

# CITY OF WINDER

Georgia



## ANNUAL FINANCIAL REPORT

For the Fiscal Year Ending June 30, 2021



***CITY OF WINDER, GEORGIA***

***Annual Financial Report***

***For the fiscal year ended June 30, 2021***

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**CITY OF WINDER, GEORGIA**  
**ANNUAL FINANCIAL REPORT**  
*For the fiscal year ended June 30, 2021*

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## Independent Auditor's Report

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

### Report on the Financial Statements

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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Winder, Georgia, as of June 30, 2021, and the respective changes in the financial position and, where applicable, cash flows thereof, and the budgetary comparison of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 3 through 15 and 75 through 85, 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.

### *Other Information*

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 combining and individual fund financial statements and schedules, and the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, the schedule of projects financed with special purpose local option sales tax, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2022, on our consideration of the City of Winder, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant 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 results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Winder's internal control over financial reporting and compliance.

*Rushton, LLC*

Certified Public Accountants

Gainesville, Georgia  
May 16, 2022



## 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 City's financial statements.

### Financial Highlights

The assets and deferred outflows of resources of the City of Winder's governmental activities and business-type activities exceeded its liabilities and deferred inflows of resources at the close of the current fiscal year by \$132.6 million. Of this amount, \$26.1 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

The City's unrestricted cash and cash equivalents at the end of FY 2021 were approximately \$30.2 million, an increase of \$12 million from FY 2020. The increase is primarily attributable to capital asset purchases and construction projects that were deferred in part as the result of supply chain delays.

The primary government's total net position increased by \$15.3 million during FY 2021, as revenues of \$51.3 million exceeds expenses of \$36 million. Governmental activities contributed \$3.5 million and business-type activities contributed \$11.8 million of the overall increase in net position.

At June 30, 2021, the governmental funds reported combined ending fund balances of \$6.8 million, an increase of \$2.2 million from the prior year. The increase is primarily due to capital asset purchases and construction projects that were deferred in part as the result of supply chain delays in the SPLOST Fund. Approximately \$1.8 million or 26.2% of the ending fund balance is available for spending at the government's discretion (unassigned fund balance).

General Fund unassigned fund balance at June 30, 2021, was approximately \$1.8 million, or 11.6% of total fund expenditures.

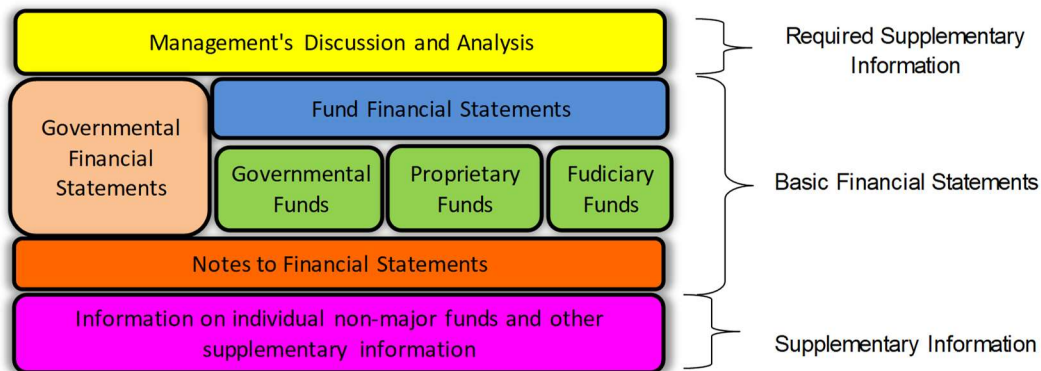
Enterprise (business-type) fund unrestricted net position at June 30, 2021 was \$27.6 million, or 133.6% of total enterprise fund expenses.

The City pays up to 90% of health insurance for the City of Winder's fulltime employees in addition to dental, short term disability, long term disability, and life insurance for the employees. In FY 21, premiums paid by the City were \$1.9 million, which was an increase of approximately 1.77% over FY 2020.

The City had approximately \$27.6 million in revenue bonds, notes, and capital leases outstanding at the end of the current fiscal year, which is a decrease of about \$2.4 million from the prior year. The City's net pension liability increased by approximately \$946,000 from prior year.

## Report Layout

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



The Annual Financial Report 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 Position, a Statement of Activities, fund financial statements and the notes to the financial statements. Statements of Net Position 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 Position* 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 net investment in capital assets, 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 funds are presented in their own columns and the five 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 position, revenues, expenses and changes in net position, 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 City buildings. Costs of the internal service funds are charged to the applicable funds. The combined internal service funds' net position, revenues, expenses, and changes in net position are presented 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.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information about the City's defined benefit pension plan and other post-employment benefits plan.
  - **Other Supplementary Information.** Readers desiring additional information on nonmajor funds can find it in the Combining Statements of Nonmajor 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 nonmajor funds are presented here. These statements include combining balance sheets and statements of revenues, expenditures and changes in fund balances.
    - Budgetary comparison information for nonmajor governmental funds, excluding the Capital Project Funds, and schedules of General Fund revenues and expenditures are presented here.
    - 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 position, revenues, expenses, and changes in net position, and cash flows.
    - Internal Service Funds Statements. The City has two internal service funds that are presented in the combining statements of net position, revenues, expenses, and changes in net position, and cash flows.
    - Special Purpose Local Option Sales Tax reports complete the Financial Section of this report.
  - **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 position may serve over time as a useful indicator of the City's financial position. In the case of the City of Winder, assets exceeded liabilities by \$132.6 million at the close of Fiscal Year 2021.

The component of net position, which may be used to meet the City's ongoing obligations to its citizens and creditors, is unrestricted in the amount of \$26.2 million or 19.7%. Another component of the City's net position is net investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment); less any related debt used to acquire those assets that is still outstanding, which comprises \$102.6 million or 76.7%. The City uses these capital assets to provide services to its citizens, and consequently these assets are not available for future spending. Although the City's net investment in 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.

An additional portion of the City's net position, \$4.8 million or 3.6% represents resources that are subject to external restrictions on how they may be used and debt service.

### Statement of Net Position at June 30, 2021 and 2020

	Net Position at Year-End					
	(in thousands of dollars)					
	Governmental Activities		Business-Type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
Cash and Investments	\$ 5,818	\$ 4,596	\$ 24,338	\$ 18,009	\$ 30,156	\$ 22,605
Current Assets	2,295	1,575	6,855	3,641	9,150	5,216
Capital Assets	28,212	27,354	102,226	101,217	130,438	128,571
Total Assets	36,325	33,525	133,419	122,867	169,744	156,392
Deferred Outflows of Resources	2,215	2,023	895	826	3,110	2,849
Current Liabilities	1,992	2,251	3,446	2,266	5,438	4,517
Other Liabilities	48	-	939	1,323	987	1,323
Noncurrent Liabilities	9,950	9,926	22,273	24,430	32,223	34,356
Total Liabilities	11,990	12,177	26,658	28,019	38,648	40,196
Deferred Inflows of Resources	997	1,316	623	434	1,620	1,750
Net Position:						
Net Investment in Capital Assets	22,821	22,172	78,756	76,311	101,577	98,483
Restricted	4,126	1,348	697	540	4,823	1,888
Unrestricted	(1,393)	(1,466)	27,579	18,388	26,186	16,922
Total Net Position	\$ 25,554	\$ 22,054	\$ 107,032	\$ 95,239	\$ 132,586	\$ 117,293

## Statement of Activities for the Fiscal Year Ended June 30, 2021 and 2020

### Governmental and Proprietary Activities For Fiscal Year Ending June 30, 2021 & 2020

(in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
<b>Program Revenue</b>						
Charges for Services	\$ 918	\$ 877	\$ 33,852	\$ 30,637	\$ 34,770	\$ 31,514
Operating Grants and Contributions	1,694	22	-	-	1,694	22
Capital Grants and Contributions	3,411	4,205	1,525	3,114	4,936	7,319
<b>General Revenues</b>						
Taxes	9,091	8,219	-	-	9,091	8,219
Other	622	330	136	148	758	478
<b>Total Revenues</b>	<b>15,736</b>	<b>13,653</b>	<b>35,513</b>	<b>33,899</b>	<b>51,249</b>	<b>47,552</b>
<b>Expenses (Including Indirect Cost)</b>						
<b>Governmental Activities</b>						
General Government	677	1,390	-	-	677	1,390
Judicial	247	276	-	-	247	276
Public Safety	7,633	7,813	-	-	7,633	7,813
Public Works	3,073	3,307	-	-	3,073	3,307
Recreation	25	9	-	-	25	9
Housing and Development	1,012	867	-	-	1,012	867
<b>Business-Type Activities</b>	<b>139</b>	<b>-</b>	<b>23,151</b>	<b>21,855</b>	<b>23,290</b>	<b>21,855</b>
<b>Total Expenses</b>	<b>12,806</b>	<b>13,662</b>	<b>23,151</b>	<b>21,855</b>	<b>35,957</b>	<b>35,517</b>
<b>Excess (Deficiencies) Before Transfers</b>						
	<b>2,930</b>	<b>(9)</b>	<b>12,362</b>	<b>12,044</b>	<b>15,292</b>	<b>12,035</b>
Transfers	569	1,770	(569)	(1,770)	-	-
<b>Change in Net Position</b>	<b>3,499</b>	<b>1,761</b>	<b>11,793</b>	<b>10,274</b>	<b>15,292</b>	<b>12,035</b>
<b>Beginning Net Position (restated)</b>	<b>22,054</b>	<b>20,293</b>	<b>95,239</b>	<b>84,965</b>	<b>117,293</b>	<b>105,258</b>
<b>Ending Net Position</b>	<b>\$ 25,553</b>	<b>\$ 22,054</b>	<b>\$ 107,032</b>	<b>\$ 95,239</b>	<b>\$ 132,585</b>	<b>\$ 117,293</b>

### Governmental Activities

Governmental activities increased the City of Winder's net position by approximately \$3.5 million. The City's transfers into governmental activities from business-type activities decreased by approximately \$1.2 million from FY 2020 due to an increase in sales tax revenue and general government operating grants and contributions. Fire District taxes, sales taxes, and business taxes and other revenue provided 58.1% of the total governmental revenues and covered 61.8% of governmental expenses. Program revenues provided 36.9% of total governmental revenues and covered 39.3% of governmental expenses. Transfers from other funds covered more than the other 3.7% of governmental expenses. The City's revenues from governmental activities are impacted by the general economy and local businesses.

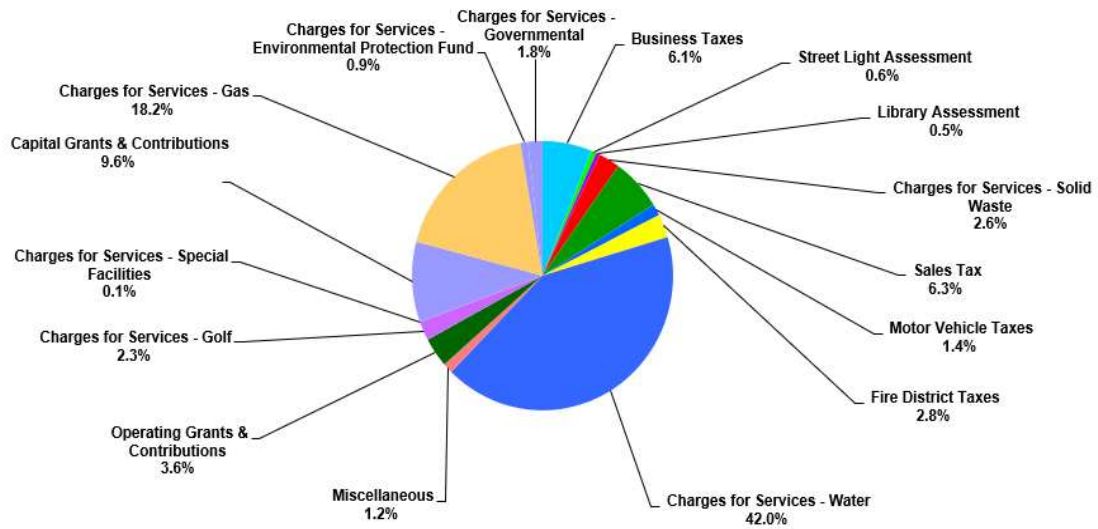
The most significant governmental expense for the City is providing Public Safety services, such as Fire and Police protection, which comprised 49.8% of the total governmental expenses. Revenues collected from a variety of sources offset public safety expenses, with the largest being the Fire District Tax. The second largest cost for the City is Public Works, totaling 20.1% of governmental expenses.

## Business-type Activities

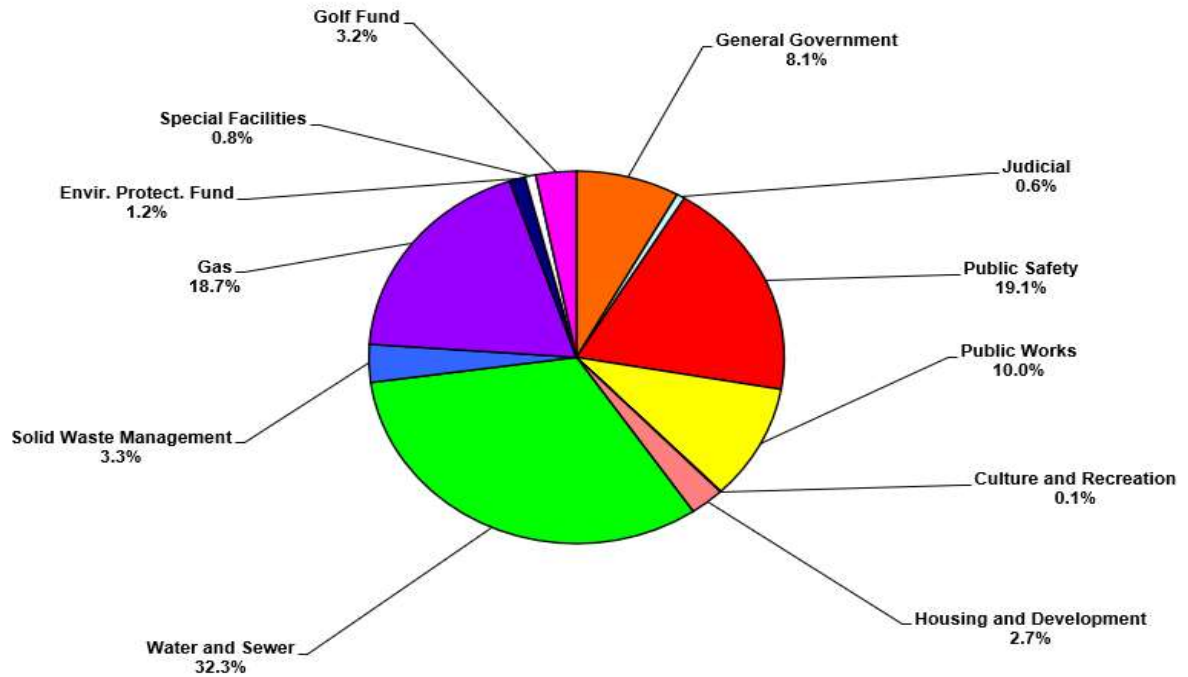
Business-type activities increased the City of Winder's net position by approximately \$11.8 million. The amounts paid by the users of the systems were approximately \$35.4 million while the cost of all business-type activities was \$20.6 million. Additionally, idle cash earned approximately \$54,000.

- The charges for services in the Water and Sewer Fund increased by approximately \$2.4 million, which was due in part to additional gallons of water consumed by our citizens. Tap-on fees increased by approximately \$202,000 due to more taps being sold. Water and sewer expenses decreased by approximately \$720,000. Water and Sewer Fund net position increased \$8.6 million.
- In the Gas Fund, charges for services increased by approximately \$638,000 and tap-on fees increased by \$74,000. Gas expenses increased by approximately \$1 million due mostly to an increase in the cost of sales and service of \$1.4 million. Gas Fund net position increased approximately \$2.2 million.
- In the Solid Waste Fund, charges for services increased approximately \$27,000 and expenses increased by approximately \$392,000. There was no transfer to Governmental Fund, a decrease of 100% compared to the prior year. The net position increased by approximately \$106,000.
- The Environmental Protection Fund, revenues decreased by \$57,000. Expenses decreased by approximately \$27,000, primarily due to decrease of salaries to this fund. Transfers from the Governmental Funds increased by \$112,000. Net position increased by \$441,500.
- Special Facilities Fund revenues decreased by approximately \$37,000 and expenses decreased by approximately \$77,000. Transfers from the Governmental Funds decreased by approximately \$933,000 due primarily to limited activities in the fund in fiscal year 2021. The fund reported an increase in net position of approximately \$481,000.
- Fiscal year 2021 was the seventh full year of City ownership for the Chimneys Golf Course. Charges for services at the golf course increased by approximately \$236,000 while expenses increased by approximately \$129,000. There was no transfer to General Fund, a decrease of 100% compared to the prior year. The Golf Fund's net position decreased by \$42,000.

## REVENUES BY SOURCE – GOVERNMENT-WIDE ACTIVITY



## EXPENSES BY FUNCTION – GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding

## Financial Analysis of the Government's Funds

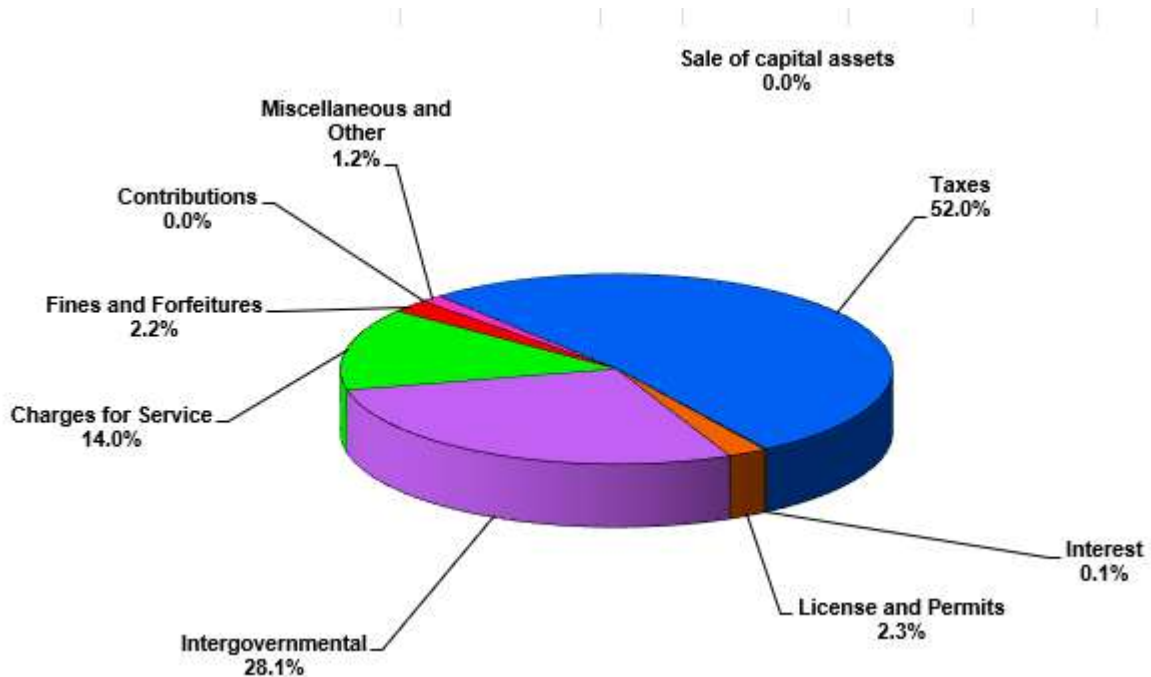
As noted earlier, the City of Winder employs fund accounting to ensure and demonstrate compliance with finance-related legal requirements and financial reporting requirements.

