Number of Police Vehicles | 34 | 36 | 40 | 53 | 53 | 52 |
| Fire Department: | | | | | | |
| Stations | 2 | 2 | 2 | 2 | 2 | 2 |
| Pumpers | 3 | 3 | 3 | 3 | 3 | 3 |
| Ladder/Rescue | 2 | 2 | 3 | 2 | 2 | 2 |
| Public Works | | | | | | |
| Streets: | | | | | | |
| Miles of Streets | 107 | 112 | 114 | 114 | 114 | 114 |
| Number of Refuse Collection Trucks | 3 | 3 | 4 | 7 | 7 | 7 |
| Cemetery: | | | | | | |
| Acres in Cemetery | 27 | 27 | 27 | 27 | 27 | 27 |
| Special Facilities | | | | | | |
| Community Center | | | | | | |
| Rooms available for rental | 3 | 3 | 3 | 3 | 3 | 3 |
| Cultural Arts Center/Theater | | | | | | |
| Theater and rooms available for rental | 0 | 3 | 3 | 3 | 3 | 3 |
| Internal - Fleet Maintenance | | | | | | |
| Number of Maintenance Facilities | 1 | 1 | 1 | 1 | 1 | 1 |
| Utilities (Business-Type Activities) | | | | | | |
| Water Distribution | | | | | | |
| Water Mains (Miles) | 344 | 354 | 362 | 362 | 362 | 362 |
| Fire Hydrants | 2,298 | 2,351 | 2,393 | 2,424 | 2,438 | 2,444 |
| Number of Meters-Year End | 13,328 | 13,930 | 14,094 | 14,015 | 14,722 * | 14,802 |
| Water Treatment and Supply | | | | | | |
| Number of Plants | 2 | 2 | 2 | 1 | 1 | 1 |
| Production Capacity (mgd) | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 | 5.1 |
| Purchase Contract (mgd) | 5 | 5 | 5 | 5 | 5 | 5 |
| Wastewater Treatment | | | | | | |
| Number of Plants | 2 | 2 | 2 | 2 | 2 | 2 |
| Treatment Capacity (mgd) | 3.15 | 3.15 | 5.5 | 5.5 | 5.5 | 5.5 |
| Wastewater Collection | | | | | | |
| Miles of Sewer Line | 102 | 107 | 112 | 112 | 112 | 112 |
| Number of Connections - Year End | 4,563 | 4,760 | 4,780 | 4,732 | 4,741 | 4,778 |
| Gas | | | | | | |
| Miles of gas line | 180 | 184 | 204 | 205.5 | 207.5 | 213.5 |
| Base Supply Contract (mcf per day) | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Number of Meters-Year End | 5,084 | 5,380 | 5,419 | 5,443 | 5,879 * | 5,904 |
| Solid Waste Collection | | | | | | |
| Number of Garbage Trucks | 5 | 5 | 0 | 0 | 0 | 0 |
| Number of Service Accounts - Year End | 5,195 | 5,447 | 5,447 | 5,398 | 5,386 | 5,406 |
| Miscellaneous | | | | | | |
| Approximate City Land Area (sq miles) | 11 | 13 | 13 | 13 | 13 | 13 |

Note: mgd = million gallons per day
mcf = thousand cubic feet
Capital Asset Statistics were not available in this format prior to FY 2006
*Modified in 2010 to include inactive meters/connections

Sanitation operations were privatized in April, 2007

Source: Various City Departments



CITY OF WINDER, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended
June 30, 2011

**Report of Independent Certified Public Accountant 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**



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

Honorable Mayor and
Members of the City Council
City of Winder, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the 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, 2011, which collectively comprise the City of Winder, Georgia's basic financial statements and have issued our report thereon dated November 11, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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

We noted certain matters involving the internal control over financial reporting that we have reported to management of the City of Winder, Georgia in a separate letter dated November 11, 2011.

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 11, 2011





**City of Winder, Georgia
Comprehensive Annual Financial Report
June 30, 2011**