**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 2021, the City's governmental funds reported combined ending fund balances of approximately \$6.8 million, an increase of \$2.2 million. The City reported approximately \$1.8 million in unassigned fund balance and \$976,000 in nonspendable fund balance. Nonspendable fund balance is mainly attributable to the General Fund loaning money, through an advance, to the Environmental Protection Fund and the Buildings Fund. The City believes that those funds will repay the General Fund within the next 10 to 20 years. 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 in previous years, the City of Winder levied no property tax (except for fire services) 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 \$1.8 million.

### REVENUES BY SOURCE-GOVERNMENTAL FUNDS



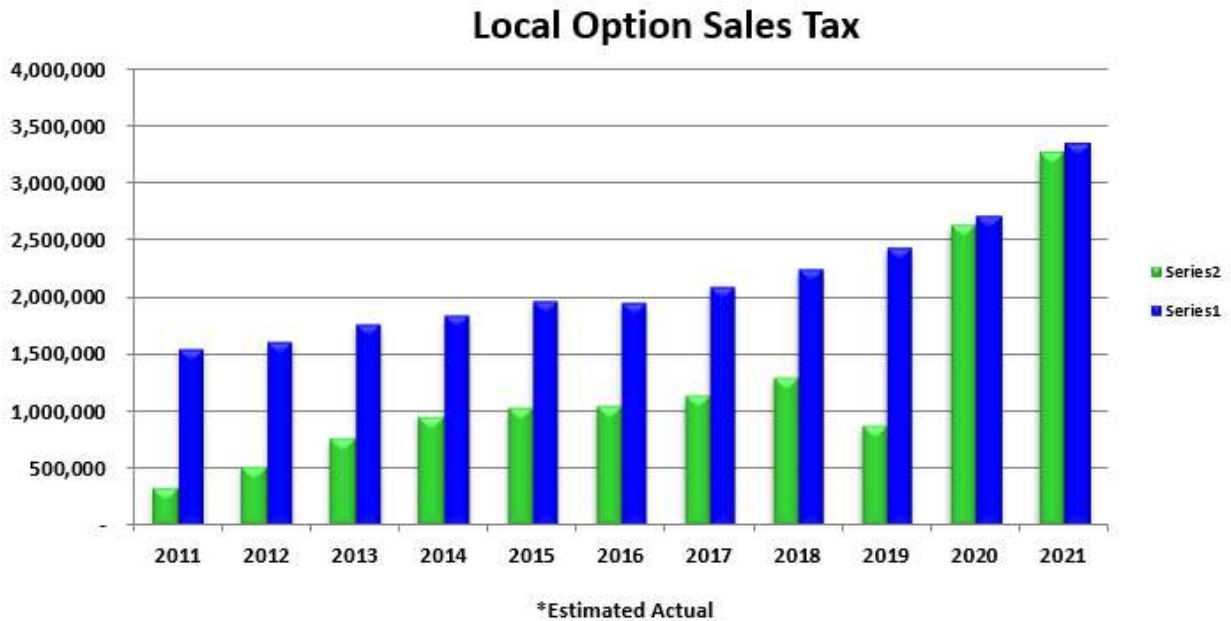
Note: Graph may not equal 100% due to rounding



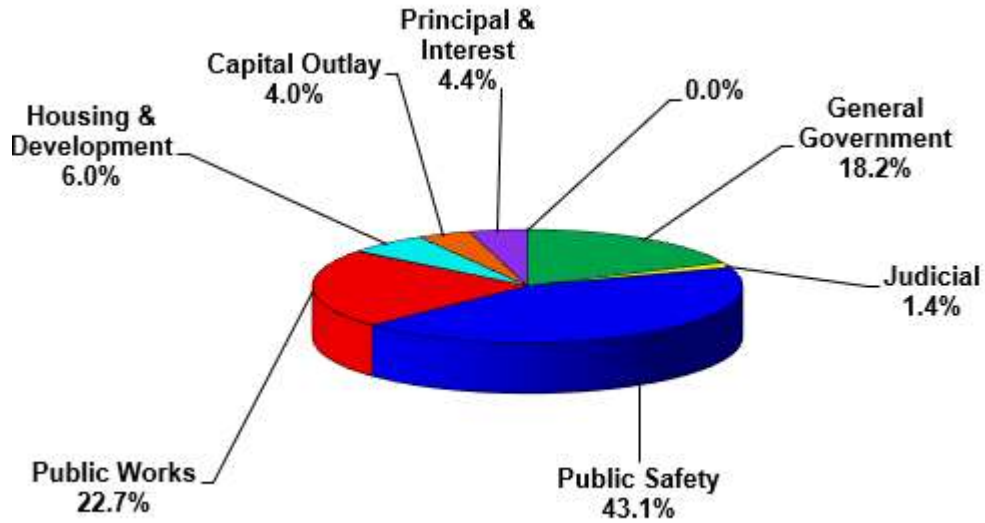
The City's governmental funds operating revenues (excluding indirect cost allocation) increased approximately \$3.5 million from the prior year. Tax collections increased by approximately \$1.5 million or 18%. Intergovernmental revenues increased by approximately \$2.4 million. This increase is due to CARES grant received in fiscal year 2021 as well as an increase in SPLOST revenue.

The Capital Projects Fund accounts for the Special Purpose Local Option Sales Taxes received by the City which is authorized by voter referendum. During FY 2019, the City began receiving 2018 SPLOST revenue. Fiscal year 2021 was the second full year of 2018 SPLOST collections of approximately \$3.3 million.

Shown here is a graph of sales tax revenues received in the past 11 years:



## EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding

Expenditures in the governmental funds were \$16.8 million, a decrease of \$1.7 million over the prior year. The City recognized approximately \$674,000 million for capital outlay expenditures and \$734,000 in debt service expenditures. Expenditures of the City General Fund were \$15.4 million, a \$322,000 decrease over the prior year.

**Proprietary Funds** - The City's proprietary funds provide the same type of information found in the government-wide financial statements, however in more detail. Operating revenues decreased by approximately \$231,000. Total proprietary funds operating expenses decreased by approximately \$231,000 in FY 2021.

### Budgetary Highlights

General Fund operating revenues (excluding indirect cost allocation) were approximately \$2.2 million more than budgeted. Tax revenues came in over budget by approximately \$2.3 million. Combined taxes were over budget primarily due to increases in motor vehicles taxes and sales taxes. Intergovernmental revenues were over budget by approximately \$691,000 which was primarily attributable to the CARES grant.

General Fund expenditures were \$3.6 million less than budgeted. Personnel costs were under budget by approximately \$981,000, contract services expenditures were under budget by approximately \$762,000, supplies expenditures were approximately \$237,000 under budget, and capital outlay was approximately \$258,000 over budget.

## Capital Assets and Debt Administration

### Capital Assets

As of June 30, 2021, the City has invested \$130.4 million (net of depreciation) in capital assets reflected in the following table.

	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	\$ 3,206	\$ 3,206	\$ 6,793	\$ 6,750	\$ 9,999	\$ 9,956
Buildings & Improvements	8,656	7,154	9,742	9,849	18,398	17,003
Plant & System	-	-	76,763	76,391	76,763	76,391
Infrastructure	13,008	13,499	-	-	13,008	13,499
Furniture & Equipment	401	546	744	677	1,145	1,223
Vehicles	901	1,047	666	726	1,567	1,773
Intangibles	18	24	-	-	18	24
Work In Progress	2,020	1,878	7,516	6,824	9,536	8,702
	<u>\$ 28,210</u>	<u>\$ 27,354</u>	<u>\$ 102,224</u>	<u>\$ 101,217</u>	<u>\$ 130,434</u>	<u>\$ 128,571</u>

The following table reconciles the change in capital assets.

	Governmental Activities	Business- Type Activities	Totals
Beginning Balance	\$ 27,354	\$ 101,217	\$ 128,571
Additions	717	3,018	3,735
Reductions	(1,763)	(2,009)	(3,772)
Depreciation	1,902	(2)	1,900
Ending Balance	<u>\$ 28,210</u>	<u>\$ 102,224</u>	<u>\$ 130,434</u>

Capital asset additions to governmental activities amounted to over \$3.9 million, which included the continued construction of the Wilkins Trail, completed construction of the City Records Building, along with additions to new construction in progress for FDR Miles Patrick Rd. Depreciation increased total capital assets by about \$1.2 million.

Business-type additions to capital assets amounted to over \$7 million. The Water and Sewer Fund continued construction on various system improvements including the relocation and upgrade of water and sewer lines for GDOT projects along Highway 316. The Gas Fund completed the Smith Mill Road gas main extension. The Gas Fund continues the relocation and upgrade of gas lines for GDOT projects along Highway 316. SPLOST funds were used to continue the construction of the Jug Tavern Park upgrades which was donated to the Special Facilities Fund. Depreciation increased business-type capital assets by \$4 million.

Notes 8 and 9 to the financial statements include more detailed information on capital asset activities.

## Debt Outstanding

As of year-end, the City had \$27.8 million in debt outstanding compared to \$30.3 million last year. This includes \$3.1 million due within one year. The following table presents a comparison of debts outstanding:

	<b>Totals</b>	
	<b>2021</b>	<b>2020</b>
<b>Governmental:</b>		
Capital Leases	\$ 5,026	\$ 5,620
Compensated Absences	220	245
Sub-total	<u>5,246</u>	<u>5,865</u>
<b>Business-type:</b>		
Capital Leases	\$ 3,869	\$ 4,332
Notes	9,730	10,090
Water and Sewer Bonds	8,966	9,985
Compensated Absences	66	72
Sub-total	<u>22,631</u>	<u>24,479</u>
<b>Total</b>	<u>\$ 27,877</u>	<u>\$ 30,344</u>

The large increase in debt was from the City's issuance of refunding revenue bonds in the amount of approximately \$8 million in the Water and Sewer fund.

Notes 9, 10, and 11 to the financial statements include 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. The City continues to benefit from a strong economy; however, the City stays focused on maintaining 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 2022 budget was developed and adopted to reflect conservative revenue figures, and the following indicators were considered:

- The City's FY 2021-2022 General Fund Budget increased by approximately \$887,000, or 4.7%, from the FY 2020-2021 General Fund Budget; and increased by approximately \$618,000, or 3.5%, over the FY 2019-2020 General Fund Budget.
- The City will assess each single residential and standard commercial parcel in the City of Winder \$32 to fund the Winder Library. The City will also assess multifamily parcels \$32 per Equivalent Residential Unit. Barrow County will bill and collect this assessment on the property tax bills and will remit the funds back to the City less the collection fee charged by the Barrow County Tax Commissioner. The City converted the fire district tax of 3 mills to a maintenance and operations tax of 6 mills. As the funds are received from Tax Commissioner, the City will remit up to \$240,000 to the Winder Library. Amounts received in excess of \$240,000 will be used to maintain the Winder Library building located at 189 Bellview Street.
- The Winder Downtown Development Authority will be funded with \$500,000, which will be accounted for by the City of Winder.

- The Gas Fund is expected to have a decrease of approximately \$1.3 million primarily due to a decrease in construction as compared to FY 2021.
- The Water and Sewer Fund is estimated to increase due to a significant reservoir capital project and other infrastructure repairs and maintenance.
- The General Fund is expected to decrease by approximately \$883,000 due to using SPLOST proceeds to purchase capital and for construction.
- The Hotel Motel Fund revenues are expected to decrease in FY 2022 due to the continued impact of the COVID pandemic, however, not as much in larger cities that depend on tourism. Because of the major construction projects that are underway, the hotels have been utilized by the many contractors in the area.
- The City of Winder assumes that all capital purchases will be acquired with proceeds from debt or revenues that exceed expenditures.
- In the FY 2021-2022 budget, the City's number of full-time authorized positions increased by 3.5 and part-time authorized positions decreased by 6.
- The City's total cost of personal services is 20.6% of the total operating budget. The FY 2022 budget reflects a 7% increase in insurance and a 1.5% increase for the employees. The merit raises will only be considered if the economic conditions allow for it.

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:

Chief Financial Officer  
 City of Winder  
 P O Box 566  
 25 East Midland Avenue  
 Winder, Georgia 30680  
 770-867-3106

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***BASIC FINANCIAL STATEMENTS***

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Downtown Development Authority
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 5,818,081	\$ 24,338,006	\$ 30,156,087	\$ 488
Investments	0	2,211,110	2,211,110	0
Restricted assets				
Cash and cash equivalents	0	1,103,691	1,103,691	0
Receivables (net)				
Accounts	20,480	2,914,835	2,935,315	13,576
Taxes	600,784	0	600,784	0
Intergovernmental	1,396,630	0	1,396,630	0
Prepaid items	3,083	15,568	18,651	0
Inventories	0	883,748	883,748	0
Internal balances	273,740	(273,740)	0	0
Total current assets	<u>8,112,798</u>	<u>31,193,218</u>	<u>39,306,016</u>	<u>14,064</u>
<b>Noncurrent assets</b>				
Capital assets				
Non-depreciable	5,226,581	14,309,760	19,536,341	0
Depreciable (net)	22,985,943	87,916,020	110,901,963	0
Total noncurrent assets	<u>28,212,524</u>	<u>102,225,780</u>	<u>130,438,304</u>	<u>0</u>
<b>Total assets</b>	<u>36,325,322</u>	<u>133,418,998</u>	<u>169,744,320</u>	<u>14,064</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows related to pensions	1,980,063	773,690	2,753,753	0
Deferred outflows related to other post employment benefits	235,824	117,913	353,737	0
Deferred charges on refunding	0	2,940	2,940	0
<b>Total deferred outflows of resources</b>	<u>2,215,887</u>	<u>894,543</u>	<u>3,110,430</u>	<u>0</u>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Payables				
Accounts	828,779	1,596,939	2,425,718	14,064
Retainages	207,706	14,479	222,185	0
Sales tax	0	15,012	15,012	0
Interest	10,951	0	10,951	0
Accrued salaries and payroll liabilities	100,151	42,089	142,240	0
Compensated absences	198,020	59,810	257,830	0
Unearned revenue	0	30,798	30,798	0
Due to others	37,535	0	37,535	0
Other current liabilities	48,138	939	49,077	0
Notes payable	0	719,957	719,957	0
Capital lease payable	608,500	474,381	1,082,881	0
Liabilities payable from restricted assets				
Customer deposits payable	0	385,838	385,838	0
Interest payable	0	20,517	20,517	0
Bonds payable	0	1,024,023	1,024,023	0
Total current liabilities	<u>2,039,780</u>	<u>4,384,782</u>	<u>6,424,562</u>	<u>14,064</u>



**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Downtown Development Authority</b>
<b>Noncurrent liabilities</b>				
Compensated absences	\$ 22,002	\$ 6,646	\$ 28,648	\$ 0
Notes payable	0	9,010,054	9,010,054	0
Capital lease payable	4,418,281	3,395,034	7,813,315	0
Bonds payable	0	7,942,000	7,942,000	0
Net OPEB liability	254,759	127,380	382,139	0
Net pension liability	5,255,909	1,791,787	7,047,696	0
	<u>9,950,951</u>	<u>22,272,901</u>	<u>32,223,852</u>	<u>0</u>
<b>Total noncurrent liabilities</b>	<u>9,950,951</u>	<u>22,272,901</u>	<u>32,223,852</u>	<u>0</u>
<b>Total liabilities</b>	<u>11,990,731</u>	<u>26,657,683</u>	<u>38,648,414</u>	<u>14,064</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred gain on refunding	0	266,316	266,316	0
Deferred inflows related to pensions	829,546	273,411	1,102,957	0
Deferred inflows related to other post employment benefits	167,215	83,609	250,824	0
	<u>996,761</u>	<u>623,336</u>	<u>1,620,097</u>	<u>0</u>
<b>Total deferred inflows of resources</b>	<u>996,761</u>	<u>623,336</u>	<u>1,620,097</u>	<u>0</u>
<b>NET POSITION</b>				
Net investment in capital assets	22,820,551	78,756,233	101,576,784	0
Restricted for:				
Public Safety	117,128	0	117,128	0
Culture and Recreation	9,920	0	9,920	0
Capital projects	3,999,498	0	3,999,498	0
Debt service	0	697,336	697,336	0
Unrestricted	(1,393,380)	27,578,953	26,185,573	0
	<u>25,553,717</u>	<u>107,032,522</u>	<u>132,586,239</u>	<u>0</u>
<b>Total net position</b>	<u>\$ 25,553,717</u>	<u>\$ 107,032,522</u>	<u>\$ 132,586,239</u>	<u>\$ 0</u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
For the fiscal year ended June 30, 2021

FUNCTIONS/PROGRAMS	Program Revenues					Net (Expense) Revenue
	Expenses	Indirect Costs	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary government</b>						
Governmental activities						
General Government	\$ 3,188,955	\$ (2,511,600)	\$ 206,120	\$ 0	\$ 170,562	\$ (300,673)
Judicial	247,414	0	0	0	0	(247,414)
Public Safety	7,633,452	0	426,145	941,940	1,023,372	(5,241,995)
Public Works	3,072,888	0	11,400	0	1,705,620	(1,355,869)
Culture and Recreation	25,110	0	0	751,608	511,686	1,238,184
Housing and Development	1,011,651	0	274,816	0	0	(736,835)
Interest on long-term debt	138,629	0	0	0	0	(138,629)
Total governmental activities	15,318,099	(2,511,600)	918,481	1,693,548	3,411,239	(6,783,231)
Business-type activities						
Water and Sewer	11,599,421	1,223,300	21,500,585	0	1,525,202	10,203,066
Gas	6,168,299	926,100	9,337,941	0	0	2,243,542
Solid Waste Management	1,110,194	137,300	1,353,670	0	0	106,176
Environmental Protection	424,620	44,300	473,430	0	0	4,510
Special Facilities	294,687	24,100	30,070	0	0	(288,717)
Golf	1,041,996	156,500	1,156,399	0	0	(42,097)
Total business-type activities	20,639,217	2,511,600	33,852,095	0	1,525,202	12,226,480
Total primary government	35,957,316	0	34,770,576	1,693,548	4,936,441	5,443,249
<b>Component Unit</b>						
Downtown Development Authority	33,928	0	0	13,576	0	(20,352)
			<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>
<b>Change in net position</b>						
Net (expense) revenue			\$ (6,783,231)	\$ 12,226,480	\$ 5,443,249	\$ (20,352)
General revenues						
Taxes						
Fire district			1,444,235	0	1,444,235	0
Motor vehicle			710,446	0	710,446	0
Street light assessment			323,852	0	323,852	0
Library assessment			240,514	0	240,514	0
Sales			3,232,687	0	3,232,687	0
Franchise			1,035,528	0	1,035,528	0
Occupational			234,674	0	234,674	0
Insurance premium			1,154,799	0	1,154,799	0
Alcoholic beverage			478,173	0	478,173	0
Hotel/Motel			236,221	0	236,221	0
Other			374,681	0	374,681	0
Interest			17,890	54,090	71,980	0
Net increase (decrease) in the fair value of investments			0	81,923	81,923	0
Miscellaneous			229,817	0	229,817	0
Transfers			569,424	(569,424)	0	0
Total general revenues and transfers			10,282,941	(433,411)	9,849,530	0
Change in net position			3,499,710	11,793,069	15,292,779	(20,352)
Net position - beginning			22,054,007	95,239,453	117,293,460	20,352
Net position - ending			\$ 25,553,717	\$ 107,032,522	\$ 132,586,239	\$ 0

**CITY OF WINDER, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2021**

	General	SPLOST 2018	Nonmajor Governmental Funds	Totals
<b>ASSETS</b>				
Cash and cash equivalents	\$ 286,000	3,288,329	\$ 1,480,388	\$ 5,054,717
Receivables (net)				
Accounts	12,180	0	8,300	20,480
Taxes	575,605	0	25,179	600,784
Intergovernmental	816,107	580,523	0	1,396,630
Due from other funds	1,189,976	0	0	1,189,976
Advances to other funds	976,396	0	0	976,396
<b>Total assets</b>	<b>\$ 3,856,264</b>	<b>\$ 3,868,852</b>	<b>\$ 1,513,867</b>	<b>\$ 9,238,983</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 787,758	0	\$ 32,857	\$ 820,615
Retainage payable	128,733	26,385	52,588	207,706
Accrued salaries and payroll liabilities	100,151	0	0	100,151
Due to others	0	0	37,535	37,535
Due to other funds	0	1,171,595	18,381	1,189,976
Other liabilities	48,138	0	0	48,138
<b>Total liabilities</b>	<b>1,064,780</b>	<b>1,197,980</b>	<b>141,361</b>	<b>2,404,121</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - taxes	19,131	0	0	19,131
<b>FUND BALANCES</b>				
Nonspendable:				
Advances to other funds	976,396	0	0	976,396
Restricted	9,767	2,670,872	1,364,713	4,045,352
Assigned	0	0	7,793	7,793
Unassigned	1,786,190	0	0	1,786,190
<b>Total fund balances</b>	<b>2,772,353</b>	<b>2,670,872</b>	<b>1,372,506</b>	<b>6,815,731</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 3,856,264</b>	<b>\$ 3,868,852</b>	<b>\$ 1,513,867</b>	<b>\$ 9,238,983</b>

**CITY OF WINDER, GEORGIA**  
**RECONCILIATION OF THE BALANCE SHEET OF**  
**GOVERNMENTAL FUNDS TO THE**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

<b>Total fund balance - total governmental funds</b>	<b>\$</b>	<b>6,815,731</b>
Some assets are not financial resources and, therefore, are not reported in the funds.		
These are:		
Capital assets, net of accumulated depreciation		28,212,524
Long-term assets (receivables) are not available to pay current period expenditures and; therefore, are unavailable in the funds.		
		19,131
Long-term liabilities are not due and payable in the current period and are not reported in the funds.		
These are:		
Compensated absences	\$ (220,022)	
Interest payable	(10,951)	
Capital leases payable	(5,026,781)	
Net pension liability	(5,255,909)	
Net OPEB liability	<u>(254,759)</u>	(10,768,422)
Deferred outflows and inflows of resources related to pensions and other post employment benefits are applicable to future periods and, therefore, are not reported in the funds. These are:		
Deferred outflows of resources:		
Deferred outflows related to pensions	\$ 1,980,063	
Deferred outflows related to other post employment benefits	235,824	
Deferred inflows of resources:		
Deferred inflows related to pensions	(829,546)	
Deferred inflows related to other post employment benefits	<u>(167,215)</u>	1,219,126
Internal service funds are used by management to charge the costs of certain activities, such as building maintenance costs and other costs to individual funds. Assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
Internal service funds net position	\$ 8,541,174	
Less capital assets included above	<u>(8,485,547)</u>	<u>55,627</u>
Net position of governmental activities		<u><u>\$ 25,553,717</u></u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
*For the fiscal year ended June 30, 2021*

	General	SPLOST 2018	Nonmajor Governmental Funds	Totals
<b>REVENUES</b>				
Taxes	\$ 9,387,974	\$ 0	\$ 236,251	\$ 9,624,225
Licenses and permits	421,961	0	0	421,961
Fines, fees and forfeitures	365,096	0	48,470	413,566
Charges for services	2,594,524	0	0	2,594,524
Intergovernmental	1,692,693	3,263,850	246,187	5,202,730
Interest	17,890	1,049	590	19,529
Contributions	565	0	290	855
Other	229,817	0	0	229,817
<b>Total revenues</b>	<b>14,710,520</b>	<b>3,264,899</b>	<b>531,788</b>	<b>18,507,207</b>
<b>EXPENDITURES</b>				
Current				
General Government	3,063,584	0	0	3,063,584
Judicial	242,380	0	0	242,380
Public Safety	7,239,381	0	10,130	7,249,511
Public Works	3,808,779	0	0	3,808,779
Culture and Recreation	0	0	25,110	25,110
Housing and Development	946,564	0	69,567	1,016,131
Capital outlay	0	147,720	525,876	673,596
Debt service	56,251	677,842	0	734,093
<b>Total expenditures</b>	<b>15,356,939</b>	<b>825,562</b>	<b>630,683</b>	<b>16,813,184</b>
Excess (deficiency) of revenues over (under) expenditures	(646,419)	2,439,337	(98,895)	1,694,023
Other financing sources (uses)				
Transfers in	1,903,745	0	22,000	1,925,745
Transfers out	(459,000)	(743,629)	(195,260)	(1,397,889)
<b>Total other financing sources (uses)</b>	<b>1,444,745</b>	<b>(743,629)</b>	<b>(173,260)</b>	<b>527,856</b>
Net change in fund balance	798,326	1,695,708	(272,155)	2,221,879
Fund balances, July 1	1,974,027	975,164	1,644,661	4,593,852
<b>Fund balances, June 30</b>	<b>\$ 2,772,353</b>	<b>\$ 2,670,872</b>	<b>\$ 1,372,506</b>	<b>\$ 6,815,731</b>

**CITY OF WINDER, GEORGIA**  
**RECONCILIATION OF THE STATEMENT OF**  
**REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**For the fiscal year ended June 30, 2021**

**Net change in fund balances - total governmental funds** \$ 2,221,879

Amounts reported for governmental activities in the statement of activities are different 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.

Capital outlays	\$ 2,100,180	
Depreciation	(1,241,984)	858,196

In the statement of activities, the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale of capital assets increase financial resources.

Cost of assets disposed	\$ (19,410)	
Related accumulated depreciation	19,410	0

Revenues in the statement of activities that do not provide current financial resources are not in the governmental funds because they are not financial resources. (258,822)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension contributions	\$ 778,289	
Cost of benefits earned net of employee contributions	(946,824)	(168,535)

Other post employment benefits are reported in the statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

OPEB contributions	\$ 78,767	
Cost of benefits earned net of employee contributions	(33,051)	45,716

The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.

Net change in interest payable	\$ 2,303	
Debt repayments	593,162	595,465

Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds.

Change in compensated absences		25,316
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Internal service funds are used by management to charge the cost of certain activities, such as risk management and vehicle maintenance, to individual funds. Net revenue (expense) of internal service funds is reported with governmental activities.

Change in net position of internal service funds	\$ 41,568	
Subtract capital outlay included above	(41,568)	
Add depreciation expense included above	180,495	180,495

Change in net position for the governmental activities \$ 3,499,710

**CITY OF WINDER, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) AND ACTUAL**  
**For the fiscal year ended June 30, 2021**

	Budget		Actual	Variance with
	Original	Final		Final Budget
<b>REVENUES</b>				
Taxes				
Motor vehicle	\$ 348,000	\$ 348,000	\$ 710,446	\$ 362,446
Intangible	140,000	140,000	317,938	177,938
Franchise	880,300	880,300	1,035,528	155,228
Local option	2,164,400	2,164,400	3,335,470	1,171,070
Fire district	1,305,600	1,305,600	1,477,234	171,634
Street lighting assessment	337,500	337,500	337,391	(109)
Library assessment	234,700	234,700	249,578	14,878
Excise	419,000	419,000	534,916	115,916
Occupational	210,000	210,000	234,674	24,674
Insurance premium	1,095,000	1,095,000	1,154,799	59,799
Total taxes	<u>7,134,500</u>	<u>7,134,500</u>	<u>9,387,974</u>	<u>2,253,474</u>
Licenses and permits				
Alcohol licenses	100,000	100,000	127,765	27,765
Building permits	156,000	156,000	274,816	118,816
Other permits	20,600	20,600	19,380	(1,220)
Total licenses and permits	<u>276,600</u>	<u>276,600</u>	<u>421,961</u>	<u>145,361</u>
Fines, fees and forfeitures	<u>521,600</u>	<u>521,600</u>	<u>365,096</u>	<u>(156,504)</u>
Charges for services				
Indirect cost allocation	3,373,200	3,373,200	2,511,600	(861,600)
Other	66,400	66,400	82,924	16,524
Total charges for services	<u>3,439,600</u>	<u>3,439,600</u>	<u>2,594,524</u>	<u>(845,076)</u>
Intergovernmental	<u>1,001,700</u>	<u>1,001,700</u>	<u>1,692,693</u>	<u>690,993</u>
Interest	<u>50,000</u>	<u>50,000</u>	<u>17,890</u>	<u>(32,110)</u>
Contributions	<u>13,500</u>	<u>13,500</u>	<u>565</u>	<u>(12,935)</u>
Other				
Rents	92,400	92,400	91,480	(920)
Other	0	0	138,337	138,337
Total other	<u>92,400</u>	<u>92,400</u>	<u>229,817</u>	<u>137,417</u>
<b>Total revenues</b>	<u>12,529,900</u>	<u>12,529,900</u>	<u>14,710,520</u>	<u>2,180,620</u>
<b>EXPENDITURES</b>				
Current				
General Government				
Legislative	686,100	686,100	612,994	73,106
General Administration	1,137,900	1,137,900	966,470	171,430
Finance	744,600	744,600	651,012	93,588
Information Technology	755,800	755,800	533,261	222,539
Human Resources	208,900	208,900	283,617	(74,717)
General Administrative Fees	16,000	16,000	16,230	(230)
Total General Government	<u>3,549,300</u>	<u>3,549,300</u>	<u>3,063,584</u>	<u>485,716</u>
Judicial				
Municipal Court	245,900	245,900	143,122	102,778
Probation	115,600	115,600	99,258	16,342
Total Judicial	<u>361,500</u>	<u>361,500</u>	<u>242,380</u>	<u>119,120</u>
Public Safety				
Police	5,142,400	5,142,400	3,888,304	1,254,096
Fire	3,880,600	3,880,600	3,351,077	529,523
Total Public Safety	<u>9,023,000</u>	<u>9,023,000</u>	<u>7,239,381</u>	<u>1,783,619</u>
Public Works	<u>4,812,800</u>	<u>4,812,800</u>	<u>3,808,779</u>	<u>1,004,021</u>

**CITY OF WINDER, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE**  
**BUDGET (GAAP) AND ACTUAL**  
**For the fiscal year ended June 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>EXPENDITURES</b>				
Housing and Development				
Planning and Zoning	\$ 503,800	\$ 503,800	\$ 492,032	\$ 11,768
Code Enforcement	253,600	253,600	156,918	96,682
GIS	257,000	257,000	192,696	64,304
Economic Development	121,700	121,700	104,918	16,782
Total Housing and Development	<u>1,136,100</u>	<u>1,136,100</u>	<u>946,564</u>	<u>189,536</u>
Debt Service				
Principal	51,200	51,200	51,092	108
Interest	5,200	5,200	5,159	41
Total Debt Service	<u>56,400</u>	<u>56,400</u>	<u>56,251</u>	<u>149</u>
<b>Total expenditures</b>	<u>18,939,100</u>	<u>18,939,100</u>	<u>15,356,939</u>	<u>3,582,161</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,409,200)</u>	<u>(6,409,200)</u>	<u>(646,419)</u>	<u>5,762,781</u>
Other financing sources (uses)				
Transfers in (out)				
Transfers in	6,495,400	6,495,400	1,903,745	(4,591,655)
Transfers out	(816,000)	(816,000)	(459,000)	357,000
Proceeds from issuance of long term debt	729,800	729,800	0	(729,800)
Total other financing sources (uses)	<u>6,409,200</u>	<u>6,409,200</u>	<u>1,444,745</u>	<u>(4,964,455)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	798,326	798,326
Fund balances, July 1	<u>0</u>	<u>0</u>	<u>1,974,027</u>	<u>1,974,027</u>
<b>Fund balances, June 30</b>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 2,772,353</u></u>	<u><u>\$ 2,772,353</u></u>



**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2021**

	Business-Type Activities			Totals	Nonmajor Internal Service Funds
	Water and Sewer	Gas	Nonmajor Enterprise Funds		
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 21,607,508	\$ 1,969,926	\$ 645,922	\$ 24,223,356	\$ 878,014
Investments	2,211,110	0	0	2,211,110	0
Restricted assets					
Cash and cash equivalents	977,391	126,300	0	1,103,691	0
Accounts receivable (net)	2,232,646	507,785	174,404	2,914,835	0
Inventories	512,097	345,293	26,358	883,748	0
Prepaid items	332	6,836	0	7,168	11,483
Due from other funds	59,300	0	0	59,300	0
Total current assets	<u>27,600,384</u>	<u>2,956,140</u>	<u>846,684</u>	<u>31,403,208</u>	<u>889,497</u>
<b>Noncurrent assets</b>					
Advances to other funds	460,000	0	0	460,000	0
Capital assets					
Non-depreciable	8,208,917	1,683,831	4,417,012	14,309,760	296,615
Depreciable (net)	<u>76,361,582</u>	<u>5,805,033</u>	<u>5,748,638</u>	<u>87,915,253</u>	<u>8,189,699</u>
Total noncurrent assets	<u>85,030,499</u>	<u>7,488,864</u>	<u>10,165,650</u>	<u>102,685,013</u>	<u>8,486,314</u>
<b>Total assets</b>	<u>112,630,883</u>	<u>10,445,004</u>	<u>11,012,334</u>	<u>134,088,221</u>	<u>9,375,811</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pensions	508,755	180,006	84,929	773,690	0
Deferred outflows related to other post employment benefits	48,791	22,363	28,462	99,616	18,297
Deferred charge on refunding	<u>2,940</u>	<u>0</u>	<u>0</u>	<u>2,940</u>	<u>0</u>
<b>Total deferred outflows of resources</b>	<u>560,486</u>	<u>202,369</u>	<u>113,391</u>	<u>876,246</u>	<u>18,297</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Payables					
Accounts	953,385	316,394	290,200	1,559,979	45,124
Retainages	14,479	0	0	14,479	0
Sales tax	0	15,012	0	15,012	0
Accrued salaries and payroll liabilities	18,673	6,519	11,585	36,777	5,312
Compensated absences	30,176	18,708	3,904	52,788	7,022
Unearned revenue	0	0	30,798	30,798	0
Other current liabilities	0	939	0	939	0
Advances from other funds	0	0	176,870	176,870	82,187
Capital leases payable	474,381	0	0	474,381	0
Notes payable	719,957	0	0	719,957	0
Liabilities payable from restricted assets:					
Interest	20,517	0	0	20,517	0
Customer deposits payable	259,538	126,300	0	385,838	0
Bonds payable	<u>1,024,023</u>	<u>0</u>	<u>0</u>	<u>1,024,023</u>	<u>0</u>
Total current liabilities	<u>3,515,129</u>	<u>483,872</u>	<u>513,357</u>	<u>4,512,358</u>	<u>139,645</u>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2021**

	<b>Business-Type Activities</b>				<b>Nonmajor Internal Service Funds</b>
	<b>Water and Sewer</b>	<b>Gas</b>	<b>Nonmajor Enterprise Funds</b>	<b>Totals</b>	
<b>Noncurrent liabilities</b>					
Net pension liability	\$ 1,194,525	\$ 477,810	\$ 119,452	\$ 1,791,787	\$ 0
Net OPEB liability	52,709	24,158	30,747	107,614	19,766
Compensated absences	3,353	2,079	434	5,866	780
Advances from other funds	0	0	556,870	556,870	679,769
Capital leases payable	3,395,034	0	0	3,395,034	0
Notes payable	9,010,054	0	0	9,010,054	0
Bonds payable	7,942,000	0	0	7,942,000	0
<b>Total noncurrent liabilities</b>	<b>21,597,675</b>	<b>504,047</b>	<b>707,503</b>	<b>22,809,225</b>	<b>700,315</b>
<b>Total liabilities</b>	<b>25,112,804</b>	<b>987,919</b>	<b>1,220,860</b>	<b>27,321,583</b>	<b>839,960</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred gain on refunding	266,316	0	0	266,316	0
Deferred inflows related to pensions	170,218	86,171	17,022	273,411	0
Deferred inflows related to other post employment benefits	34,596	15,857	20,182	70,635	12,974
<b>Total deferred inflows of resources</b>	<b>471,130</b>	<b>102,028</b>	<b>37,204</b>	<b>610,362</b>	<b>12,974</b>
<b>NET POSITION</b>					
Net investment in capital assets	61,312,574	7,443,397	9,999,495	78,755,466	8,486,314
Restricted for debt service	697,336	0	0	697,336	0
Unrestricted	25,597,525	2,114,029	(131,834)	27,579,720	54,860
<b>Total net position</b>	<b>\$ 87,607,435</b>	<b>\$ 9,557,426</b>	<b>\$ 9,867,661</b>	<b>\$ 107,032,522</b>	<b>\$ 8,541,174</b>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the fiscal year ended June 30, 2021**

	<b>Business-Type Activities</b>				<b>Nonmajor Internal Service Funds</b>
	<b>Water and Sewer</b>	<b>Gas</b>	<b>Nonmajor Enterprise Funds</b>	<b>Totals</b>	
<b>OPERATING REVENUES</b>					
Charges for sales and services	\$ 21,451,219	\$ 9,337,941	\$ 3,013,569	\$ 33,802,729	\$ 1,293,984
Other	49,366	0	0	49,366	0
<b>Total operating revenues</b>	<b>21,500,585</b>	<b>9,337,941</b>	<b>3,013,569</b>	<b>33,852,095</b>	<b>1,293,984</b>
<b>OPERATING EXPENSES</b>					
Costs of sales and services	7,258,245	6,135,956	2,209,238	15,603,439	706,304
Personal services	1,560,180	739,397	727,909	3,027,486	402,585
Depreciation	3,479,416	219,046	296,550	3,995,012	185,095
<b>Total operating expenses</b>	<b>12,297,841</b>	<b>7,094,399</b>	<b>3,233,697</b>	<b>22,625,937</b>	<b>1,293,984</b>
Operating income (loss)	9,202,744	2,243,542	(220,128)	11,226,158	0
Non-operating revenues (expenses)					
Interest revenue	54,072	18	0	54,090	0
Interest expense	(440,488)	0	0	(440,488)	0
Net increase (decrease) in the fair value of investments	81,923	0	0	81,923	0
Debt issue costs	(81,225)	0	0	(81,225)	0
Gain (loss) on the sale of capital assets	(3,167)	0	0	(3,167)	0
<b>Total non-operating revenues (expenses)</b>	<b>(388,885)</b>	<b>18</b>	<b>0</b>	<b>(388,867)</b>	<b>0</b>
Net income (loss) before capital contributions and transfers	8,813,859	2,243,560	(220,128)	10,837,291	0
Capital contributions	1,525,202	0	0	1,525,202	0
Net income (loss) before transfers	10,339,061	2,243,560	(220,128)	12,362,493	0
Transfers in (out)					
Transfers in	28,607	0	1,206,573	1,235,180	41,568
Transfers out	(1,804,604)	0	0	(1,804,604)	0
<b>Total transfers in (out)</b>	<b>(1,775,997)</b>	<b>0</b>	<b>1,206,573</b>	<b>(569,424)</b>	<b>41,568</b>
Change in net position	8,563,064	2,243,560	986,445	11,793,069	41,568
Net position, July 1	79,044,371	7,313,866	8,881,216	95,239,453	8,499,606
<b>Net position, June 30</b>	<b>\$ 87,607,435</b>	<b>\$ 9,557,426</b>	<b>\$ 9,867,661</b>	<b>\$ 107,032,522</b>	<b>\$ 8,541,174</b>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the fiscal year ended June 30, 2021

	<b>Business-Type Activities</b>			<b>Totals</b>	<b>Nonmajor Internal Service Funds</b>
	<b>Water and Sewer</b>	<b>Gas</b>	<b>Nonmajor Enterprise Funds</b>		
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 21,424,564	\$ 9,547,577	\$ 3,068,594	\$ 34,040,735	\$ 0
Receipts from interfund services provided	0	0	0	0	1,293,984
Payments to suppliers	(7,021,333)	(6,181,360)	(2,177,649)	(15,380,342)	(704,435)
Payments to employees	(1,461,821)	(745,939)	(738,938)	(2,946,698)	(433,605)
Other receipts	49,366	0	0	49,366	0
<b>Net cash provided (used) by operating activities</b>	<b>12,990,776</b>	<b>2,620,278</b>	<b>152,007</b>	<b>15,763,061</b>	<b>155,944</b>
<b>Cash flows from non-capital financing activities:</b>					
Receipts from other funds	0	0	504,512	504,512	0
Payments to other funds	(1,863,904)	0	(136,870)	(2,000,774)	(22,887)
<b>Net cash provided (used) by non-capital financing activities</b>	<b>(1,863,904)</b>	<b>0</b>	<b>367,642</b>	<b>(1,496,262)</b>	<b>(22,887)</b>
<b>Cash flows from capital and related financing activities:</b>					
Receipts from other funds	28,607	0	702,061	730,668	41,568
Payment of capital related accounts payable	(84,297)	(369,203)	(45,000)	(498,500)	0
Acquisition of capital assets	(1,414,537)	(294,589)	(1,136,925)	(2,846,051)	(41,568)
Interest paid	(932,520)	0	0	(932,520)	0
Proceeds from issuance of bonds	8,095,000	0	0	8,095,000	0
Principal payments - bonds	(8,460,000)	0	0	(8,460,000)	0
Principal payments - capital lease payable	(462,953)	0	0	(462,953)	0
Principal payments - notes payable	(359,975)	0	0	(359,975)	0
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(3,590,675)</b>	<b>(663,792)</b>	<b>(479,864)</b>	<b>(4,734,331)</b>	<b>0</b>
<b>Cash flows from investing activities:</b>					
Interest received	54,072	18	0	54,090	0
Purchases of investments	(6,415)	0	0	(6,415)	0
<b>Net cash provided (used) by investing activities</b>	<b>47,657</b>	<b>18</b>	<b>0</b>	<b>47,675</b>	<b>0</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,583,854</b>	<b>1,956,504</b>	<b>39,785</b>	<b>9,580,143</b>	<b>133,057</b>
Cash and cash equivalents, July 1	15,001,045	139,722	606,137	15,746,904	744,957
<b>Cash and cash equivalents, June 30</b>	<b>\$ 22,584,899</b>	<b>\$ 2,096,226</b>	<b>\$ 645,922</b>	<b>\$ 25,327,047</b>	<b>\$ 878,014</b>

**CITY OF WINDER, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the fiscal year ended June 30, 2021

	Business-Type Activities			Totals	Nonmajor Internal Service Funds
	Water and Sewer	Gas	Nonmajor Enterprise Funds		
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ 9,202,744	\$ 2,243,542	\$ (220,128)	\$ 11,226,158	\$ 0
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	3,479,416	219,046	296,550	3,995,012	185,095
(Increase) decrease in accounts receivable	(3,755)	17,916	66,987	81,148	0
(Increase) decrease in intergovernmental receivable	0	207,094	0	207,094	0
(Increase) decrease in prepaids items	64,462	360	0	64,822	3,084
(Increase) decrease in inventories	(82,542)	(45,609)	13,149	(115,002)	0
(Increase) decrease in deferred outflows of resources	(42,904)	11,578	(74,593)	(105,919)	40,119
Increase (decrease) in accounts payable	254,992	(717)	18,440	272,715	(1,215)
Increase (decrease) in other unearned revenue	0	0	(11,962)	(11,962)	0
Increase (decrease) in accrued salaries	(32,113)	(17,610)	(20,681)	(70,404)	(12,018)
Increase (decrease) in sales tax payable	0	562	0	562	0
Increase (decrease) in other current liabilities	0	(2,644)	0	(2,644)	0
Increase (decrease) in net pension liability	238,395	22,626	73,690	334,711	(90,915)
Increase (decrease) in net OPEB liability	(17,916)	(6,308)	7,205	(17,019)	(5,160)
Increase (decrease) in deferred inflows of resources	(51,400)	(18,185)	13,685	(55,900)	37,745
Increase (decrease) in compensated absences	4,297	1,357	(10,335)	(4,681)	(791)
Increase (decrease) in customer deposits payable	(22,900)	(12,730)	0	(35,630)	0
Total adjustments	3,788,032	376,736	372,135	4,536,903	155,944
Net cash provided (used) by operating activities	\$ 12,990,776	\$ 2,620,278	\$ 152,007	\$ 15,763,061	\$ 155,944
<b>Cash reconciliation:</b>					
Cash and cash equivalents	\$ 21,607,508	\$ 1,969,926	\$ 645,922	\$ 24,223,356	\$ 878,014
Restricted assets					
Cash and cash equivalents	977,391	126,300	0	1,103,691	0
Total cash and cash equivalents	\$ 22,584,899	\$ 2,096,226	\$ 645,922	\$ 25,327,047	\$ 878,014

**Noncash investing, capital, and financing activities:**

The net increase (decrease) in the fair value of investments totaled \$81,923.  
Acquisition of capital assets through accounts payable totaled \$626,243.  
Acquisition of capital assets through retainage payable totaled \$14,479.  
Contributions of capital assets from individuals totaled \$1,525,202.  
Contributions of capital assets from governmental activities totaled \$19,410.

**CITY OF WINDER, GEORGIA**  
**MUNICIPAL COURT CUSTODIAL FUND**  
**STATEMENT OF FIDUCIARY NET POSITION**  
*June 30, 2021*

**ASSETS**

Cash and cash equivalents	\$ 32,918
Accounts receivable (net)	<u>283,675</u>
 Total assets	 <u>316,593</u>

**LIABILITIES**

Accounts payable	<u>32,918</u>
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**NET POSITION**

Restricted for judicial	<u><u>\$ 283,675</u></u>
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**CITY OF WINDER, GEORGIA**  
**MUNICIPAL COURT CUSTODIAL FUND**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the fiscal year ended June 30, 2021**

<b>ADDITIONS</b>	
Fines and forfeitures collected for other governments	\$ 170,907
<b>DEDUCTIONS</b>	
Distributions of fines and forfeitures to other governments	<u>163,875</u>
Change in net position	7,032
Net position, July 1	<u>276,643</u>
<b>Net position, June 30</b>	<u><u>\$ 283,675</u></u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**1. Description of Government Unit**

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

**2. Summary of Significant Accounting Policies**

**A. Description of Government-wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business- type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**B. Reporting Entity**

As required by generally accepted account principles, the financial statements of the reporting entity include those of the City of Winder, Georgia (the primary government) and any component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component unit discussed below is included in the City's reporting entity because of the significance of its operation and financial relationship with the City. In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board (GASB) No. 61 "The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34," the City's relationships with other governments and agencies have been examined.



**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**B. Reporting Entity, continued**

The financial statements of the component unit have been included as a discretely presented component unit.

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 fiscal year end, 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 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. The Authority does not issue separate financial statements.

**C. Basis of Presentation – Government-wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. The effect of interfund activity has been eliminated from the government-wide financial statements. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Downtown Development Authority is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**D. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

**General Fund** - The general operating fund of the City is used to account for all financial resources not accounted for and reported in another fund.

**SPLOST 2018 Fund** – This fund is used to account for long-term projects financed by the passage of the 2018 special purpose local option sales tax.

The City reports the following major proprietary funds:

**Water and Sewer Fund** - This fund is used to account for operations of the water and sewer systems of the City. The system supplies water and sewer service to residents and commercial users in the City and Barrow County.

**Gas Fund** - This fund is used to account for the distribution and sale of natural gas in the City as well as the counties of Barrow, Walton, and Oconee.

Additionally, the City reports the following fund types:

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**D. Basis of Presentation – Fund Financial Statements, continued**

**Governmental Fund Types**

**Special Revenue Funds** - These funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditures for specific purposes.

**Capital Projects Funds** - These funds are used to account for financial resources to be used for the acquisition or construction of capital facilities (other than those financed by the proprietary funds).

**Proprietary Fund Types**

**Enterprise Funds** - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

**Internal Service Funds** – These funds are used to account for goods and services provided by one department to other departments or funds on a cost reimbursement basis. The City's internal service funds are used to account for utility services provided and building maintenance costs.

**Fiduciary Fund Types**

**Custodial Funds** – Custodial Funds are fiduciary in nature and are accounted for using the accrual basis of accounting. These funds are used to account for assets that are collected and disbursed by the City of behalf of parties outside the government. The City has a custodial fund to account for the activity of the Municipal Court.

**Component Units**

The Winder Downtown Development Authority is accounted for using a current financial resources measurement focus and uses the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**D. Basis of Presentation – Fund Financial Statements, continued**

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. Certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

**E. Measurement Focus and Basis of Accounting**

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Summary of Significant Accounting Policies (continued)**

**E. Measurement Focus and Basis of Accounting, continued**

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end).

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The custodial fund is reported using the economic resources measurement focus and the accrual basis of accounting.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**F. Revenues and Expenditures/Expenses**

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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

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 of the Water and Sewer and Solid Waste Funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services 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.

**G. Budgets and Budgetary Accounting**

The City Council adopts an annual operating budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the City Council when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted by the passage of a resolution.

During May of each year, the Mayor submits a proposed operating budget to the City Council for the fiscal year beginning July 1. The operating budget includes proposed expenditures and the resources to finance them. Public hearings are conducted during this time to obtain citizen comments. Prior to July 1, the Mayor presents the final budget to the City Council to be legally enacted through the budget resolution.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**G. Budgets and Budgetary Accounting, continued**

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. The budget officer is permitted to transfer appropriations within a department. All operating budget transfers between functions and subsequent budgetary amendments must be approved by City Council. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year-end. The City does not use the encumbrance system of accounting.

**H. Cash and Investments**

Cash and cash equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents and investments with an original maturity at three months or less. Investments are reported at fair value, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, with accrued interest shown under a separate caption on the balance sheet.

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**I. Taxes Receivable**

Taxes receivable represents local option sales taxes, fire taxes, street lighting assessment taxes, library assessment taxes, and hotel/motel taxes. The fire tax is the only property tax that the City levies on real and personal property. An amount equal to the difference between year-end taxes receivable collected within sixty days after year end and the total year-end collectable taxes receivable has been recorded as deferred inflows of resources.

**J. Intergovernmental Receivables**

Receivables for state and federal grants are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

**K. Inventories**

Inventories of the proprietary funds are valued at cost on the first-in, first-out method.

**L. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond current fiscal year are recorded as prepaid items. Prepaid items in the governmental funds are accounted for using the consumption method.

**M. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.



**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**M. Capital Assets, continued**

GASB Statement No. 34 required the City to report and depreciate new infrastructure assets effective with the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the City. Neither their historical costs nor related depreciation has historically been reported in the financial statements. The City implemented the requirements for retroactive reporting of major general infrastructure assets during the fiscal year ended June 30, 2006.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition cost on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	<b>Useful Life</b>	<b>Capitalization</b>
	<b>in Years</b>	<b>Threshold</b>
Buildings	10 to 40	\$25,000
Infrastructure	5 to 60	\$25,000
Intangibles	3 to 10	\$5,000
Equipment	3 to 10	\$5,000
Furniture	3 to 10	\$5,000
Vehicles	5 to 10	\$5,000
Land	N/A	\$1

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**N. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows of resources for deferred charges on bond refunding and their defined benefit pension plans and OPEB plan. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only on the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also reports deferred inflows of resources for deferred gain on refunding and for their defined benefit pension plan and OPEB plan. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

**O. Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**P. Fund Balance Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Q. Restricted Assets and Restricted Net Position**

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

**R. Fund Balances – Governmental Funds**

In the fund financial statements, governmental funds report the following classifications of fund balance in accordance with GASB No. 54:

**Nonspendable** – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable, by the City are nonspendable in form. The City has not reported any amounts that are legally or contractually required to be maintained intact.

**Restricted** – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**R. Fund Balances – Governmental Funds, continued**

**Committed** – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City of Winder’s highest level of decision-making authority, which include the language “committed for the purpose of”. Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number, title, and date of original adoption. A resolution committing amounts must be adopted prior to the end of the fiscal year; however, the amount to be committed may be determined within 60 days of fiscal year-end.

**Assigned** – includes amounts that the City intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the City’s adopted policy, amounts may be assigned by the City Administrator, under the authorization of the City Council, through a written memorandum. Amounts appropriated to eliminate a projected deficit in the subsequent fiscal year’s budget shall constitute assignments and are documented by adoption of the City’s annual operating budget. The City Administrator has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance. Assignments must be adopted prior to the end of the fiscal year.

**Unassigned** – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report positive amounts this category of fund balance.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**2. Summary of Significant Accounting Policies (continued)**

**S. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. Bond insurance costs are accounted for as prepayments and are amortized over the life of the bonds using the straight-line method. Deferred charge/gain on refunding of debt is reported as a deferred outflow/inflow of resources and is amortized over the life of the refunding debt using the straight-line method.

In the fund financial statements, governmental fund types, bond premiums and discounts are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**T. Compensation for Future Absences**

It is the City's policy to allow employees to accumulate vacation time of up to 240 hours. Police and Fire Department employees are allowed to accrue up to 288 and 432 hours, respectively. Accumulated unpaid vacation pay amounts are accrued when incurred by the City in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits are accrued. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

**U. 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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**2. Summary of Significant Accounting Policies (continued)**

**V. Pension Plans**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Georgia Municipal Employees Benefit System (GMEBS) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by GMEBS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**W. 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, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

**X. 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.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**3. Deposit and Investment Risk**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that, in the event of a financial institution failure, the City's deposits may not be returned. The City investment policies require that all deposits be federally insured or fully collateralized.

**Interest Rate Risk**

The City's investment policies place no limits on the maximum maturity of investments as a means of managing its exposure to fair value losses arising from increasing interest rates.

**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 certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, and pooled investment programs of the State of Georgia. The City's policies do not establish a minimum credit rating for investments. Investments are reported at fair value.

**Concentration of Credit Risk**

City's policies place no limits on the amount they may invest in any one issuer, but require that the investment portfolio be diversified.

**Foreign Currency Risk**

The City's investment policies do not allow for investments denominated in a foreign currency.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**3. Deposit and Investment Risk (continued)**

The City participates in the State of Georgia Local Government Investment Pool. Assets in this pool are invested in Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAf rated money market funds. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board. 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 participant's shares sold and redeemed based on \$1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

Georgia Fund 1 is rated AAf by Standard & Poor's. The weighted average maturity at the end of the current fiscal year was 36 days. At the end of the current fiscal year, the City's balance in Georgia Fund 1 was \$8,839,266.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City's investments consist of negotiable certificates of deposits. All the City's investments are valued using level 1 inputs.

**4. Property Tax**

Property tax rates are set by the City Council each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for fiscal year 2021, based upon the assessments of January 1, 2020, were levied August 3, 2020, billed on September 15, 2020, and due on November 11, 2020. Taxes are billed and collected by Barrow County and remitted to the City.



**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**5. Accounts Receivable**

Net accounts receivable at the end of the current fiscal year consist of the following:

<b>Major Funds</b>		
General	\$ 12,853	
Less: Allowance for Uncollectible	<u>(673)</u>	\$ 12,180
Water & Sewer	2,232,646	
Gas	<u>507,785</u>	2,740,431
<b>Nonmajor Funds</b>		
<b>Governmental</b>		
Police Escrow		8,300
<b>Enterprise</b>		
Solid Waste Management	159,150	
Environmental Protection	9,825	
Special Facilities	1,829	
Golf	<u>3,600</u>	<u>174,404</u>
Total primary government		<u>\$ 2,935,315</u>
Municipal Court Custodial Fund		<u>\$ 283,675</u>

**6. Intergovernmental Receivables**

Intergovernmental receivables at the end of the current fiscal year consist of the following:

<b>Major Funds</b>	
General	\$ 816,107
SPLOST 2018	<u>580,523</u>
Total primary government	<u>\$ 1,396,630</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**7. Interfund Receivables, Payables, and Transfers**

A summary of interfund receivables and payables at the end of the current year is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	SPLOST 2018	\$ 1,171,595
	Nonmajor Governmental	18,381
	Nonmajor Enterprise	273,740
	Internal Service	702,656
Water and Sewer	Nonmajor Enterprise	460,000
	Internal Service	59,300
		<u>\$ 2,685,672</u>

The balance reported as Due to/Due from represent loans between the borrower fund and the lender fund. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

The General Fund advanced the Environmental Protection Fund \$1,368,702 for past operating expenses. The Environmental Protection Fund will repay the General Fund \$136,870 for 10 years. The balance at the end of the current fiscal year is \$273,740.

The General Fund advanced the Building Fund \$885,144 for the purchase and renovations to the building at 25 E Midland Ave., Winder, GA to relocate the police and administrative offices. The Building Fund will repay the General Fund over 40 years which is the estimated useful life of the building. The balance at the end of the current fiscal year is \$702,656.

The Water Fund advanced the Golf Fund \$600,000 for the purchase of the Chimneys Golf Course. The Golf Fund will repay the Water Fund \$20,000 a year for 30 years. The balance at the end of the current fiscal year is \$460,000.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**7. Interfund Receivables, Payables, and Transfers (continued)**

A summary of interfund transfers is as follows:

<u>Transfer out Fund</u>	<u>Transfer in Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 22,000
	Nonmajor Enterprise	437,000
SPLOST 2018	Nonmajor Enterprise	702,061
	Internal Service	41,568
Water and Sewer	General	1,804,604
Nonmajor Governmental	General	99,141
	Water and Sewer	28,607
	Nonmajor Enterprise	67,512
		<u>\$ 3,202,493</u>

Interfund transfers were used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

Transfers from the SPLOST 2018 fund to the Buildings Internal Service fund were for SPLOST expenditures associated with a building asset that is held in the Buildings Internal Service fund.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2021**

**8. Capital Assets**

Capital asset activity for the primary government for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities</b>				
Non-depreciable assets				
Land	\$ 3,206,434	\$ 0	\$ 0	\$ 3,206,434
Construction in progress	1,877,666	1,905,876	(1,763,395)	2,020,147
Total non-depreciable assets	<u>5,084,100</u>	<u>1,905,876</u>	<u>(1,763,395)</u>	<u>5,226,581</u>
Depreciable assets				
Buildings	8,668,064	1,722,140	0	10,390,204
Intangibles	27,301	0	0	27,301
Vehicles	5,606,398	152,802	(19,410)	5,739,790
Furniture and equipment	4,137,506	41,503	0	4,179,009
Infrastructure	36,119,865	41,254	0	36,161,119
Total depreciable assets	<u>54,559,134</u>	<u>1,957,699</u>	<u>(19,410)</u>	<u>56,497,423</u>
Accumulated depreciation				
Buildings	(1,514,260)	(219,143)	0	(1,733,403)
Intangibles	(2,882)	(6,370)	0	(9,252)
Vehicles	(4,559,403)	(298,384)	19,410	(4,838,377)
Furniture and equipment	(3,591,635)	(186,200)	0	(3,777,835)
Infrastructure	(22,620,726)	(531,887)	0	(23,152,613)
Total accumulated depreciation	<u>(32,288,906)</u>	<u>(1,241,984)</u>	<u>19,410</u>	<u>(33,511,480)</u>
Total depreciable assets, net	<u>22,270,228</u>	<u>715,715</u>	<u>0</u>	<u>22,985,943</u>
Governmental activities capital assets, net	<u>\$ 27,354,328</u>	<u>\$ 2,621,591</u>	<u>\$ (1,763,395)</u>	<u>\$ 28,212,524</u>
<b>Business-type activities</b>				
Non-depreciable assets				
Land	\$ 6,749,739	\$ 43,934	\$ 0	\$ 6,793,673
Construction in progress	6,824,275	2,697,886	(2,006,074)	7,516,087
Total non-depreciable assets	<u>13,574,014</u>	<u>2,741,820</u>	<u>(2,006,074)</u>	<u>14,309,760</u>
Depreciable assets				
Buildings	12,404,432	222,139	0	12,626,571
Vehicles	1,867,015	113,926	(55,950)	1,924,991
Distribution system	138,018,991	3,726,069	0	141,745,060
Furniture and equipment	3,027,100	233,505	0	3,260,605
Total depreciable assets	<u>155,317,538</u>	<u>4,295,639</u>	<u>(55,950)</u>	<u>159,557,227</u>
Accumulated depreciation				
Buildings	(2,554,913)	(328,800)	0	(2,883,713)
Vehicles	(1,141,670)	(170,002)	52,783	(1,258,889)
Distribution system	(61,628,578)	(3,353,455)	0	(64,982,033)
Furniture and equipment	(2,349,807)	(166,765)	0	(2,516,572)
Total accumulated depreciation	<u>(67,674,968)</u>	<u>(4,019,022)</u>	<u>52,783</u>	<u>(71,641,207)</u>
Total depreciable assets, net	<u>87,642,570</u>	<u>276,617</u>	<u>(3,167)</u>	<u>87,916,020</u>
Business-type activities capital assets, net	<u>\$ 101,216,584</u>	<u>\$ 3,018,437</u>	<u>\$ (2,009,241)</u>	<u>\$ 102,225,780</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Capital Assets (continued)**

Depreciation expense was charged to functions/programs as follows:

**Primary Government**

**Governmental activities**

General Government	\$	114,082
Public Safety		325,916
Public Works		613,999
Housing and Development		7,492
Internal Service		180,495
Total depreciation expense for governmental activities	\$	1,241,984

**Business-type activities**

Water & Sewer	\$	3,479,416
Gas		219,046
Solid Waste		5,605
Environmental Protection		88,610
Special Facilities		135,337
Golf		66,998
Internal Service		4,600
Total depreciation expense for business-type activities	\$	3,999,612

	<b>Primary Government</b>	
	<b>Governmental Activities</b>	<b>Business-type Activities</b>
Current year depreciation expense	\$ 1,241,984	\$ 3,999,612
Prior accumulated depreciation on assets added through transfer to enterprise funds from Governmental Activities	0	19,410
Additions to accumulated depreciation	\$ 1,241,984	\$ 4,019,022

**9. Capital Lease Agreements**

The City has entered into agreements for the lease of certain equipment. The terms of the agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balances of these leases at the end of the current fiscal year, are \$5,026,781 and \$3,869,415 for governmental and business-type activities, respectively.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Capital Lease Agreements (continued)**

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments at the end of the current fiscal year:

<b>Year Ending June 30,</b>	<b>Governmental Activities</b>	<b>Business-type Activities</b>
2022	\$ 734,694	\$ 570,055
2023	734,694	562,080
2024	708,851	562,080
2025	677,842	562,080
2026	678,842	562,080
2027-2030	<u>2,046,044</u>	<u>1,423,894</u>
Total minimum lease payments	5,580,967	4,242,269
Less amounts representing interest	<u>(554,186)</u>	<u>(372,854)</u>
Present value of minimum lease payments	<u><u>\$ 5,026,781</u></u>	<u><u>\$ 3,869,415</u></u>

Below is a schedule of assets held under capital lease:

	<b>Governmental Activities</b>		<b>Business-type Activities</b>	
	<b>Cost</b>	<b>Accumulated Depreciation</b>	<b>Cost</b>	<b>Accumulated Depreciation</b>
Construction in progress	\$ 0	\$ 0	\$ 2,477,480	\$ 0
Buildings	0	0	7,108,216	354,991
Vehicles and equipment	<u>484,464</u>	<u>171,549</u>	<u>0</u>	<u>0</u>
Total assets under capital leases	<u><u>\$ 484,464</u></u>	<u><u>\$ 171,549</u></u>	<u><u>\$ 9,585,696</u></u>	<u><u>\$ 354,991</u></u>

Amortization of leased equipment under capital leases is included in depreciation expense.

The City's lease agreements, other than such agreements described above, are relatively minor commitments (generally for office machines) and are in compliance with state law.

**CITY OF WINDER, GEORGIA**  
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**10. Long-Term Debt**

**Revenue Bonds**

Revenue bonds issued for business-type activities are comprised of the following individual issues at the end of the current fiscal year:

On February 21, 2012, the City issued Winder-Barrow Industrial Authority Revenue Refunding Bonds, Series 2012 due at various dates ending December 1, 2029 with various yields ranging from 2.00% to 5.00%. The proceeds from this refunding were to pay off a GEFA note in the amount of \$15,711,640. The Series 2012 Bonds are secured by a pledge of the City's full faith and credit and taxing powers and will not expire as long as the Series 2012 Bonds remain outstanding and unpaid. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The outstanding balance at the end of the current fiscal year is \$810,000. The Series 2012 bonds were partially advance refunded during fiscal year 2021. See Note 12 for more information.

On January 19, 2021, the City issued Public Facilities Authority Taxable Refunding Revenue Bonds, Series 2021 in the amount of \$8,095,000, due at various dates ending December 1, 2029 with a yield of 1.49%. The proceeds from this refunding were to pay off the Series 2012 Refunding Revenue Bonds. The Series 2021 Bonds are secured by a pledge of the City's full faith and credit and taxing powers and will not expire as long as the Series 2021 Bonds remain outstanding and unpaid. Upon an event of default, all outstanding principal and accrued interest may be declared immediately due and payable. The outstanding balance at the end of the current fiscal year is \$8,095,000.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**10. Long-Term Debt (continued)**

**Revenue Bonds, continued**

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 963,000	\$ 135,676	\$ 1,098,676
2023	971,000	111,102	1,082,102
2024	978,000	86,582	1,064,582
2025	994,000	81,890	1,075,890
2026	1,012,000	66,946	1,078,946
2027-2030	3,987,000	115,363	4,102,363
Total	<u>\$ 8,905,000</u>	<u>\$ 597,559</u>	<u>\$ 9,502,559</u>

**Notes from Direct Borrowings**

**Business-type Activities**

Notes from Direct Borrowings issued for business-type activities are comprised of the following individual issues at the end of the current fiscal year:

The City entered into an agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$3,000,000 for improvements to the City's water and sewer system. Collateral for this obligation is the City's full faith and credit and revenue-raising power (including its taxing power). Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 120 months; interest at 0.70%. Monthly installments began on August 1, 2016 (\$1,700,325 outstanding). In the event of default on this obligation or any other outstanding debt obligation greater than \$100,000, the timing of repayment of outstanding principal and accrued interest may be declared immediately due and payable. In response to the COVID-19 pandemic, GEFA allowed the City to defer all principal and interest payments on this note for six months beginning on July 1, 2020 through December 31, 2020 with payments resuming January 1, 2021.



**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**10. Long-Term Debt (continued)**

**Notes from Direct Borrowings, continued**

**Business-type Activities (continued)**

The City entered into a second agreement with the Georgia Environmental Finance Authority (GEFA) in the amount of \$9,000,000 to finance the costs of constructing a 6.7 million gallons per day raw water intake, and transmission main that will deliver water from Fort Yargo Lake to the Highway 53 water treatment plant. Collateral for this obligation is the City's full faith and credit and revenue-raising power (including its taxing power). Monthly installments of principal and interest are due beginning on the first day of the calendar month following the date that the loan is fully disbursed (the Amortization Commencement Date) for 120 months; interest at 0.89%. Monthly installments began on September 1, 2018 (\$8,029,686 outstanding). In the event of default on this obligation or any other outstanding debt obligation greater than \$100,000, the timing of repayment of outstanding principal and accrued interest may be declared immediately due and payable. In response to the COVID-19 pandemic, GEFA allowed the City to defer all principal and interest payments on this note for six months beginning on July 1, 2020 through December 31, 2020 with payments resuming January 1, 2021.

Annual debt service requirements to maturity for notes from direct borrowings are as follows:

<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	719,957	80,701	\$ 800,658
2023	727,286	74,828	802,114
2024	733,208	68,906	802,114
2025	739,178	62,936	802,114
2026	745,198	56,916	802,114
2027-2031	2,424,715	213,552	2,638,267
2032-2036	2,345,960	111,060	2,457,020
2037-2039	1,294,509	15,902	1,310,411
Total	<u>\$ 9,730,011</u>	<u>\$ 684,801</u>	<u>\$ 10,414,812</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Long-Term Liabilities**

**Changes in Long-Term Liabilities**

The following is a summary of changes in long-term liabilities of the City for the current fiscal year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Capital lease obligations	\$ 5,619,943	\$ 0	\$ (593,162)	\$ 5,026,781	\$ 608,500
Compensated absences	245,338	254,259	(279,575)	220,022	198,020
Total Governmental Activities	<u>\$ 5,865,281</u>	<u>\$ 254,259</u>	<u>\$ (872,737)</u>	<u>\$ 5,246,803</u>	<u>\$ 806,520</u>
<b>Business-type Activities</b>					
Revenue bonds	\$ 9,270,000	\$ 8,095,000	\$ (8,460,000)	\$ 8,905,000	\$ 963,000
Premium on bonds	715,183	0	(654,160)	61,023	61,023
Revenue bonds, net	9,985,183	8,095,000	(9,114,160)	8,966,023	1,024,023
Capital lease obligations	4,332,368	0	(462,953)	3,869,415	474,381
Notes from direct borrowings	10,089,986	0	(359,975)	9,730,011	719,957
Compensated absences	71,928	75,325	(80,797)	66,456	59,810
Total Business-type Activities	<u>\$ 24,479,465</u>	<u>\$ 8,170,325</u>	<u>\$ (10,017,885)</u>	<u>\$ 22,631,905</u>	<u>\$ 2,278,171</u>

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. Compensated absences are liquidated by those funds that have salary and wage expenditures. The total interest incurred and charged to expense during the current fiscal year was \$138,629 for governmental activities and \$440,488 for business-type activities.

**12. Bond Refunding**

On January 19, 2021, the City issued \$8,095,000 in Water and Sewerage Refunding Revenue Bonds, Series 2021, with an interest rate of 1.49%. The Series 2021 bonds were issued to partially advance refund \$7,675,000 of outstanding Series 2012 Bonds. Net proceeds of \$8,095,000 (\$8,176,225 original issue less \$81,225 in underwriting fees, insurance, and other costs of issuance) was wired from Regions Bank to refund the outstanding bonds.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$266,316. This difference, reported in the financial statements as deferred inflows of resources-deferred gain on refunding, is being charged to operations through the year 2031 using the effective interest method. The City completed the current refunding to reduce its total debt service payments over the next 5 years by \$886,916 and to obtain an economic gain (the difference between the present value of the old debt and new debt service payments) of \$829,625.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. Nonspendable, Restricted, and Assigned Fund Balances**

The following is a summary of restricted, and assigned fund balances of the governmental funds for the current fiscal year are as follows:

	<u>General</u>	<u>2018 SPLOST</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Nonspendable:</b>				
Advances to other funds	\$ 976,396	\$ 0	\$ 0	\$ 976,396
<b>Restricted for:</b>				
Law enforcement	\$ 0	\$ 0	\$ 117,128	\$ 117,128
City festivals	0	0	153	153
Library	9,767	0	0	9,767
Capital projects	0	2,670,872	1,247,432	3,918,304
	<u>\$ 9,767</u>	<u>\$ 2,670,872</u>	<u>\$ 1,364,713</u>	<u>\$ 4,045,352</u>
<b>Assigned for:</b>				
Promoting trade and tourism	\$ 0	\$ 0	\$ 7,793	\$ 7,793

**14. Net Investment in Capital Assets**

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows at the end of the current fiscal year:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Cost of capital assets	\$ 61,724,004	\$ 173,866,987
Accumulated depreciation	(33,511,480)	(71,641,207)
Book value	28,212,524	102,225,780
Notes payable	0	(9,730,011)
Capital lease payable	(5,026,781)	(3,869,415)
Bonds payable	0	(8,966,023)
Deferred charge on refunding	0	2,940
Deferred gain on refunding	0	(266,316)
Capital-related accounts payable	(157,486)	(626,243)
Retainages payable	(207,706)	(14,479)
Net investment in capital assets	<u>\$ 22,820,551</u>	<u>\$ 78,756,233</u>

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Pension Plan**

*Plan Description.* The City is a participating member of the Georgia Municipal Employees Benefit System (GMEBS), a state-wide agent, multiple-employer retirement system, administered by the Georgia Municipal Association. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The City has established provisions, which assign the authority to the City Council members to establish and amend the benefit provisions of the plan. The plan was closed to new employees on October 1, 2013.

Control over the operation and administration of the plan is vested with GMEBS along with custody of the plan assets. The plan provides that the City has no liability with respect to payments or benefits or otherwise under the plan except to pay over to GMEBS such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the City but shall be allocated to employees.

There are no loans to any of the City officials or other “party-in-interest,” and there are no prohibited transactions. The plan assets do not include any securities or investments in the City of Winder. The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained from the Plan Administrator, the Georgia Municipal Employees Benefit System.

At January 1, 2021, the date of the most recent actuarial valuation, the plan consisting of the following:

Retirees and beneficiaries currently receiving benefits	121
Terminated vested participants entitled to but not yet receiving benefits	62
Active participants	66
Total number of participants	249

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Pension Plan (continued)**

*Benefits Provided.* The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Active participants with five years of total service are eligible to retire at age 65 with no reduction in benefit. Active participants with ten years of total service are eligible to retire at age 55 with no reduction in benefit. Officials are eligible to retire at age 65 with no reduction of benefits. Officials with twenty-five years of total service are eligible to retire at age 55 with no reduction in benefit. Terminated vested participants are eligible for early retirement with reduced benefits based on the early retirement reduction table at age 55 with 10 years of service. The benefit formula is 2.00% after a ten-year cliff vesting period. On March 2, 2007, the Solid Waste department was privatized and those who were employed in this department with at least five years of credited service were considered vested in the plan, notwithstanding the ten-year requirement otherwise applicable under the Plan.

*Contributions.* Employees make no contributions to the plan. The City is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. The City's actuarially determined contribution rate for the current the fiscal year was \$1,043,562 or 32.07% of covered payroll. The Council provides for the benefits and funding policy through City ordinance and maintains the authority to change the policy. The administrative expenses set by contract with GMEBS are in addition to the state-required annual funding requirement. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

*Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.* At the end of the current fiscal year, the City reported a net pension liability of \$7,047,696. The net pension liability was measured as of September 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021. During the current fiscal year, the City recognized pension expense of \$1,305,324. Net pension liability for governmental activities is liquidated by the General Fund.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Pension Plan (continued)**

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 864,584	\$ (321,913)
Changes of assumptions	449,414	0
Changes in participant fund allocation	570,122	(570,122)
Net difference between projected and actual earnings on pension plan investments	0	(210,922)
City contributions subsequent to the measurement date	869,633	0
Totals	<u>\$ 2,753,753</u>	<u>\$ (1,102,957)</u>

The \$869,633 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

<b>Year Ending June 30</b>	
2022	\$ 783,850
2023	(633)
2024	77,548
2025	(79,602)
Totals	<u>\$ 781,163</u>

*Actuarial Assumptions.* The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Projected salary increases	2.25% plus service-based merit increases
Cost of living adjustments	0.00%
Net investment rate of return	7.375%

**CITY OF WINDER, GEORGIA**  
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**15. Pension Plan (continued)**

Healthy mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

The mortality and economic actuarial assumptions used in the January 1, 2021 valuation were based on the results of an actuarial experience study for the period of January 1, 2015 through June 30, 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.40%
International equity	20%	7.05%
Real estate	10%	4.50%
Global fixed income	5%	1.25%
Domestic fixed income	20%	1.15%
Total	<u>100%</u>	

*Discount Rate.* The discount rate used to measure the total pension liability was 7.375 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2021**

**15. Pension Plan (continued)**

*Changes in Net Pension Liability*

	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(a) - (b)</b>
<b>Balances at 9/30/19</b>	\$ 23,654,767	\$ 17,553,109	\$ 6,101,658
<b>Changes for the year:</b>			
Service cost	155,280	0	155,280
Interest	1,703,034	0	1,703,034
Differences between expected and actual experience	1,729,167	0	1,729,167
Contributions—employer	0	996,453	(996,453)
Contributions—employee	0	6,685	(6,685)
Net investment income	0	1,675,230	(1,675,230)
Benefit payments, including refunds of employee contributions	(1,436,104)	(1,436,104)	0
Administrative expense	0	(36,925)	36,925
<b>Net changes</b>	<b>2,151,377</b>	<b>1,205,339</b>	<b>946,038</b>
<b>Balances at 9/30/20</b>	<b>\$ 25,806,144</b>	<b>\$ 18,758,448</b>	<b>\$ 7,047,696</b>

Plan fiduciary net position as a percentage of the total pension liability	72.69%
Covered payroll	\$ 3,661,543
Employer's net pension liability as percentage of covered payroll	192.48%

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.375 percent) or one percentage-point higher (8.375 percent) than the current rate:

	<b>Discount Rate</b>	<b>Net Pension Liability</b>
1% decrease	6.375%	\$10,309,693
Current discount rate	7.375%	7,047,696
1% increase	8.375%	4,332,524

*Plan Fiduciary Net Position.* Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.



**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**15. Pension Plan (continued)**

**Other Plans**

In addition to the plan above, various City employees are also covered under the pension plans of the Georgia Firefighters' Pension Fund and the Peace Officers' Annuity and Benefit Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

**16. Defined Contribution Plan**

The City also provides retirement benefits for its employees through a deferred compensation, defined contribution plan. The Plan was created under Internal Revenue Code Sections 457 and 401(a). Since its inception, the Plan has been administered by the Security Benefit Life Insurance Plan, an independent third party. The City began participation in the plan during fiscal year 2004. During the current fiscal year, the city changed the administrator of the Plan to The Retirement Advantage, Inc. The City Council provides for the benefits and funding policy through a City resolution and maintains the authority to change the policy. Under the terms of the Plan, employees may defer a portion of their salary through voluntary contributions to the Plan. Employees may defer a maximum of 25% of their salary, up to the maximum allowable by federal law. After completing 90 days of service, the City will contribute a maximum of 6% of an employee's compensation per year. After five years of service, the City will contribute a maximum of 8% of an employee's compensation per year. Employee and employer contributions are vested 100% at the time of contribution. Amounts held in the Plan are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the current fiscal year, the City contributed \$237,231 to the plan based on covered salaries of \$3,684,607. Plan members made voluntary contributions of \$277,137 to the plan. Total payroll was \$7,962,366.

The City has no fiduciary relationship with the plans, and plan assets are not available to the City or its general creditors. The Plan assets are held in trust by Nationwide, Inc. for the exclusive benefit of the participants of the plans.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**17. Post-Employment Benefits Other Than Pensions**

*Plan Description.* The City of Winder Other Post-Employment Benefits Plan (the “OPEB Plan”) is a defined benefit postretirement health care and prescription drug plan. The OPEB plan is administered through the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer OPEB Plan administered by the Georgia Municipal Association (GMA). The City has established provisions, which assign the authority to the City Council members to establish and amend the benefit provisions of the plan.

At January 1, 2019, the City plan membership consisted of the following:

Retirees and beneficiaries currently receiving benefits	4
Vested terminated members entitled to but not yet receiving benefits	0
Active participants	143
Total number of participants	147

*Benefits Provided.* City employees become eligible after 20 years of service. Benefits valued herein are for Retiree Medical and Prescription Drug. Life Insurance is paid in full by the City for employees that retire from active employment and is not included in the valuation. Coverage is available to retirees who have attained age 55 with 10 years of service if retired before December 31, 2012. Employees retiring after this date must attain age 60 with ten years of service. Spousal coverage is subject to the same. As of December 31, 2012, spousal coverage is no longer available under the plan. Retirees are responsible for 50% of the billed premium for the retiree and spouse.

*Contributions.* The City has elected to advance fund the OPEB Plan, as well as maintain the current costs of the OPEB Plan on a “pay-as-you-go” basis, in that claims are paid as they arise. Contributions to the plan are held in an irrevocable trust. The City Council provides for the benefits and funding policy through City resolution and maintains the authority to change the policy. The City’s contributions for the current fiscal year totaled \$125,339, or 1.62% of covered employee payroll. Net OPEB liability for governmental activities is liquidated by the General Fund.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**17. Post-Employment Benefits Other Than Pensions (continued)**

The administrative expenses set by contract with GMEBS are in addition to the state-required annual funding requirement. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The GMA issues a publicly available financial report that includes financial statements and required supplementary information for GMEBS.

*OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB.* At the end of the current fiscal year, the City reported a net OPEB liability of \$382,139. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined from actuarial valuations using data as of January 1, 2019 and measured by an actuarial valuation as of June 30, 2020. During the current fiscal year, the City recognized OPEB expense of \$57,567.

The components of the net OPEB liability are as follows:

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability (a)-(b)</b>
<b>Balances at 6/30/2019</b>	\$ 1,271,532	\$ 800,700	\$ 470,832
Changes for the year:			
Service cost	31,482	0	31,482
Interest	94,520	0	94,520
Differences between expected and actual experience	(55,386)	0	(55,386)
Contributions-employer	0	125,339	(125,339)
Net investment income	0	36,075	(36,075)
Benefit payments, including refunds of member contributions	(43,539)	(43,539)	0
Administrative expenses	0	(2,105)	2,105
Net changes	<u>27,077</u>	<u>115,770</u>	<u>(88,693)</u>
<b>Balances at 6/30/2020</b>	<u>\$ 1,298,609</u>	<u>\$ 916,470</u>	<u>\$ 382,139</u>

Plan fiduciary net position as a percentage of the total OPEB liability	70.57%
Covered employee payroll	\$ 7,228,982
Plan net OPEB liability as a percentage of covered employee payroll	5.29%

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**17. Post-Employment Benefits Other Than Pensions (continued)**

At the end of the current fiscal year, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB Plan from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of assumptions	\$ 0	\$ (193,667)
Differences between expected and actual experience	210,668	(46,155)
Differences between projected and actual earnings on OPEB plan investments	13,923	0
Changes of participant fund allocation	11,002	(11,002)
City contributions subsequent to the measurement date	118,144	0
Totals	\$ 353,737	\$ (250,824)

The \$118,144 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in OPEB expense as follows:

<b>Year Ending June 30</b>		
2022	\$	(8,551)
2023		(1,951)
2024		249
2025		2,753
2026		(7,731)
Thereafter		0
Totals	\$	(15,231)

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2021**

**17. Post-Employment Benefits Other Than Pensions (continued)**

*Actuarial Assumptions.* The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Projected salary increases	3.00 to 8.50%, including inflation
Actuarial cost method	Entry age normal
Discount rate	7.375%
Healthcare Cost Trend Rate	7.00% trended down 0.25% per anum to 4.50% by 2029
Mortality rates	Healthy mortality rates were based on sex distinct Pri-2012 head-count weighted Mortality Table with rates multiplied by 1.25, projected generationally from 2012
Amortization method	Open 30 years, level percent of payroll
Remaining amortization period	30 years
Asset valuation method	Market value

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period of January 1, 2015 through June 30, 2019.

*Development of Long-Term Rate.* The long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, to the extent that (1) the OPEB plan's fiduciary net position is projected to be sufficient to make projected benefit payments and (2) OPEB plan assets are expected to be invested using a strategy to achieve that return. Based on a projection of the plan's cash flow, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the total OPEB liability was determined using the long-term expected rate of 7.375%.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**17. Post-Employment Benefits Other Than Pensions (continued)**

The target allocation and projected arithmetic real rates of return for each major asset class included in the OPEB plan's derivation of the long-term expected investment rate of return assumption as of June 30, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	45%	6.41%
International equity	20%	6.96%
Global fixed income	5%	3.06%
Domestic fixed income	20%	1.96%
Real estate	10%	4.76%
Total	<u>100%</u>	

*Discount Rate.* The discount rate used to measure the Total OPEB liability was 7.375%. The projection of cash flows used to determine the discount rate assume that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all projected benefit payments of current plan members.

*Sensitivity of the Net OPEB Liability to Changes in the Discount Rate.* The following presents what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (6.375%) or one percentage-point higher (8.375%) than the current rate. Also, shown is the Net OPEB Liability as if it were calculated using healthcare cost trend rates that were on percentage point lower or on percentage point higher than the current healthcare trend rates:

<u>Discount Rate</u>		<u>Net OPEB Liability</u>
1% decrease	6.375%	\$ 496,094
Current discount rate	7.375%	382,139
1% increase	8.375%	282,710
<u>Healthcare Cost Trend Rates</u>		<u>Net OPEB Liability</u>
1% decrease		\$ 290,606
Current discount rate		382,139
1% increase		488,656

*OPEB Plan Fiduciary Net Position.* Detailed information about the Plan's fiduciary net position is available in the separately issued Georgia Municipal Employees Benefit System financial report.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**18. Risk Management**

**General Insurance**

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 contracted with a private insurance carrier, and is subject to various deductibles that are paid from City funds.

The City allows insurance carrier'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 contract.

The insurer is to defend and protect the City against liability or loss as prescribed in the contract and in accordance with laws of Georgia. The insurer is to pay all cost taxed against the City in any legal proceeding being defended, and all interest accruing after entry of judgement and all expenses incurred for investigation, negotiation, or defense.

**Health Insurance**

The City provides health care benefits to its active and retired employees and their dependents. The City contracted with Cigna for health care coverage. The contract is a fully insured plan.

**Workers Compensation**

The City has obtained workers' compensation insurance from a Georgia Municipal Association Group Self Insurance Workers Compensation Fund. The limits of the coverage are \$1,000,000 for each employee claim with a \$10,000 deductible.

Settled claims for the past three years have not exceeded the coverage.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2021**

**19. Hotel/Motel Lodging Tax**

The City has levied a 7% lodging tax, in accordance with Official Code of Georgia Annotated (OCGA) Section 48-13-51(4.4). A summary of the transactions for the current fiscal year, follows:

Lodging tax receipts	\$ 236,251
Disbursements to Chamber of Commerce, Festivals, and other tourism and visitor programs	\$236,220 99.99% of tax receipts

**20. Joint Ventures**

Under Georgia law, the City, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Northeast Georgia Regional Commission and is required to pay annual dues thereto. During the fiscal year, the City's dues were paid by Barrow County, which did not request reimbursement from the City. According to the RC, all dues are billed to the County and the management of the County determines if each municipality within the County should be billed pro-rata for their share of the dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the NEGRC financial statements can be obtained from the Northeast Georgia Regional Commission, 305 Research Drive, Athens, Georgia 30605.



**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**21. Related Organizations**

The City 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 these 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-Barrow Industrial Building Authority
- Winder Tree Commission
- Historic Preservation Commission
- Public Facilities Authority

**22. Commitments**

The City has committed to planning, designing, and constructing a 1.1 billion-gallon pump storage reservoir. This project will be funded by loan proceeds from GEFA. The cost of this project has not yet been determined as of the date of this report.

During fiscal year 2015, the City entered into an agreement with the City of Auburn, Georgia for the acquisition and construction of a reservoir and the associated infrastructure required so that the City may withdraw raw water from the Mulberry River, Little Mulberry River, and Rock Creek, and store the raw water in the reservoir and transmit the water to each of the City's water treatment plants. The City's portion of the project is currently estimated to cost \$20.8 million. At the end of the current fiscal year, the City has spent \$1,976,663 pertaining to this project since its inception.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
*June 30, 2021*

**23. Excess of Expenditures over Appropriations in Individual Governmental Funds for which Budgets are Adopted**

During the current fiscal year, the City incurred expenditures in the following departments that were materially in excess of the amounts appropriated.

<u>Department</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund			
Human Resources	\$ 208,900	\$ 283,617	\$ (74,717)
Hotel/Motel Tax Special Revenue Fund			
Hotel Motel	30,000	69,567	(39,567)
Police Escrow Special Revenue Fund			
State Confiscated Assets	5,000	10,130	(5,130)

Management concurs with these findings. Management will be reviewing the comparative financial statements to budget and recommend any necessary budget revisions to the City Council in a timely manner.

**24. Subsequent Events**

Subsequent to June 30, 2021, the City received \$3,349,164 of funding as part of the American Rescue Plan Act (“ARPA”) which was enacted on March 11, 2021. These funds are payments to governments and other entities designed to provide economic relief in response to the COVID-19 pandemic.

***REQUIRED SUPPLEMENTARY INFORMATION***

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**  
**(Unaudited)**

	Fiscal Year End			
	2021	2020	2019	2018
<b>Total pension liability</b>				
Service cost	\$ 155,280	\$ 159,256	\$ 148,204	\$ 173,051
Interest	1,703,034	1,671,280	1,549,264	1,506,920
Differences between expected and actual experience	1,729,167	(965,738)	350,657	268,580
Changes of assumptions	0	1,348,241	888,088	402,748
Benefit payments, including refunds of employee contributions	(1,436,104)	(1,365,515)	(1,275,242)	(1,298,321)
Net change in total pension liability	2,151,377	847,524	1,660,971	1,052,978
Total pension liability - beginning	23,654,767	22,807,243	21,146,272	20,093,294
<b>Total pension liability - ending (a)</b>	<b>\$ 25,806,144</b>	<b>\$ 23,654,767</b>	<b>\$ 22,807,243</b>	<b>\$ 21,146,272</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 996,453	\$ 1,003,136	\$ 961,342	\$ 988,953
Contributions - employee	6,685	31,816	12,084	0
Net investment income	1,675,230	506,528	1,590,479	2,138,768
Benefit payments, including refunds of employee contributions	(1,436,104)	(1,365,515)	(1,275,242)	(1,298,321)
Administrative expense	(36,925)	(37,164)	(39,142)	(45,297)
Net change in plan fiduciary net position	1,205,339	138,801	1,249,521	1,784,103
Plan fiduciary net position - beginning	17,553,109	17,414,308	16,164,787	14,380,684
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 18,758,448</b>	<b>\$ 17,553,109</b>	<b>\$ 17,414,308</b>	<b>\$ 16,164,787</b>
<b>Net pension liability (asset) - ending : (a) - (b)</b>	<b>\$ 7,047,696</b>	<b>\$ 6,101,658</b>	<b>\$ 5,392,935</b>	<b>\$ 4,981,485</b>
Plan's fiduciary net position as a percentage of the total pension liat	72.69%	74.21%	76.35%	76.44%
Covered payroll	\$ 3,661,543	\$ 3,482,985	\$ 3,505,675	\$ 3,730,435
Net pension liability as a percentage of covered payroll	192.48%	175.18%	153.83%	133.54%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior are not reported.

**Fiscal Year End**

<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 179,037	\$ 236,833	\$ 328,917
1,474,422	1,412,604	1,443,234
67,694	463,073	(652,819)
0	0	(240,685)
<u>(1,305,321)</u>	<u>(1,324,394)</u>	<u>(1,223,348)</u>
415,832	788,116	(344,701)
<u>19,677,462</u>	<u>18,889,346</u>	<u>19,234,047</u>
<u>\$ 20,093,294</u>	<u>\$ 19,677,462</u>	<u>\$ 18,889,346</u>

\$ 1,032,165	\$ 1,228,670	\$ 1,409,342
26,847	0	59,823
1,461,014	151,347	1,334,881
(1,305,321)	(1,324,394)	(1,223,348)
<u>(22,393)</u>	<u>(24,301)</u>	<u>(19,349)</u>
1,192,312	31,322	1,561,349
<u>13,188,372</u>	<u>13,157,050</u>	<u>11,595,701</u>
<u>\$ 14,380,684</u>	<u>\$ 13,188,372</u>	<u>\$ 13,157,050</u>

<u>\$ 5,712,610</u>	<u>\$ 6,489,090</u>	<u>\$ 5,732,296</u>
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71.57%	67.02%	69.65%
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\$ 3,845,923	\$ 4,034,416	\$ 4,658,538
148.54%	160.84%	123.05%

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF PENSION CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**  
**(Unaudited)**

	Fiscal Year End			
	2021	2020	2019	2018
Actuarially determined contribution	\$ 1,043,562	\$ 1,096,701	\$ 970,814	\$ 956,718
Contributions in relation to the actuarially determined contribution	(1,043,562)	(1,096,701)	(970,814)	(957,818)
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (1,100)</u>
Covered payroll	\$ 3,254,355	\$ 3,729,981	\$ 3,658,954	\$ 3,844,876
Contributions as a percentage of covered payroll	32.07%	29.40%	26.53%	24.88%

Note: Fiscal year 2015 was the first year of implementation. Therefore, years prior are not reported.

**Fiscal Year End**

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 997,298	\$ 1,042,387	\$ 1,292,164
<u>(999,098)</u>	<u>(1,042,387)</u>	<u>(1,469,165)</u>
<u><u>(1,800)</u></u>	<u><u>0</u></u>	<u><u>(177,001)</u></u>
\$ 3,871,009	\$ 3,880,640	\$ 4,188,210
25.76%	26.86%	30.85%

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**  
**(Unaudited)**

	Fiscal Year End			
	2021	2020	2019	2018
<b>Total OPEB liability</b>				
Service cost	\$ 31,482	\$ 41,301	\$ 40,300	\$ 44,900
Interest	94,520	87,670	79,400	68,700
Differences between expected and actual experience	(55,386)	284,951	35,100	0
Changes in assumptions	0	(255,552)	(1,300)	(49,000)
Benefit payments, including refunds of member contributions	(43,539)	(28,938)	(59,300)	(57,800)
Net change in total OPEB liability	27,077	129,432	94,200	6,800
Total OPEB liability - beginning	1,271,532	1,142,100	1,047,900	1,041,100
<b>Total OPEB liability - ending (a)</b>	<b><u>\$ 1,298,609</u></b>	<b><u>\$ 1,271,532</u></b>	<b><u>\$ 1,142,100</u></b>	<b><u>\$ 1,047,900</u></b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 125,339	\$ 124,338	\$ 134,300	\$ 132,800
Net investment income	36,075	46,100	55,000	64,300
Benefit payments, including refunds of member contributions	(43,539)	(28,938)	(59,300)	(57,800)
Administrative expenses	(2,105)	(1,800)	(600)	(900)
Net change in plan fiduciary net position	115,770	139,700	129,400	138,400
Plan fiduciary net position - beginning	800,700	661,000	531,600	393,200
<b>Plan fiduciary net position - ending (b)</b>	<b><u>\$ 916,470</u></b>	<b><u>\$ 800,700</u></b>	<b><u>\$ 661,000</u></b>	<b><u>\$ 531,600</u></b>
<b>Net OPEB liability (asset) - ending : (a) - (b)</b>	<b><u>\$ 382,139</u></b>	<b><u>\$ 470,832</u></b>	<b><u>\$ 481,100</u></b>	<b><u>\$ 516,300</u></b>
Plan's fiduciary net position as a percentage of the total OPEB liability	70.57%	62.97%	57.88%	50.73%
Covered employee payroll	\$ 7,228,982	\$ 6,952,819	\$ 6,952,800	\$ 6,489,900
Plan net OPEB liability as a percentage of covered employee payroll	5.29%	6.77%	6.92%	7.96%

Note: Fiscal year 2018 was the first year of implementation. Therefore, years prior are not reported.



**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF OPEB CONTRIBUTIONS**  
**LAST TEN FISCAL YEARS**  
**June 30, 2021**  
**(Unaudited)**

	<b>Fiscal Year End</b>			
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Actuarially determined contribution	\$ 65,340	\$ 62,929	\$ 59,300	\$ 57,800
Contributions in relation to the actuarially determined contribution	<u>(125,339)</u>	<u>(124,340)</u>	<u>(134,300)</u>	<u>(132,800)</u>
Contribution deficiency (excess)	<u>\$ (59,999)</u>	<u>\$ (61,411)</u>	<u>\$ (75,000)</u>	<u>\$ (75,000)</u>
Covered employee payroll	\$ 7,740,746	\$ 7,109,257	\$ 6,952,819	\$ 6,950,672
Contributions as a percentage of covered employee payroll	1.62%	1.75%	1.93%	1.91%

Note: Fiscal year 2018 was the first year of implementation. Therefore, years prior are not reported.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2021**

**Pension Plan**

**1. Valuation Date**

The actuarially determined contribution rate was determined as of January 1, 2021, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2022

**2. Methods and Assumptions Used to Determine Contribution Rates**

Actuarial cost method = Projected unit credit

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years.

Asset valuation method = Sum of 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 20% of market value.

Net investment rate of return = 7.375%

Projected salary increases = 2.25% plus service-based merit increases

Cost of living adjustments = 0.00%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Healthy Retiree Mortality Table with rates multiplied by 1.25. Disabled mortality rates were based on the Sex-Distinct Pri-2012 Head-Count Weighted Disabled Retiree Mortality Table with rates multiplied by 1.25.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2021**

**Pension Plan (continued)**

**3. Changes in Benefits**

There were no changes in benefit provisions in the last two fiscal years.

**4. Changes of Assumptions**

Amounts reported for the fiscal year ending in 2020 and later reflect the following assumption changes based on an actuarial study conducted in November and December of 2019:

The mortality table for healthy retirees and beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Healthy Retiree Mortality Table with rates multiplied by 1.25

The mortality table for disabled participants was changed from the sex-distinct RP-2000 Disabled Retiree Mortality Table to the sex-distinct Pri-2012 head-count weighted Disabled Retiree Mortality Table with rates multiplied by 1.25

The mortality table for active participants, terminated vested participants and deferred beneficiaries was changed from the sex-distinct RP-2000 Combined Healthy Mortality Table, set forward two years in age for males and one year for females to the sex-distinct Pri-2012 head-count weighted Employee Mortality Table

Future mortality improvement is based on projecting generationally from 2012 using 60% of the sex-distinct Scale SSA2019. Previously future mortality improvements were not explicitly projected.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2021**

**Pension Plan (continued)**

**4. Changes of Assumptions (continued)**

The prior retirement assumption was based on the Plan's Normal retirement eligibility. If normal retirement eligibility was only available on or after age 65, the prior assumption was 60% at ages 65 to 69 and 100% at age 70 or older. If normal retirement eligibility was available prior to age 65, the rates were 10% at ages 55 to 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at ages 65 to 69, and 100% at age 70 and older as long as a participant was at least eligible for early retirement.

The new assumption relates to when a given participant is eligible for normal retirement (either regular normal retirement or alternative normal retirement). Retirement rates do not apply if a participant is not eligible for either early or normal retirement. The retirement rates where normal retirement is available on or after age 65 are 5% at ages 55 to 59, 7% at ages 60 and 61, 20% at age 62, 10% at ages 63 and 6, 35% at ages 65 to 69, 25% at ages 66 to 71, and 100% at ages 72 and older.

Where normal retirement is available to a given participant at age 62, 63, or 64, the new retirement rates are 3% when first eligible for early retirement through age 60, 10% at ages 61 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increase by 30%.

Where normal retirement is available at age 60 or 61, the new retirement rates are 3% when first eligible for early retirement through age 59, 10% at ages 60 to 64, 35% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 20%.

Where normal retirement is available prior to age 60, the new retirement rates are 3% when first eligible for early retirement through the year prior to normal retirement eligibility, 10% from normal retirement eligibility through age 59, 20% at age 60, 25% at age 61, 35% at age 62, 40% at age 63, 45% at age 64, 50% at age 65, 25% at ages 66 to 71 and 100% at ages 72 and older. In addition, in the first year a participant is eligible for normal retirement, the rate is increased by 10%.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2021**

**Pension Plan (continued)**

**4. Changes of Assumptions (continued)**

The turnover rates were changed from the greater of age-based rates and select rates for the first five years of service followed by age-based rates thereafter to service-based rates only.

The disability rates were changed to 50% of the rates in the prior age-based table.

The inflation assumption was decreased from 2.75% to 2.25%.

The salary increase assumption was changed from a service-based salary scale starting at 8.25% for the first two years of service with an ultimate rate of 3.25% at ten years of service to a service-based scale starting at 8.50% for the first two years of service with an ultimate rate of 3.00% at 15 years of service.

The investment return assumption was decreased from 7.50% to 7.375%.

**OPEB Plan**

**1. Valuation Date**

The actuarially determined contribution rates are determined as of July 1, 2020 based on the most recent valuation within 30 months of the fiscal year end.

**2. Methods and Assumptions Used to Determine Contribution Rates**

Actuarial cost method = Entry age normal

Amortization method = Open 30 years, level percent of payroll

Remaining amortization period = 30 years

Asset valuation method = Market value

Projected salary increases = 3.00% to 8.50%, including inflation

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**June 30, 2021**

**OPEB Plan (continued)**

**2. Methods and Assumptions Used to Determine Contribution Rates, continued**

Inflation = 2.25%

Discount rate = 7.375%

Healthcare cost trend rates = Medical per capita costs, retiree contributions, and premiums are assumed to increase 7.00% for fiscal year 2020 and then decrease 0.25% per year to an ultimate rate of 4.50%.

Mortality = Healthy mortality rates were based on the sex-distinct Pri-2012 head-count weighted Mortality Tables with rates multiplied by 1.25, projected generationally from 2012.

**3. Changes in Benefits**

None.

**4. Changes of Assumptions**

None.

***COMBINING STATEMENTS***

***Nonmajor Governmental Funds***

***Nonmajor Enterprise Funds***

***Nonmajor Internal Service Funds***

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## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenues that are legally or donor restricted or committed to expenditure for particular purposes.

Hotel/Motel Tax Fund – This fund is used to account for the hotel/motel taxes collected and expenditures related to tourism.

Police Escrow Fund – This fund is used to account for cash received for condemned funds received and disbursed for law enforcement purposes.

City Festivals Fund – This fund is used to account for revenues and expenditures related to festivals and events held by the city.

### **CAPITAL PROJECTS FUNDS**

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

LMIG Fund – This fund is used to account for the cost of Georgia Department of Transportation (GDOT) paving projects.

2012 Special Purpose Local Option Sales Tax Fund – This fund is used to account for the expenditures of the 2012 SPLOST.

**CITY OF WINDER, GEORGIA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
June 30, 2021**

	<b>Special Revenue</b>		
	<b>Hotel/ Motel Tax</b>	<b>Police Escrow</b>	<b>City Festivals</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,689	\$ 146,363	\$ 710
Accounts receivable	0	8,300	0
Taxes receivable	25,179	0	0
	<hr/>	<hr/>	<hr/>
<b>Total assets</b>	<b>\$ 29,868</b>	<b>\$ 154,663</b>	<b>\$ 710</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 22,075	\$ 0	\$ 557
Retainages payable	0	0	0
Due to others	0	37,535	0
Due to other funds	0	0	0
	<hr/>	<hr/>	<hr/>
<b>Total liabilities</b>	<b>22,075</b>	<b>37,535</b>	<b>557</b>
	<hr/>	<hr/>	<hr/>
<b>Fund balances</b>			
Restricted for:			
Public Safety	0	117,128	0
Culture and Recreation	0	0	153
Capital Outlay	0	0	0
Assigned for Housing and Development	7,793	0	0
	<hr/>	<hr/>	<hr/>
Total fund balances	7,793	117,128	153
	<hr/>	<hr/>	<hr/>
<b>Total liabilities and fund balances</b>	<b>\$ 29,868</b>	<b>\$ 154,663</b>	<b>\$ 710</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

<b>Capital Projects</b>		<b>Total</b>
<b>LMIG</b>	<b>SPLOST 2012</b>	<b>Nonmajor Governmental Funds</b>
\$ 176,092	\$ 1,152,534	\$ 1,480,388
0	0	8,300
0	0	25,179
<u>\$ 176,092</u>	<u>\$ 1,152,534</u>	<u>\$ 1,513,867</u>
\$ 0	\$ 10,225	\$ 32,857
52,588	0	52,588
0	0	37,535
0	18,381	18,381
<u>52,588</u>	<u>28,606</u>	<u>141,361</u>
0	0	117,128
0	0	153
123,504	1,123,928	1,247,432
0	0	7,793
<u>123,504</u>	<u>1,123,928</u>	<u>1,372,506</u>
<u>\$ 176,092</u>	<u>\$ 1,152,534</u>	<u>\$ 1,513,867</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**For the fiscal year ended June 30, 2021**

	Special Revenue		
	Hotel/ Motel Tax	Police Escrow	City Festivals
<b>REVENUES</b>			
Taxes	\$ 236,251	\$ 0	\$ 0
Fines, fees, and forfeitures	0	48,470	0
Intergovernmental	0	0	0
Contributions	0	0	290
Interest	0	0	0
<b>Total revenues</b>	<u>236,251</u>	<u>48,470</u>	<u>290</u>
<b>EXPENDITURES</b>			
Current			
Public Safety	0	10,130	0
Culture and Recreation	0	0	25,110
Housing and Development	69,567	0	0
Capital Outlay	0	0	0
<b>Total expenditures</b>	<u>69,567</u>	<u>10,130</u>	<u>25,110</u>
Excess (deficiency) of revenues over (under) expenditures	<u>166,684</u>	<u>38,340</u>	<u>(24,820)</u>
Other financing sources (uses)			
Transfers in	0	0	22,000
Transfers out	(166,653)	0	0
<b>Total other financing sources (uses)</b>	<u>(166,653)</u>	<u>0</u>	<u>22,000</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	31	38,340	(2,820)
Fund balances, July 1	<u>7,762</u>	<u>78,788</u>	<u>2,973</u>
<b>Fund balances, June 30</b>	<u><u>\$ 7,793</u></u>	<u><u>\$ 117,128</u></u>	<u><u>\$ 153</u></u>

Capital Projects		Total Nonmajor Governmental Funds
LMIG	SPLOST 2012	
\$ 0	\$ 0	\$ 236,251
0	0	48,470
246,187	0	246,187
0	0	290
0	590	590
<u>246,187</u>	<u>590</u>	<u>531,788</u>
0	0	10,130
0	0	25,110
0	0	69,567
<u>525,876</u>	<u>0</u>	<u>525,876</u>
<u>525,876</u>	<u>0</u>	<u>630,683</u>
<u>(279,689)</u>	<u>590</u>	<u>(98,895)</u>
0	0	22,000
<u>0</u>	<u>(28,607)</u>	<u>(195,260)</u>
<u>0</u>	<u>(28,607)</u>	<u>(173,260)</u>
(279,689)	(28,017)	(272,155)
<u>403,193</u>	<u>1,151,945</u>	<u>1,644,661</u>
<u>\$ 123,504</u>	<u>\$ 1,123,928</u>	<u>\$ 1,372,506</u>

**CITY OF WINDER, GEORGIA**  
**HOTEL/MOTEL TAX SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For the fiscal year ended June 30, 2021**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Hotel/motel taxes	\$ 105,000	\$ 236,251	\$ 131,251
<b>EXPENDITURES</b>			
<b>Current</b>			
Housing and Development	30,000	69,567	(39,567)
Excess (deficiency) of revenues over (under) expenditures	75,000	166,684	91,684
Other financing sources (uses)			
Transfers out	(75,000)	(166,653)	(91,653)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	31	31
Fund balances, July 1	0	7,762	7,762
<b>Fund balances, June 30</b>	<u>\$ 0</u>	<u>\$ 7,793</u>	<u>\$ 7,793</u>

**CITY OF WINDER, GEORGIA**  
**POLICE ESCROW SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For the fiscal year ended June 30, 2021**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Fines and forfeitures	\$ 5,000	\$ 48,470	\$ 43,470
<b>EXPENDITURES</b>			
<b>Current</b>			
Public Safety	5,000	10,130	(5,130)
Excess (deficiency) of revenues over (under) expenditures	0	38,340	38,340
Fund balances, July 1	0	78,788	78,788
<b>Fund balances, June 30</b>	<b>\$ 0</b>	<b>\$ 117,128</b>	<b>\$ 117,128</b>

**CITY OF WINDER, GEORGIA**  
**CITY FESTIVALS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**BUDGET (GAAP BASIS) AND ACTUAL**  
**For the fiscal year ended June 30, 2021**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Charges for services	\$ 64,800	\$ 0	\$ (64,800)
Contributions	20,000	290	(19,710)
<b>Total revenues</b>	<u>84,800</u>	<u>290</u>	<u>(84,510)</u>
<b>EXPENDITURES</b>			
<b>Current</b>			
Culture and Recreation	84,800	25,110	59,690
Excess (deficiency) of revenues over (under) expenditures	0	(24,820)	(24,820)
Other financing sources (uses)			
Transfers in	0	22,000	22,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(2,820)	(2,820)
Fund balances, July 1	<u>0</u>	<u>2,973</u>	<u>2,973</u>
<b>Fund balances, June 30</b>	<u><u>\$ 0</u></u>	<u><u>\$ 153</u></u>	<u><u>\$ 153</u></u>



## ***NONMAJOR PROPRIETARY FUNDS***

### ***ENTERPRISE FUNDS***

Solid Waste Management Fund – This fund is used to account for the contract costs of solid waste collection, disposal, and recycling.

Environmental Protection Fund – This fund is used to record 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.

Special Facilities Fund – This fund is used to account for the rents and other income and the related costs (including depreciation) of operating the City's Community Center, Adult Education Center, Historic Train Station, Cultural Arts Center, and other City-owned income producing buildings.

Golf Fund – This fund is used to account for the operation and maintenance associated with management of the Chimneys Golf Course which is located at 338 Monroe Highway, Winder, Georgia.

### ***INTERNAL SERVICE FUNDS***

Utility Service Fund – This fund is used to account for the City's utility billing, meter reading and Customer Service.

Buildings Fund – This fund is used to account for the purchase and capital costs of its General Government Buildings. The Building Fund then receives rental income from the departments that use these buildings.

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**June 30, 2021**

	<u>Solid Waste Management</u>	<u>Environmental Protection</u>	<u>Special Facilities</u>	<u>Golf</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents	\$ 474,071	\$ 730	\$ 164,908	\$ 6,213	\$ 645,922
Accounts receivable (net)	159,150	9,825	1,829	3,600	174,404
Inventories	0	0	0	26,358	26,358
Total current assets	<u>633,221</u>	<u>10,555</u>	<u>166,737</u>	<u>36,171</u>	<u>846,684</u>
<b>Noncurrent assets</b>					
Capital assets					
Non-depreciable	0	985,528	2,935,938	495,546	4,417,012
Depreciable (net)	212,878	2,845,566	2,366,744	323,450	5,748,638
Total noncurrent assets	<u>212,878</u>	<u>3,831,094</u>	<u>5,302,682</u>	<u>818,996</u>	<u>10,165,650</u>
<b>Total assets</b>	<u>846,099</u>	<u>3,841,649</u>	<u>5,469,419</u>	<u>855,167</u>	<u>11,012,334</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred outflows related to pensions	0	84,929	0	0	84,929
Deferred outflows related to other post employment benefits	0	6,099	0	22,363	28,462
<b>Total deferred outflows of resources</b>	<u>0</u>	<u>91,028</u>	<u>0</u>	<u>22,363</u>	<u>113,391</u>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Accounts payable	68,022	151,187	757	70,234	290,200
Accrued salaries	0	1,857	0	9,728	11,585
Compensated absences	0	1,368	0	2,536	3,904
Unearned revenue	0	0	13,625	17,173	30,798
Advances from other funds	0	136,870	0	40,000	176,870
Total current liabilities	<u>68,022</u>	<u>291,282</u>	<u>14,382</u>	<u>139,671</u>	<u>513,357</u>
<b>Noncurrent liabilities</b>					
Advances from other funds	0	136,870	0	420,000	556,870
Compensated absences	0	152	0	282	434
Net pension liability	0	119,452	0	0	119,452
Net OPEB liability	0	6,589	0	24,158	30,747
Total noncurrent liabilities	<u>0</u>	<u>263,063</u>	<u>0</u>	<u>444,440</u>	<u>707,503</u>
<b>Total liabilities</b>	<u>68,022</u>	<u>554,345</u>	<u>14,382</u>	<u>584,111</u>	<u>1,220,860</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**June 30, 2021**

	<u>Solid Waste Management</u>	<u>Environmental Protection</u>	<u>Special Facilities</u>	<u>Golf</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pensions	\$ 0	\$ 17,022	\$ 0	\$ 0	\$ 17,022
Deferred inflows related to other post employment benefits	<u>0</u>	<u>4,325</u>	<u>0</u>	<u>15,857</u>	<u>20,182</u>
<b>Total deferred inflows of resources</b>	<u>0</u>	<u>21,347</u>	<u>0</u>	<u>15,857</u>	<u>37,204</u>
<b>NET POSITION</b>					
Net investment in capital assets	212,878	3,682,839	5,302,682	801,096	9,999,495
Unrestricted	<u>565,199</u>	<u>(325,854)</u>	<u>152,355</u>	<u>(523,534)</u>	<u>(131,834)</u>
<b>Total net position</b>	<u>\$ 778,077</u>	<u>\$ 3,356,985</u>	<u>\$ 5,455,037</u>	<u>\$ 277,562</u>	<u>\$ 9,867,661</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the fiscal year ended June 30, 2021**

	<b>Solid Waste Management</b>	<b>Environmental Protection</b>	<b>Special Facilities</b>	<b>Golf</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>					
Charges for sales and services	\$ 1,353,670	\$ 473,430	\$ 30,070	\$ 1,156,399	\$ 3,013,569
<b>OPERATING EXPENSES</b>					
Costs of sales and services	1,241,889	213,515	182,738	571,096	2,209,238
Personal services	0	166,795	712	560,402	727,909
Depreciation	5,605	88,610	135,337	66,998	296,550
<b>Total operating expenses</b>	<b>1,247,494</b>	<b>468,920</b>	<b>318,787</b>	<b>1,198,496</b>	<b>3,233,697</b>
Operating income (loss)	106,176	4,510	(288,717)	(42,097)	(220,128)
Transfers in (out)					
Transfers in	0	437,000	769,573	0	1,206,573
Change in net position	106,176	441,510	480,856	(42,097)	986,445
Net position, July 1	671,901	2,915,475	4,974,181	319,659	8,881,216
<b>Net position, June 30</b>	<b>\$ 778,077</b>	<b>\$ 3,356,985</b>	<b>\$ 5,455,037</b>	<b>\$ 277,562</b>	<b>\$ 9,867,661</b>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the fiscal year ended June 30, 2021**

	Solid Waste Management	Environmental Protection	Special Facilities	Golf	Total Nonmajor Enterprise Funds
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 1,363,847	\$ 518,940	\$ 27,845	\$ 1,157,962	\$ 3,068,594
Payments to suppliers	(1,237,915)	(227,527)	(182,738)	(529,469)	(2,177,649)
Payments to employees	0	(157,635)	(712)	(580,591)	(738,938)
Net cash provided (used) by operating activities	<u>125,932</u>	<u>133,778</u>	<u>(155,605)</u>	<u>47,902</u>	<u>152,007</u>
<b>Cash flows from non-capital financing activities:</b>					
Receipts from other funds	0	437,000	67,512	0	504,512
Payments to other funds	0	(136,870)	0	0	(136,870)
Net cash provided (used) by non-capital financing activities	<u>0</u>	<u>300,130</u>	<u>67,512</u>	<u>0</u>	<u>367,642</u>
<b>Cash flows from capital and related financing activities:</b>					
Payment of capital related accounts payable	0	(45,000)	0	0	(45,000)
Receipts from other funds	0	0	702,061	0	702,061
Acquisition of capital assets	0	(392,054)	(702,061)	(42,810)	(1,136,925)
Net cash provided (used) by capital and related financing activities	<u>0</u>	<u>(437,054)</u>	<u>0</u>	<u>(42,810)</u>	<u>(479,864)</u>
Net increase (decrease) in cash and cash equivalents	125,932	(3,146)	(88,093)	5,092	39,785
Cash and cash equivalents, July 1	<u>348,139</u>	<u>3,876</u>	<u>253,001</u>	<u>1,121</u>	<u>606,137</u>
<b>Cash and cash equivalents, June 30</b>	<u><u>\$ 474,071</u></u>	<u><u>\$ 730</u></u>	<u><u>\$ 164,908</u></u>	<u><u>\$ 6,213</u></u>	<u><u>\$ 645,922</u></u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**For the fiscal year ended June 30, 2021**

	<u>Solid Waste Management</u>	<u>Enviromental Protection</u>	<u>Special Facilities</u>	<u>Golf</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>					
Operating income (loss)	\$ 106,176	\$ 4,510	\$ (288,717)	\$ (42,097)	\$ (220,128)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	5,605	88,610	135,337	66,998	296,550
(Increase) decrease in accounts receivable	10,177	45,510	11,300	0	66,987
(Increase) decrease in inventories	0	0	0	13,149	13,149
(Increase) decrease in deferred outflows of resources	0	(63,815)	0	(10,778)	(74,593)
Increase (decrease) in accounts payable	3,974	(14,012)	0	28,478	18,440
Increase (decrease) in unearned revenue	0	0	(13,525)	1,563	(11,962)
Increase (decrease) in accrued salaries	0	(2,927)	0	(17,754)	(20,681)
Increase (decrease) in compensated absences payable	0	(242)	0	(10,093)	(10,335)
Increase (decrease) in net pension liability	0	73,690	0	0	73,690
Increase (decrease) in net OPEB liability	0	(3,105)	0	10,310	7,205
Increase (decrease) in deferred inflows of resources	0	5,559	0	8,126	13,685
Total adjustments	19,756	129,268	133,112	89,999	372,135
Net cash provided (used) by operating activities	<u>\$ 125,932</u>	<u>\$ 133,778</u>	<u>\$ (155,605)</u>	<u>\$ 47,902</u>	<u>\$ 152,007</u>

**Noncash investing, capital, and financing activities:**

Acquisition of capital assets through accounts payable totaled \$166,155.  
Contributions of capital assets from governmental activities totaled \$19,410.

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**June 30, 2021**

<b>ASSETS</b>	<b>Utility Service</b>	<b>Buildings</b>	<b>Totals</b>
<b>Current assets</b>			
Cash and cash equivalents	\$ 114,650	\$ 763,364	\$ 878,014
Prepaid items	8,400	3,083	11,483
Total current assets	<u>123,050</u>	<u>766,447</u>	<u>889,497</u>
<b>Noncurrent assets</b>			
Capital Assets			
Nondepreciable	0	296,615	296,615
Depreciable (net)	767	8,188,932	8,189,699
Total noncurrent assets	<u>767</u>	<u>8,485,547</u>	<u>8,486,314</u>
<b>Total assets</b>	<u>123,817</u>	<u>9,251,994</u>	<u>9,375,811</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows related to other post employment benefits	18,297	0	18,297
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	36,960	8,164	45,124
Accrued salaries	5,312	0	5,312
Compensated absences	7,022	0	7,022
Due to other funds	59,300	22,887	82,187
Total current liabilities	<u>108,594</u>	<u>31,051</u>	<u>139,645</u>
<b>Noncurrent liabilities</b>			
Compensated absences	780	0	780
Advances from other funds	0	679,769	679,769
Net OPEB liability	19,766	0	19,766
Total noncurrent liabilities	<u>20,546</u>	<u>679,769</u>	<u>700,315</u>
<b>Total liabilities</b>	<u>129,140</u>	<u>710,820</u>	<u>839,960</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows related to other post employment benefits	12,974	0	12,974
<b>NET POSITION</b>			
Net investment in capital assets	767	8,485,547	8,486,314
Unrestricted	(767)	55,627	54,860
<b>Total net position</b>	<u>\$ 0</u>	<u>\$ 8,541,174</u>	<u>\$ 8,541,174</u>

**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**For the fiscal year ended June 30, 2021**

	<u>Utility Service</u>	<u>Buildings</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>			
Charges for sales and services	\$ 673,571	\$ 620,413	\$ 1,293,984
<b>Total operating revenues</b>	<u>673,571</u>	<u>620,413</u>	<u>1,293,984</u>
<b>OPERATING EXPENSES</b>			
Costs of sales and services	266,386	439,918	706,304
Personal services	402,585	0	402,585
Depreciation	4,600	180,495	185,095
<b>Total operating expenses</b>	<u>673,571</u>	<u>620,413</u>	<u>1,293,984</u>
Operating income (loss)	0	0	0
Transfers in (out)			
Transfers in	<u>0</u>	<u>41,568</u>	<u>41,568</u>
Change in net position	0	41,568	41,568
Net position, July 1	<u>0</u>	<u>8,499,606</u>	<u>8,499,606</u>
<b>Net position, June 30</b>	<u><u>\$ 0</u></u>	<u><u>\$ 8,541,174</u></u>	<u><u>\$ 8,541,174</u></u>



**CITY OF WINDER, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**For the fiscal year ended June 30, 2021**

	<u>Utility Service</u>	<u>Buildings</u>	<u>Total</u>
<b>Cash flows from operating activities:</b>			
Receipts from interfund services provided	\$ 673,571	\$ 620,413	\$ 1,293,984
Payments to suppliers	(264,269)	(440,166)	(704,435)
Payments to employees	(433,605)	0	(433,605)
	<u>(24,303)</u>	<u>180,247</u>	<u>155,944</u>
<b>Net cash provided (used) by operating activities</b>			
<b>Cash flows from non-capital financing activities:</b>			
Payments to other funds	0	(22,887)	(22,887)
	<u>0</u>	<u>(22,887)</u>	<u>(22,887)</u>
<b>Cash flows from capital and related financing activities:</b>			
Receipts from other funds	0	41,568	41,568
Acquisition of capital assets	0	(41,568)	(41,568)
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net cash provided (used) by capital financing activities:</b>			
	<u>0</u>	<u>0</u>	<u>0</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(24,303)</u>	<u>157,360</u>	<u>133,057</u>
<b>Cash and cash equivalents, July 1</b>	<u>138,953</u>	<u>606,004</u>	<u>744,957</u>
<b>Cash and cash equivalents, June 30</b>	<u>\$ 114,650</u>	<u>\$ 763,364</u>	<u>\$ 878,014</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ 0	\$ 0	\$ 0
<b>Adjustments to reconcile operating loss to net cash provided (used) by operating activities:</b>			
Depreciation expense	4,600	180,495	185,095
(Increase) decrease in deferred outflows of resources	40,119	0	40,119
(Increase) decrease in prepaid items	0	3,084	3,084
Increase (decrease) in accounts payable	2,117	(3,332)	(1,215)
Increase (decrease) in accrued salaries	(12,018)	0	(12,018)
Increase (decrease) in compensated absences payable	(791)	0	(791)
Increase (decrease) in net pension liability	(90,915)	0	(90,915)
Increase (decrease) in net OPEB liability	(5,160)	0	(5,160)
Increase (decrease) in deferred inflows of resources	37,745	0	37,745
	<u>(24,303)</u>	<u>180,247</u>	<u>155,944</u>
<b>Total adjustments</b>			
<b>Net cash provided (used) by operating activities</b>	<u>\$ (24,303)</u>	<u>\$ 180,247</u>	<u>\$ 155,944</u>

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***OTHER REPORTING SECTION***

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***SINGLE AUDIT SECTION***

This section contains reports required by the Uniform Guidance and grantor agencies.

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**Independent Auditor's 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, in accordance with the 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, 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, 2021, and the related notes to the financial statements, which collectively comprise the City of Winder, Georgia's basic financial statements and have issued our report thereon dated May 16, 2022.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City of Winder, Georgia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the City of Winder, Georgia's internal control.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001, that we consider to be a significant deficiency.

## **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 on the financial statements. 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-002.

## **City of Winder, Georgia's Responses to Findings**

City of Winder, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. City of Winder's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

## **Purpose of this Report**

This report is intended solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Winder, Georgia's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Rushton, LLC*

Certified Public Accountants

Gainesville, Georgia  
May 16, 2022



**Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

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

**Report on Compliance for Each Major Federal Program**

We have audited the City of Winder, Georgia’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Winder, Georgia’s major federal programs for the year ended June 30, 2021. The City of Winder, Georgia’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

**Management’s Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on compliance for each of the City of Winder, Georgia’s major programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City of Winder, Georgia’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the City of Winder, Georgia’s compliance.

**Opinion on Each Major Federal Program**

In our opinion, the City of Winder, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

## Report on Internal Control over Compliance

Management of the City of Winder, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Winder's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Winder's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance 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 compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Rushton, LLC*

Certified Public Accountants

Gainesville, Georgia

May 16, 2022

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*For the fiscal year ended June 30, 2021*

<u>Federal Grant/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Number</u>	<u>Total Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b><u>Department of the Treasury</u></b>				
Passed through Georgia Governor's Office of Planning and Budget:				
COVID-19 Coronavirus Relief Fund	21.019	14514-CRF	<u>\$ 938,960</u>	<u>\$ 0</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 938,960</u></u>	<u><u>\$ 0</u></u>

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

**CITY OF WINDER, GEORGIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the fiscal year ended June 30, 2021**

**1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Winder, Georgia, under programs for the federal government for the current fiscal year. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because this schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

**2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement .

**3. Indirect Cost Rate**

The City of Winder, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the fiscal year ended June 30, 2021**

**1. Summary of the Auditor's Results**

**A. Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	Yes

**B. Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant deficiencies identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported
Identification of major programs:	
21.019      COVID-19 Coronavirus Relief Fund	
Dollar threshold used to distinguish Between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	No

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the fiscal year ended June 30, 2021**

**2. Financial Statement Findings**

**A. Current Year Audit Findings**

**2021-001**

*Condition:* During audit procedures at the Golf Course, we noted a lack of segregation of duties. The same employee is performing the duties of processing cash receipts, recording cash receipts, and taking the deposit to the bank. These duties should be performed by different employees when possible.

*Criteria:* Proper segregation of duties requires that the duties of taking receipts, recording receipts, and depositing receipts be performed by different employees.

*Effect:* Failure to maintain adequate segregation of duties subjects the assets of the City to greater risk of misappropriation.

*Cause:* The City's Golf Course currently has a limited number of employees available to perform financial duties; therefore, financial duties are not appropriately segregated amongst multiple employees.

*Recommendation:* To ensure that sufficient internal controls are in place, the City should properly segregate duties. It may not be practical to hire additional employees to properly segregate duties considering the current limitation of resources. Management should consider using a cost benefit analysis and or risk reward analysis to determine if the City should hire additional employees to properly segregate financial duties.

*Management Response:* Management concurs with this finding. Management intends to evaluate the current policies and procedures to ensure that duties are segregated to the greatest extent possible utilizing the City's current resources. This action was taken immediately upon receipt of the comment from our auditors.

**2021-002**

*Condition:* The City experienced a material excess of expenditures over appropriations in the General Fund and the Hotel Motel Tax and Police Escrow Special Revenue Funds.

*Criteria:* OCGA Code Section 36-81-3 requires local governments to operate under an approved annual budget for the General Fund, each Special Revenue Fund, and each Debt Service Fund.

*Effect:* Failure to maintain expenditures within the balanced budgets and failure to adopt annual budgets as required by OCGA Code Section 36-81-3 will place the City in violation of state law.

*Cause:* The City did not amend the budgets of funds with expenditures over appropriations to ensure resources were available for the material overbudget expenditures.

*Recommendation:* City management should ensure that annual operating budgets are adopted for the General Fund, each Special Revenue Fund, and each Debt Service Fund as required by state law. Budget to actual comparisons should be periodically reviewed by City management and budgets amended as needed to ensure that the City remains in compliance with state law.

*Management Response:* Management concurs with this finding. Management will ensure that an annual budget is adopted for the General Fund, each Special Revenue Fund, and each Debt Service Fund, and will review the budget to actual comparisons and recommend any necessary budget revisions to the City.

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the fiscal year ended June 30, 2021**

**2. Financial Statement Findings (continued)**

**B. Prior Year Audit Findings Follow-Ups**

2020-001

*Condition:* During audit procedures at the Golf Course, we noted a lack of segregation of duties. The same employee is performing the duties of processing cash receipts, recording cash receipts, voiding cash receipts, and taking the deposit to the bank. These duties should be performed by different employees when possible.

Not corrected.

**3. Federal Award Findings and Questioned Costs**

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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***STATE REPORTING SECTION***

This section contains additional reports required by the State of Georgia.

**CITY OF WINDER, GEORGIA**  
**SCHEDULE OF PROJECTS FINANCED WITH SPECIAL**  
**PURPOSE LOCAL OPTION SALES TAX**  
**For the fiscal year ended June 30, 2021**

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
<b>2012 SPLOST</b>					
Local Street Projects	\$ 2,451,259	\$ 2,451,259	\$ 2,528,349	\$ 0	\$ 2,528,349
Water and Sewer Infrastructure, Improvements, Facilities and Equipment	4,357,793	4,357,793	2,508,282	28,607	2,536,889
Total	<u>\$ 6,809,052</u>	<u>\$ 6,809,052</u>	<u>\$ 5,036,631</u>	<u>\$ 28,607</u>	<u>\$ 5,065,238</u>

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
<b>2018 SPLOST</b>					
Roads/Sidewalks/Parking Areas/ Stormwater Projects	\$ 5,004,274	\$ 5,004,274	\$ 2,332,234	\$ 50,010	\$ 2,382,244
Police Department Facilities and Equipment	1,501,282	1,501,282	288,346	147,100	435,446
Fire Department Facilities and Equipment	1,501,282	1,501,282	1,814,693	0	1,814,693
Recreation/Parks/Greenspace Projects	1,501,282	1,501,282	1,793,123	748,494	2,541,617
Administrative Facilities and Equipment	500,428	500,428	1,728,754	81,517	1,810,271
Total	<u>\$ 10,008,548</u>	<u>\$ 10,008,548</u>	<u>\$ 7,957,150</u>	<u>\$ 1,027,121</u>	<u>\$ 8,984,271</u>

Current year expenditures	\$ 1,027,121
Principal paid on capital lease payable	<u>542,070</u>
Total expenditures and transfers out of the SPLOST 2018 fund	<u>\$ 1,569,191</u>

\* Estimated cost represents the portion of these projects to be financed with Special Purpose Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.





**City of Winder, Georgia  
Annual Financial Report  
June 30, 2021**